Development Co-operation Report 2010

OECD

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Report by Eckhard Deutscher
Chair of the **D**evelopment **A**ssistance **C**ommittee

OECD

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

Pursuant to Article 1 of the Convention signed in Paris on 14th December 1960, and which came into force on 30th September 1961, the Organisation for Economic Co-operation and Development (OECD) shall promote policies designed:

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– To contribute to sound economic expansion in member as well as non-member countries in the process of economic development.

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In order to achieve its aims the OECD has set up a number of specialised committees. One of these is the Development Assistance Committee, whose members have agreed to secure an expansion of aggregate volume of resources made available to developing countries and to improve their effectiveness. To this end, members periodically review together both the amount and the nature of their contributions to aid programmes, bilateral and multilateral, and consult each other on all other relevant aspects of their development assistance policies.

The members of the Development Assistance Committee are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Korea, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom, the United States and the Commission of the European Communities.

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Foreword by the Secretary-General

The world has seen unprecedented welfare gains in the last 50 years. The OECD's Development Assistance Committee (DAC), the world's principal donor forum, has contributed to these gains. It was a major force behind the Millennium Development Goals (MDGs), which continue to guide the development community. It enshrined the ownership principle as a central tenet of donor policy, allowing developing countries to take the lead in defining and implementing their own development strategies. It has successfully encouraged donor countries to provide more, and more effective aid. Thanks to these efforts, official development assistance reached a record level of USD 120.5 billion in 2008.

However, new global challenges demand a strengthened resolve by the DAC and the wider development community if aid is to make the headway needed in these final five years before the MDG target date. The most immediate challenge is the global economic crisis. Most developing countries have been exposed to some of its effects, despite having had no role in triggering it. In many cases it means they face an additional two or more years to achieve the MDGs. Thus, development assistance becomes more important than ever – both to establish social protection and employment measures to help poor people cope, as well as to underpin critical investments for restoring growth and social progress.

In OECD economies, reducing the growing burden of government debt will be a domestic policy preoccupation. Thus, it will be especially demanding to maintain – if not augment – development assistance. However, donor countries need to remember developing countries' strong economic track record before the crisis. With the right assistance, these countries can recover that growth. There has never been a better time to invest in developing countries: the returns to preserving and leveraging economic growth will be high.

There are other challenges that will not be easily met: climate change, pandemics, conflict and insecurity are all redefining how we assess "achievement". Without rising to meet these challenges, large numbers of people will remain vulnerable and in poverty even if the MDGs are met by the target date of 2015. As this report emphasises, these difficult times must strengthen our adherence to a course which is already set and clearly charted: to deliver effective, transparent, predictable and accountable aid.

Every single development dollar, peso, euro or yen must have an impact – it must go to those who need it most and we must be able to show our citizens that it has done so. This means that we need to be stronger when helping the poorest of all countries (many of which are fragile states) get back on their feet. Without working closely with them, there is no chance of achieving the MDGs. This means increasingly channelling aid money through their own public management systems, so that it goes where it is most needed and so that it strengthens government capacity for sustained and self-sufficient development.

We also need to contribute to a cleaner growth process in the developing world. Climate change is already affecting those who can least cope with it. Our aid must contribute to low-carbon growth paths and must help the poorest adapt to a more hostile climate.

And our aid needs to be fairer. This means helping poor countries to alleviate the impact of the crisis on the poorest and to benefit from the recovery of global growth, for instance through more and better aid for trade. We need to be more effective in tackling corruption in untying the strings still attached to our aid, following the example of a growing number of our donors (most recently Canada). And the DAC needs to follow through by measuring and tracking our commitment and performance, mainly through the peer review process.

The many complex challenges facing the neediest of the world today have multiple and global causes. Thus, their solutions will require more than aid, a broader approach. Donors, developing countries and multilateral organisations all need to work coherently with each other to achieve development that is sustained, equitable and low in carbon intensity. And we need to keep innovating – finding new types of development finance, new types of partnerships, new technologies and new ways of measuring our impacts and our growth.

This report reflects on all these needs. It demonstrates how the DAC community is working to meet them and highlights what else must be done to make development matter even more, particularly in the context of the world's worst economic crisis.

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Many others have contributed to this Report, and their assistance is gratefully acknowledged.

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Acronyms and Abbreviations

AAA	Accra Agenda for Action
ABC	Brazilian Agency for Co-operation
ADA	Austrian Development Agency
ADC	Austrian development co-operation
AEAP	Aid effectiveness Action Plan, Italy
AECID	Spanish International Development Co-operation Agency
BMZ	German Federal Ministry for Economic Co-operation and Development
CAR	Central African Republic
CICID	Inter-Ministerial Committee on International Co-operation and Development, France
CIDA	Canadian International Development Agency
CIS	Commonwealth of Independent States
CRS	OECD Creditor Reporting System (CRS) database
CSO	Civil society organisation
DAC	OECD Development Assistance Committee
DCD	OECD Development Co-operation Directorate
DFID	Department for International Development, United Kingdom
DGCC	Directorate-General for Development Co-operation, Belgium
DRC	Democratic Republic of Congo
EC	European Commission
EDF	European Development Fund
EPOC	Environment Policy Committee
EU	European Union
EUR	Euro (currency)
GAVI	Global Alliance for Vaccines and Immunisation
GFATM	Global Fund to Fight AIDS, Tuberculosis and Malaria
GNI	Gross national income
GOVNET	OECD DAC Network on Governance
GTZ	German Technical Co-operation Agency
HIPC	Heavily indebted poor countries
IADB	Inter-American Development Bank
IATI	International Aid Transparency Initiative
ICEIDA	Icelandic International Development Agency
ICP	Indicative co-operation programme
IDA	International Development Association
IFAD	International Fund for Agricultural Development
INCAF	OECD DAC International Network on Conflict and Fragility
IFFIm	International Financing Facility for Immunisations

IPCC	Intergovernmental Panel on Climate Change
JGA	Joint governance assessment
JICA	Japanese International Co-operation Agency
LDC	Least developed countries
MCC	Millennium Challenge Corporation
MDG	Millennium Development Goal
MOPAN	Multilateral Organisation Performance Assessment Network
NAPA	National adaptation programmes of action, Netherlands
NGO	Non-governmental organisation
NORAD	Norwegian Agency for Development Co-operation
NSDS	National strategies for the development of statistics
NZAID	New Zealand Agency for International Development
ODA	Official development assistance
PFM	Public financial management
PIU	Project implementation unit
SDC	Swiss Agency for Development and Co-operation
SEA	Strategic environmental assessment
Sida	Swedish International Development Co-operation Agency
SSR	Security system reform
SWAp	Sector-wide approach
TIKA	Turkish International Co-operation and Development Agency
TT HATS	OECD DAC Task Team on Health as a Tracer Sector
UN	United Nations
UNCAC	United Nations Convention against Corruption
UNDP	United Nations Development Program
UNFCCC	United Nations Framework Convention on Climate Change
USD	United States Dollar
WFP	United Nations World Food Programme
WTO	World Trade Organization

Executive Summary

"The combined effect of the food, energy and economic crises is presenting a major challenge to the development community, raising searching questions about the real impacts of development, how to demonstrate them, what really underlies them, and our ability to control and account for them."

Eckhard Deutscher, OECD DAC Chair

The *Development Co-operation Report* is issued annually by the Chair of the OECD's Development Assistance Committee (DAC), a forum for major bilateral donors that enables them to work together to increase the effectiveness of their common efforts to support sustainable development. The report provides data on, and analysis of, the latest trends in international aid.

In his introduction to this report (Chapter 1), Eckhard Deutscher notes that with five years left for the world to achieve the Millennium Development Goals (MDGs), much remains to be done. Because of the economic, food and climate change crises facing the planet today, the task is now even more challenging than it was when the goals were agreed in 2000.

Over the past year, the DAC has responded to this challenge by making efforts to keep the development dimension of the crises high on the political agenda, while helping the development community to formulate its best response. Deutscher notes that the development community must avoid assuming a crisis or fire-fighting mode. Instead it must maintain a clear and consistent focus on the principles of effective aid enshrined in the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action (Annex): "The world has changed profoundly, but our development goals remain the same."

Keeping our promises

As the extent of the financial and economic crisis became clear, the development community closely observed if official development assistance (ODA) levels would be hit. The relief was palpable when the DAC published ODA figures for 2008 which showed that aid volumes had reached their highest ever absolute levels: USD 121.5 billion. Most DAC donors are planning further aid increases, but there is still some way to go to meet the pledges made at the Gleneagles G8 and United Nations (UN) Millennium +5 summits, slated to increase aid to USD 130 billion by 2010 at constant 2004 prices.* Not all donors have lived up to their commitments, and this puts the credibility of all at stake (Chapters 1 and 8). The DAC will continue to monitor donors' delivery on their aid promises.

An important indication of donors' progress in improving their aid delivery is the extent to which their aid is given free of commercial strings, *i.e.* "untied" from suppliers in the donor country. DAC member countries promised under the Accra Agenda for Action to make rapid progress on untying their aid. Yet although donors report that 79% of all bilateral official development assistance (ODA) is untied (2007 figures), the share of aid still going to donor country suppliers is a cause for concern.

* Given that a number of the targets were expressed as a percentage of GNI, falling GNI in donor countries has subsequently reduced the aggregate value of this projection to USD 124 billion in 2004 prices.

Showing that aid works

In this time of economic austerity, the citizens of donor and developing countries alike want assurances that aid is working, that it provides value for money and that it is not being misused by corrupt governments. The development community is addressing these challenges by:

- **Tackling corruption.** The Paris Declaration on Aid Effectiveness (Annex) sets out a clear, practical plan to improve the quality and positive impact of development aid through efforts to combat corruption. It commits donors to increasing their support to developing countries' anti-corruption efforts, aligning with country-led initiatives and promoting local ownership of anti-corruption reforms. Donor spending on initiatives to improve governance in areas where corruption is most likely to occur, such as procurement and financial management systems, has steadily increased (Figure 7.1, Chapter 7).
- **Managing for impact.** Many DAC members are reforming their development systems so that they are managed "by and for results"; in other words, so that they are entirely oriented towards having the maximum impact on poverty reduction and the other MDGs (Chapter 2). For example, more donors now identify projects and programmes based on their and/or their partners' expected results; they are also ensuring these programmes have clear objectives to enable better measurement of impacts. And more donors are building in mechanisms to make sure that information on results can be used to inform other projects and policies. But embedding such systems – and moving the focus from outputs to palpable impact on poverty and other development priorities – is a challenge for all donors.
- **Measuring impact.** Evaluation – permitting the measurement of impact on development goals – is a very important mechanism of transparency and accountability. To help donors improve their evaluations and increasingly work together toward shared goals, the DAC is developing new quality standards for evaluation (Chapter 2).
- **Communicating impact.** It is not easy to demonstrate and communicate that aid money is well managed and that it is having an impact. Because the principles of the Paris Declaration focus on process – for instance, channelling aid through country systems and joint work by donors – it is difficult to attribute particular results to specific donors. DAC members are exploring innovative ways of meeting the challenge of communicating impact. For example, Japan is using partner countries' own performance assessment frameworks (created to monitor development progress) for its reporting. This approach allows donors to use shared indicators, in particular those agreed with partner countries (Chapter 2).

Building capacity for effective development

For aid to be effective, donors need to respect partner country development priorities and processes over their own development policies and practices. This means, among other things, using a country's own administrative systems to deliver aid (Chapter 3). Decades of development experience show that bypassing country systems and policies weakens a country's ability to determine its own future. Are donors reaching the OECD target of using country systems for the vast majority of their aid efforts? Only 45% of aid to the 54 developing countries surveyed in 2008 used those countries' financial management systems (Figure 3.1, Chapter 3) and in some cases, the use of partner country systems fell between 2005 and 2007.

Because of fears of corruption or lack of capacity, for example, many donors feel that it is too risky to let a developing country have full say over what it does with its aid money. However, the perceived risks of using country systems need to be balanced against the benefits, which are often not understood or communicated well enough. One reason is that the benefits are institutional, long-term and diffuse.

The OECD DAC is encouraging and supporting donors in the use of country systems and is pleased to note the progress being made by some donors in systematically supporting and gauging the use of country systems in their programmes. For example, the European Commission has created an internal information system to monitor progress on use of country systems. Some donors are likewise putting pressure on civil society partners to work through country systems. The DAC has created a Global Partnership on Strengthening and Using Country Systems; it includes donor and partner countries and is jointly chaired by Ghana and the United States.

The road ahead: development as usual is no longer an option

The challenges we face in meeting the MDGs will not be tackled by a cautious and narrowly-focused development agenda. Recent years have demonstrated how global factors beyond aid have a huge impact on development. More fundamental reform and concerted efforts, reaching beyond the traditional aid arena, are now vital.

Firstly, without addressing climate change, progress towards resolving other core development priorities will be seriously undermined (Table 5.1, Chapter 5).

While the developed world is working out the best strategies for reducing greenhouse gas emissions, all countries need to be pursuing low-carbon growth paths. And the developing world needs help to adapt to the impacts of an already changing climate. Adaptation measures need to become integral components of economic policies, development projects and international aid efforts. The DAC has developed policy guidance for integrating climate change adaptation into development co-operation at all levels, from the local level, to the project level, and up to the national policy level. While developing country partners must lead efforts to integrate climate change adaptation, international donors have a critical role to play in supporting their efforts, either through direct funding or by promoting capacity building, for instance for monitoring climate or assessing future climate change impacts and adaptation priorities at the national level (Chapter 5).

Secondly, while many countries are making progress towards achieving the Millennium Development Goals, a third of all developing countries are falling behind (Figure 6.1, Chapter 6). This group of about 50 countries represents the poorest of the poor. In most of them the situation is exacerbated by violent conflict and poor governance. And even though they receive 38% of all ODA, further improvement in the conditions of these fragile states is fundamental if we are to achieve the MDGs. Recognising that fragile states require specific attention, OECD development ministers have endorsed a set of ten Principles for Good International Engagement in Fragile States and Situations (2007). Work on monitoring the implementation of these principles in six fragile states has proven that they offer a useful framework for guiding action in such complex and difficult settings.

Thirdly, most low-income countries consider trade to be a key component of their growth and poverty reduction strategies. The increasing openness of markets needs to be accompanied by policies that will distribute the benefits of trade equitably across and within developing countries to help lift their people out of poverty (Chapter 4). This is especially important in the context of the economic crisis, which has caused trade flows to decline by around 10%, undermining confidence in the role of trade as an engine for growth and poverty reduction. The Aid-for-Trade Initiative works to help developing countries overcome information, policy, procedural or infrastructure bottlenecks that prevent many of them from benefiting from greater access to international markets, or from competing with wealthier countries. Recent OECD monitoring of this initiative reveals many achievements since its launch in 2005 in the form of improved aid-for-trade delivery and scaling up of resources by donors.

Within the new global context, making progress in these and other important areas will mean transforming the DAC as we know it today. The DAC of the future will be much more involved with the wider global development community; with ensuring that policies are coherent across the board, not just within the aid or development realm; and with bringing global issues like climate change and equitable world trade to bear on policy formation and implementation. This will require better and sharper policy tools, notably peer reviews and statistics (Chapter 8). It will mean placing greater emphasis on monitoring impact and holding each other to account. Finally, it will mean being much more inclusive and proactive in working with others, for example by expanding DAC membership. In the words of the DAC Chair: "We need to view development co-operation as a strategic investment in a common future. In a globalised world it is a key instrument to achieve stability, economic integration, human security and opportunity for everybody."

Chapter 1

Where Now for Development After Three Years of Crisis?

Introduction by
the Chair of the Development Assistance Committee

The combined acute effects of the food, energy and economic crises are a major challenge to the development community, raising searching questions about the real impacts of development, how to demonstrate them, what really underlies them, and our ability to control and account for them.

In light of these multiple crises, the need for development results has become even more urgent. This chapter asserts that the development community must follow through on its ambitious reform agenda, better document its impact, and make the necessary changes to ensure that development co-operation becomes an effective instrument in managing the challenges of globalisation. The aid effectiveness commitments of the Paris Declaration and the Accra Agenda for Action are the best indications of how seriously the development community is taking these concerns, but progress in achieving them is still too slow. Recent years have demonstrated how global factors beyond aid have a huge impact on development. They have also left no doubt about the importance of development co-operation for tackling new and persisting development challenges. Development co-operation therefore needs to work in numerous policy areas and with the many different actors shaping poor countries' development.

The chapter concludes that in the future the Development Assistance Committee will be much more involved with the global aid architecture, with making non-aid policies coherent with development goals, and with global issues like climate change and achieving an equitable world trade system. It will sharpen its policy tools, place greater emphasis on monitoring impacts and holding its members to account, and be much more inclusive and pro-active in working with others.

How is the development community responding to the crisis?

For the past three years, the development community has been in permanent crisis mode: the global economic and financial crisis followed hot on the heels of food and energy crises. The fuel and food crises hit low income countries especially severely. Then, as the world economy ground to a halt, unofficial external finance for development contracted sharply and the shock to economic activity was felt severely throughout the developing world.

Today we are seeing clear signs of a strong rebound in many emerging economies. Growth has also returned to most developed economies, although it is more subdued and its strength and future course remain uncertain. This is the first time the emerging world has led the developed world in making its way out of a global downturn. Could there be a more powerful sign of the sweeping change to the established global order?

The resurgence of emerging economies, before the effects of the economic and financial crisis trickled through and made themselves fully felt, was a key factor in softening the shock to low-income countries. However, whilst the financial crisis is affecting developing countries in widely differing ways, and in some cases the impacts have not been as dire as feared, it has certainly dealt a blow to the goal of fully meeting the Millennium Development Goals (MDGs) by 2015.

This introductory chapter outlines the Development Assistance Committee's (DAC) response to the crises in terms of aid priorities, volumes and modes. In this first section it presents the development community's crisis action plan, analyses the impact of the crisis on aid volumes, explores the potential for innovative forms of development financing and emphasises the need for greater attention to employment and social protection in the development process. The final sections reflect on some of the challenges and criticisms levelled at development co-operation, and the changes required if the MDGs are still to be achieved.

A crisis action plan for poor countries

Over the last year, the DAC has faced the critical challenge of putting the development dimension of the crises on the political agenda, while helping the development community work out the best response. A major achievement for the DAC has, therefore, been its role in helping members to agree on a coherent international response to the crises in poor countries. This action plan, endorsed by DAC ministers in May 2009, involves six critical areas (OECD, 2009a):

1. **Sticking to aid pledges.** All DAC member countries confirmed that they would meet their existing official development assistance (ODA) commitments, especially to Africa, although some donors have deferred their original pledges. They also stated that they would resist pressure to tie aid (Box 1.1) and would work with their own governments to ensure that policies across the board work together to achieve coherent development.

Box 1.1. **Untying aid**

An important test of donors' commitment to coherent policies and effective aid delivery is whether they untie their aid. When aid is tied, funds intended to help alleviate poverty have to be spent on suppliers from the donor country. Tying aid raises the cost to developing countries of many goods and services by 15% to 30% on average, and by as much as 40% or more for food aid. In fact, the real costs may be higher, as these figures do not incorporate the significant indirect costs of tying, such as higher transaction costs for partner countries. Another problem with tied aid is that it is at least partially guided by commercial considerations, which do not necessarily match developing country needs and priorities. When aid is tied, it also makes it difficult for developing countries to feel a sense of ownership of the projects involved.

For these reasons, in 2001, the DAC adopted a recommendation to untie ODA to the poorest countries in the world (the least developed countries, or LDCs). This recommendation, with which all DAC members have to comply, covers all aid except technical co-operation and food aid. The agreement has since been expanded to include any heavily indebted poor countries (HIPCs) which did not already qualify as least developed countries.

Enormous progress has been made since 2001. For example, the vast majority of DAC member countries have by now either fully or almost fully untied their entire bilateral aid programmes. As a result, 79% of DAC bilateral ODA was reported as untied by 2007. Of the remainder, 17% was still tied, while the status of the remaining 4% (mostly technical co-operation) has not been reported. And progress continues. For example, both Canada and Spain have recently announced plans to fully untie their aid over the coming years (including food aid, which Canada already untied in 2008). Korea, which has just become a DAC member (Box 1.3), has announced plans to untie 75% of its aid by 2015. Only Italy, Greece, Portugal and the United States still have a considerable way to go in untying their aid.

However, realising the full benefits of untying depends on more than the above factors alone. It also requires from donors a genuine and positive approach to untying, from developing countries the quality and capacity of procurement systems , and from local and regional suppliers the ability to compete for contracts on an equal and open footing with due consideration of corporate social responsibility. Despite donor countries having formalised their processes to ensure that procurement contracts are issued through open competition, the high share of aid that still goes to domestic suppliers is a cause for concern. Commitments to untie aid need to be backed up by comprehensive and transparent reporting, including information on untied aid offers and especially on procurement outcomes, for which statistics are very incomplete.

The next step is for DAC member countries to implement the untying commitments they made under the Accra Agenda for Action, *i.e.* that by 2010 they would develop plans for untying their aid as much as possible. The DAC is now engaging those countries which still have sizeable amounts of tied aid to join their peers in implementing fully or largely untied bilateral aid programmes.

2. **Integrating crisis management with long-term growth and the MDGs.** ODA aims for lasting, long-term development. In emergencies, however, when other flows of development finance dry up, short-term bridging financing can ensure that years of development progress are not undone in a matter of months.
3. **Improving the quality and effectiveness of aid.** Ensuring implementation of the key commitments of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action (AAA) – on country ownership, use of country systems and predictability – is

integral to the crisis response (Annex). At the same time, it will be fundamental to gradually phase out some activities launched during crisis mode that may distort long-term recovery or fragment the global architecture.

4. **Ensuring that ODA can meet the urgent needs of individual countries quickly.** Multilateral institutions are often better placed to act quickly to shift existing programmes towards priority needs during a crisis. DAC members agreed to support this rapid and flexible response in providing crisis-related aid resources, whilst ensuring that this does not reduce the predictability of existing aid commitments.
5. **Using all available instruments to tackle the crisis, not just official aid.** A wide array of other financial instruments, channels and sources are available and can have important development impacts (see below). It is important to take advantage of these, while ensuring complementarity between, and greater public understanding of, ODA and the other forms of development finance.
6. **Jointly monitoring and accounting for the crisis response by donors and partner countries.** Monitoring is necessary to ensure donors are keeping their promises on aid volumes and effectiveness, and that their actions support the needs of their partners. DAC members agreed to work with partners to ensure that aid intentions match partners' needs.

While a crisis response is clearly vital, it is also important to remember that the purpose of development co-operation is not, and cannot be, to fight crises. Rather than "fire-fighting", development co-operation must focus on putting in place the conditions for lasting development, as defined by the MDGs. It is useful to recall that before entering into this period of immediate and successive crises, the world was witnessing strong growth and almost unparalleled economic performance in developing countries. Today, a situation in which strong economic expansion is accompanied by moderate developments of commodity and raw material prices seems difficult to envision. The world has changed profoundly, but this must not change the goal of development.

The effect on official development assistance volumes

As the extent of the financial and economic crisis became clear, the development community closely observed if ODA levels would be hit. The relief was palpable when the DAC published ODA figures for 2008 which showed a rise in aid to USD 121.5 billion, the highest ever amount in absolute terms.[1] A survey of donors' forward spending plans suggests there will be an 11% increase in programmed aid between 2008 and 2010, including larger expenditures by some multilateral agencies (Chapter 8).

However, despite the strong increase in ODA in 2008, and the plans for further aid increases in 2009 and 2010,[2] a more nuanced view of aid commitments reveals a very different picture. In 2005, donors committed to increase their aid at the Gleneagles G8 and UN Millennium +5 summits. Many of the pledges were in the form of targets to provide ODA as a specific percentage of gross national income (GNI). The pledges made at or around these summits implied lifting aid from USD 80 billion in 2004 to USD 130 billion in 2010, at constant 2004 prices. The economic crisis, through falling GNI in donor countries, subsequently reduced the aggregate value of the commitments to USD 124 billion in 2004 prices. As commitments made by most donors remain in place, an ODA level of USD 107 billion on 2004 terms looks now set to be achieved by 2010 – an increase of 35% over the 2004 baseline. However, many countries – including some large donors – had important shortfalls by the end of 2009. This will mean that the total ODA level in 2010 will be about USD 17 billion in 2004 prices (or USD 21 billion in 2008 prices) below that envisaged in 2005. Similarly, whereas annual aid to Africa is estimated to increase by USD 12 billion in 2004 prices, this is well below the USD 25 billion target announced at the Gleneagles Summit for Africa, although a number of individual donors are meeting their individual commitments to Sub-Saharan Africa for 2010 included in the Gleneagles outcome document.

A very recent check on DAC member' budget proposals for 2010 shows a range of prospects. Countries such as Finland, Spain, the United Kingdom and the United States, have continued budgeting to meet their commitments. Denmark, Luxembourg, the Netherlands, Norway and Sweden continue to allocate at least 0.7% of their gross national income to ODA, in line with the long-standing UN target.[3] Australia, Canada and New Zealand appear on track to double their aid by 2010. Switzerland was planning to give 0.47%, exceeding its previous commitment of 0.4%. Ireland has cut its forward ODA estimate, but still expects to meet an ODA/GNI ratio of 0.52%. Meeting its target of 0.7% ODA/GNI in 2010 constitutes a significant challenge for Belgium, whose ODA volume in 2008 was USD 2.39 billion (0.48% of GNI). However, in 2009, it surpassed the EU country target of 0.51%, and the government has secured the necessary resources for its 2010 budget to reach the 0.7% target.

Other countries, however, do not seem to have taken the action needed to meet their announced commitments. Instead, the agreed 2010 budget frameworks for some countries suggest that they may fall further behind their commitments, as ODA budgets stagnate or shrink. For example, among the EU countries committed to a minimum ODA/GNI ratio of 0.51% in 2010, Austria's current three-year programme on development policy estimates an ODA/GNI ratio of 0.37% in 2010. France's draft finance bill for 2010 estimates an ODA/GNI ratio of between 0.44% and 0.48% for 2010, depending on the timetable of debt forgiveness for countries reaching decision point under the Heavily Indebted Poor Countries Initiative. Greece's ODA budget is not yet available for 2010, although the DAC Secretariat estimates that its ODA/GNI ratio will be 0.21% in 2010. Italy will reach 0.20% in 2010. Portugal's 2009 official budget report indicates an estimated ODA/GNI ratio of 0.34% in 2010.

The outlook looks challenging for Germany, where ODA in 2008 was USD 13.98 billion, or 0.38% of GNI. The new government budget, which was expected shortly after this report went to press in early 2010, should give a clear indication of how Germany will deal with the challenge of increasing its ODA volume to meet the targets for 2010 and beyond. Of the other major donors, in 2008, Japan was USD 4 billion short of its Gleneagles undertaking (to raise ODA by a total of USD 10 billion between 2005 and 2009).

While the global economic crisis partly explains the difficulty in meeting these commitments, it is not an adequate justification. Some countries, despite being hit hard by the crisis (Spain and the United Kingdom), have maintained sharp aid increases in line with their commitments. The aid community welcomes the efforts made by these countries. However, there are concerns on many sides that other countries will not reach their targets, which will seriously impact developing countries' ability to make progress towards achieving the Millennium Development Goals.

What lessons should we take from this experience?

1. Setting commitment targets creates a powerful motivating force for many countries to increase their ODA. Some countries, however, did not plan early enough for aid

increases. As a consequence, they now find their credibility called into question. This may affect their wider engagement on other important issues, *e.g.* climate change financing. Fulfilling commitments made repeatedly at head-of-state level is not an optional luxury.

2. Future aid commitment targets should include annual rates of increase, so that performance can be checked each year and aid volumes kept at predictable and reliable levels. To support lasting development, ODA needs to be reliable and predictable. Unpredictable and erratic ODA undermines development and can have a terrible cost for developing countries, as well as taxpayers in donor countries. Steady increases are more predictable and allow partner countries greater certainty for their own medium-term spending plans.

The DAC will continue to use the peer review process (Box 8.1, Chapter 8) to monitor all donors' progress against their commitments.

Innovative financing

The crisis has given fresh impetus to efforts to find new and more predictable sources of development finance. A range of schemes has developed over the past decade and new approaches continue to be considered.

The types of innovative financing described in Box 1.2 and Table 1.1 (at the end of this chapter) are making increasingly important contributions to development. Such approaches have raised significant new funds. They involve new partnerships between public and private entities, a positive step that helps maintain public support for development. Nonetheless, this new and evolving landscape is a challenge for the DAC because it is difficult to track innovative financing accurately. Donors will need to provide clear details in their reporting on where funding is coming from if the DAC is to be able to monitor trends and assess whether innovative financing is adding to donor ODA efforts, or merely substituting for them.

Another problem is that some innovative financing mechanisms involve allocating ODA funds several years ahead ("frontloading"). This could help some donors to fulfil their ODA pledges, especially for 2015. But there is also a risk that, as these public finance liabilities become due, donors may have to reduce their traditional bilateral aid to meet their innovative financing commitments.

The DAC will help monitor frontloading to help ensure it does not impair members' future ODA budgets. It will also monitor these new ways of financing development against the aid effectiveness principles established in Paris and Accra, because there is a danger that the new financing approaches could further complicate an already complex aid architecture. It is important to guard against the potential negative impacts on our partner countries of a proliferation of new funding mechanisms. The downsides might include more complex access to funds or more planning and reporting processes. Innovative funding needs to be adapted to developing countries' technical and absorptive capacities. Reporting requirements need to remain focused on achieving maximum development impact through appropriate integration with the countries' own systems. And finally, donor accountability must not undermine local accountability.

Box 1.2. **New ways of financing development**

There is a growing range of new development funding mechanisms and approaches involving new partnerships and revenue streams. This trend started a decade ago with two major international funds that combined public and private contributions to meet global health challenges (the Global Alliance for Vaccines and Immunisations – GAVI – set up to finance immunisations, and the Global Fund to Fight AIDS, Tuberculosis and Malaria, GFATM). Each took advantage of the upsurge in private philanthropy for development, particularly through the Gates Foundation, to create a new type of public-private partnership that would fund major disease-fighting campaigns in developing countries. The large new funds in the health sector have themselves become drivers of further innovation. GAVI is now largely funded through the International Finance Facility for Immunisations (IFFIm),[1] which is expected to raise a total of USD 4 billion by issuing bonds against long-term ODA commitments from eight donor countries. Meanwhile, the Global Fund is now receiving contributions from ProductRed, under which credit card and other companies contribute a share of their profits on goods marked with the ProductRed trademark. The Global Fund has also developed its own scheme for mobilising debt relief. Under its Debt2Health initiative, donors forgive developing country debt on condition that the country allocates half the forgiven amount to local Global Fund programmes.

The crisis has heightened interest in new schemes, such as:

- Small levies on a private, or sometimes a public, purchase. The air ticket levy scheme launched in 2006 has now been adopted by 13 countries, and an international purchase facility, UNITAID, has been created to distribute its proceeds with the objective of scaling up access to treatments for AIDS, tuberculosis and malaria.
- Auctioning permits to emit greenhouse gases. Germany announced that it would allocate EUR 225 million from the 2009 proceeds of these auctions to fund development activities.
- The use of guarantees and insurance. The first advance market commitment has been made to spur development of a vaccine against pneumococcal disease. Under this scheme, private and public donors agree to subsidise a vaccine which passes agreed tests. This provides a new incentive to pharmaceutical companies to develop a product that might otherwise not be commercially viable. Another type of financial promise that has recently been trialled is weather insurance. Here donors put up the funds to buy an insurance policy that triggers an indemnity for farmers if and when stipulated rainfall or other thresholds are met.

Other schemes are being considered by the Pilot Group on Innovative Financing for Development. These include a tax on foreign exchange transactions (the "Tobin Tax", named after its original proponent, Nobel economist James Tobin). Table 1.1 at the end of this chapter summarises some of these initiatives and assesses to what extent they qualify as ODA.[2]

1. Private contributions do not count as ODA, but are included in data on developing countries' resource receipts.
2. Governments contribute to IFFIm to meet interest payments and the ultimate redemption of the bonds.

Employment and social protection in the development process

The crises have also highlighted the need for greater attention to two critical approaches for achieving "pro-poor growth"[4] which have been largely neglected until now. First, productive employment and decent working conditions are the main routes out of poverty. Most poor women and men earn their livelihoods in the informal economy, and policies need to take account of this. Well-functioning labour markets and an environment in which local entrepreneurship can thrive are essential for increasing employment opportunities for the poor. This, in turn, allows them to contribute to their country's growth.

Second, social protection measures – *e.g.* social insurance, social transfers and minimum labour standards – enhance the capacity of poor and vulnerable people to escape from poverty and enable them to better manage risks and shocks. They also contribute to social cohesion and stability, and help build human capital, manage risks, promote investment and entrepreneurship, and improve participation in labour markets.

Supporting employment and social protection programmes can be affordable and offers good value for money, as evidence from South Africa and Brazil has shown (OECD, 2009b). The impacts can be mutually reinforcing: better and more productive jobs raise incomes, allow social spending by poor workers and help finance social protection. At the same time, social protection improves the productivity and employability of poor people and stabilises and increases their incomes. In doing so, it links short-term coping strategies with longer-term growth and poverty reduction.

In May 2009, the DAC produced a policy statement, endorsed by ministers from DAC member countries, which establishes productive employment and decent work as key objectives of development co-operation (OECD, 2009c). It calls for DAC members to give adequate, long-term and predictable financial assistance to partner governments for politically and financially sustainable social protection programmes. It emphasises the need for actions in these areas to be harmonised and aligned with national policy, as called for by the Paris Declaration and Accra Agenda for Action. This focus on employment and social protection is particularly timely in the light of the crisis-related downturn in developing countries. It also links to the aid-for-trade agenda (Chapter 4), in that most low-income countries consider trade as a key component of their growth and poverty reduction strategies. We need to ensure that the increasing openness of markets is accompanied by policies that lift people out of poverty and distribute the benefits of trade equitably across and within developing countries. This is especially the case now, with the economic crisis causing trade flows to decline by around 10%, undermining confidence in the role of trade as an engine for growth and poverty reduction.

Where is development going next?

The crises have raised questions about the impacts of development, how to demonstrate them, what really underlies them, and our ability to control and account for them. We have also seen the emergence of an increasingly critical public debate on development co-operation:

- **Does development co-operation have an impact?** Much of this criticism was voiced during the high-growth era before the crises, when a number of well-performing countries seemed able to outgrow aid dependency in a more benign global macroeconomic environment. This situation, however, has changed dramatically following the decreasing domestic tax receipts, sharply dropping remittances, contracting export earnings and more than 80% decline in private investment flows to developing countries between 2007 and 2009. Chapter 2 discusses how the development system is making impact central to its focus, and how we assess that impact.
- **Does development co-operation help or hinder sustainable growth and the self-reliance of poor countries?** Another important criticism is aimed at an "aid industry" that is increasingly ritualistic and self-referential, and that needs to deal with

the question of institutional self-interest. Development co-operation is often viewed as ineffective, redundant and ultimately even an obstacle to self-sufficiency. Chapter 3 explores how the development community is striving to counter this criticism by working through partner country's own systems in order to build self-reliance.

- **Is aid money squandered by corrupt governments?** This is a common perception among the public. It is true that corruption is a serious challenge for development. The fight against corruption will never be over – even in the most advanced economies. Aid is not immune to this reality: no-one can guarantee that aid resources will never be misused. However, while it is necessary to be aware of and manage this risk, focusing on aid as the problem when dealing with corruption would be to miss the point completely. On the contrary, development co-operation is an important instrument for tackling corruption. DAC members devote considerable time, energy and resources to supporting governance improvements and reducing corruption in developing countries (Chapter 7).

While much of the criticism is very pertinent, some is based on an outdated perception of development co-operation. For example, distinctions are often blurred – or simply not made – among development partnerships, other policies, and private, commercial relationships. Nevertheless, all criticism must be dealt with, especially when it challenges development co-operation's fundamental rationale: making a difference to the poor. Development co-operation has to change, and the development community is already responding with vigour.

The road ahead: reaching beyond the development community

The aid effectiveness agenda, which has been the defining driver of development co-operation reform since 2003, is the best indication of how seriously the development community is taking these concerns. The chapters that follow look at what the development community is doing to address them. There is still a long way to go to meet the targets set for making development co-operation more effective. There are less than two years left before the 4th High Level Forum on Aid Effectiveness in Seoul, which will assess how all parties have progressed in making aid more effective. Progress is currently too slow to reach the agreed targets. Meeting the aid effectiveness agenda and addressing the other concerns about development outlined here will require an evolution in how the development community works and how it thinks about development. It is increasingly evident that in the years ahead, development impact will become the defining theme for aid effectiveness and for development co-operation.

Having an impact also requires active recognition that it takes more than aid to achieve development results. A strategic reflection exercise concluded by the DAC in May 2009 explored how development assistance needs are likely to evolve over the next 10-15 years given the rapidly changing global context (OECD, 2009d). Key findings include:

- **Development co-operation must be viewed as a strategic investment in a common future.** In a globalised world it is a key instrument to achieve stability, economic integration, human security and opportunity for everybody. A major task now is to communicate this function of development co-operation better, especially to dispel the common but inappropriate myth that development is public charity.
- **The development community needs to become less insular and more involved in other policy areas that shape the international context for development.** To date, the tendency has been to discuss policies largely in internal fora. The development community needs to

better match the talk with joint action and approaches beyond the "development industry". Successful development means tackling global issues such as climate change (Chapter 5), control of infectious diseases, financial stability, accessible and equitable world trade, access to knowledge, and international peace and security. Development co-operation needs to help foster coherent policy actions in areas like trade (Chapter 4), investment, security (Chapter 6), migration, tax co-operation and anti-corruption (Chapter 7).

- **The current architecture and institutional set-up of development institutions must be changed.** This will require a better focus on poor countries and people as the beneficiaries; simplified organisational structures, instruments and procedures; greater synergy and coherence among bilateral and multilateral assistance; and a more effective division of labour among institutions.
- **The development community will have to deal much more with factors beyond its direct remit, and often beyond its control.** In its determination to support poor countries' development, the development community must become involved in a wider array of policies and activities that have a bearing on poverty and the effectiveness of their co-operation. Development agencies must move beyond the sphere of traditional development partnerships to work on these broader issues together with other government departments and policy portfolios. This will be a crucial factor for achieving development results in poor countries.

Implementing these ideas will mean transforming today's DAC. The DAC of the future will be much more involved with the global architecture of development finance; with the development dimension of global public goods such as climate change, peace and security; and with an equitable global trading system. In doing so, the DAC will build on its analytical strengths, its convening power and its unique position as an impartial facilitator with no operational functions at stake in providing development assistance. Another change will be a stronger focus on policy coherence for development, as the DAC works much more, and more directly, with the non-aid policy communities. An enhanced emphasis on policy coherence by the OECD overall has decisively increased the scope for such joint work, and for its impact. To achieve all this, the DAC will need better and sharper policy tools, notably peer reviews and statistics (Chapter 8). We will place greater emphasis on monitoring the impacts of our work and holding ourselves to account. Finally, we will be much more inclusive and pro-active in working with others, for example by expanding our membership (Box 1.3) and reaching out to work with a broader array of countries.

Box 1.3. **A symbolic moment as Korea joins the DAC**

In November 2009, the DAC welcomed Korea as a new member, marking a very significant occasion. One of the poorest countries in the world some 50 years ago, Korea has received substantial development assistance itself. Its journey to becoming a strong economy with its own rapidly growing development co-operation programme is one of the most remarkable development success stories to date. For the DAC, Korea's membership symbolises the shedding of the "traditional", yet outdated, image that categorises "Northern" countries as donors and Southern countries as aid recipients.

There is no doubt that many other economies have made important, and often long-standing, contributions to development co-operation. In particular, with the rise of major emerging economies, the profile and significance of South-South co-operation have reached new dimensions and are bound to continue to grow. The DAC welcomes and supports this, and is looking to work with others who share the commitment to supporting poor countries in an open-minded and self-critical way. But this will not work if the process is consumed by terminology and language questions; it must be driven by a shared desire to have concrete and lasting impacts in poor countries. DAC members are defined by their commitment to supporting poor countries as they strive to develop, and by doing so together in a spirit of mutual learning, transparency and accountability. In this commitment, and in the way it works, the DAC acknowledges that perspectives and approaches differ, and appreciates the wealth that comes with diverse experience gained both within and outside of the DAC membership.

It is this broader approach that also underpins the work of the China-DAC Study Group. The study group began in 2009 through a partnership with the International Poverty Reduction Centre in China, and takes China's impressive poverty reduction experience as its reference point for research. Its first major event – on the theme of development partnerships – was a unique opportunity for participants from China and Africa, and DAC donors to think about applying the China experience to the design of development co-operation and strategic policies for improving development in Africa. Similarly, a policy dialogue meeting, co-hosted by the Mexican government in September 2009, and the establishment of the Task Team on South-South Co-operation (a Southern-led platform hosted by the DAC Working Party on Aid Effectiveness) are clear evidence of the DAC's willingness to engage more strongly with other providers of assistance, based on a recognition of their specific strengths.

The DAC's new orientation will be defined by a focus on development as an outcome, rather than aid as an input. However, there is no danger that ODA will be neglected or downgraded. Instead, the new focus will allow ODA to have better results. Recent years have demonstrated how global factors beyond aid have a huge impact on development. They have also left no doubt about the importance of development co-operation for tackling the development challenge. The conclusion is straightforward: development co-operation needs to work with, and on, numerous related policy areas, and with the actors who shape the outlook for poor countries' development. We are encouraged that the route has been well charted by the Paris Declaration and the Accra Agenda for Action. We are confident that we are walking down this road together as a strong alliance of developing and developed countries, donor and development institutions, and civil society.

Table 1.1. **Some innovative financing mechanisms**

Proposed schemes in italics

Initiative	Purpose	How does it work?	Revenues	Is it ODA?
NEW AGENCIES				
GAVI Alliance (2000)	Public-private partnership for immunisations	Pooled funds for distribution following proposals from poorer developing countries	About USD 300 m a year. USD 3.7 bn approved for 2000-2015, as of 2009	Yes, but only for official contributions
The Global Fund (2002)	Public-private partnership to fight AIDS, tuberculosis and malaria	Pooled funds for distribution following proposals from poorer developing countries	About USD 3.2 bn a year. Total of USD 14 bn raised by 2009	Yes, but only for official contributions
NEW MECHANISMS: (A) NEW REVENUE RAISING				
Air-ticket levy (2006)	To fund a purchase facility (UNITAID) for AIDS, tuberculosis and malaria treatments	13 countries apply a domestic tax (2009). UNITAID funds are channelled through existing institutions, esp. Clinton Foundation	USD 251 m per year (more than 60% from France)	Yes, when funds collected are paid to UNITAID or other international agencies
Auctioning/sales of emission permits (2009)	Provide funds for climate mitigation and adaptation	Under EU regulations, EU Allowances (EUA) for carbon dioxide emissions are sold to emitters	Germany's 2009 budget allocates EUR 225 m in EUA sales to development	Yes, when proceeds spent on development
Currency transaction levy	*Increase the funds allocated to finance development*	*Governments apply a tax on foreign exchange transactions*	*Levying 0.005% on major currencies would yield USD 33 bn a year*	*Yes, when funds collected are spent on development assistance*
NEW MECHANISMS: (B) BONDS				
International Finance Facility for Immunisation (IFFIm, 2006)	Fund GAVI campaigns	Bonds are sold in the international capital markets against legally binding long-term ODA commitments from 8 donor countries	USD 2.4 bn raised by 2009; aim is to raise a total of USD 4 bn	Yes, for government payments to meet bond interest and principal
NEW MECHANISMS: (C) VOLUNTARY CONTRIBUTIONS				
Global Digital Solidarity Fund (2003)	Promote an inclusive information society	Public or private bodies voluntarily contribute 1% of digital procurement contracts	Since 2003, more than EUR 30 m allocated to 300 grantees	Yes, but only for official contributions
ProductRed (2006)	Provide additional funding to Global Fund's activities in Sub-Saharan Africa	ProductRed trademark licensed to global companies that pledge a share of profits from sales of Red products to Global Fund programmes	USD 134.5 m transferred to Global Fund to date	No, only private funds are involved
Airline ticket voluntary solidarity contribution	*Provide additional resources to fund UNITAID activities*	*Individuals or corporations elect to contribute to development when booking flights*	*USD 2 per ticket contribution might raise up to USD 980 m a year*	*No, only private funds are involved*
NEW MECHANISMS: (D) GUARANTEES				
Advanced market commitment (AMC, 2007)	Provide incentive to develop new vaccines	Donors commit to buy a successful vaccine from vaccine makers at a negotiated price, which covers development costs	USD 1.5 bn pledged by 5 donors and Bill and Melinda Gates Foundation for AMC for pneumococcal disease	Yes, but only when donor governments pay for vaccines
Index-based weather insurance	*Reduce the vulnerability of the rural poor to extreme weather events*	*Partnership between the International Fund for Agricultural Development and the World Food Program provides farmers with weather-indexed insurance*	*Weather insurance schemes already piloted in Ethiopia, Malawi, Nicaragua, Honduras, and India*	*Yes, but only for official contributions to insurance premiums*

Notes

1. While ODA as a share of gross national income (GNI) has been higher in the past due to economic growth (and inflation), ODA has never before reached this total amount.
2. Some planned volumes figures for 2009 could not be confirmed before this publication went to press in early 2010.
3. The 0.7% figure dates back to United Nations General Assembly Resolution 2626 (24 October 1970, *www.un.org/documents/ga/res/25/ares25.htm*) for developed countries to increase their ODA to 0.7% of their national income by the middle of the 1970s. In 2005, the European Union set a minimum individual target for its member states of 0.51% ODA/GNI (0.17% for new member states) to be achieved by 2010, with 0.7% to be achieved by 2015 (*Source: http://europa.eu/legislation_summaries/development/general_development_framework/r12533_en.htm*, accessed 21 October 2009).
4. A pace and pattern of development that enhances the ability of poor women and men to participate in, contribute to, and benefit from growth.

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Chapter 2

Rising to the Challenge: Managing Aid in 2009

What do the global economic downturn and the commitments most donors have made to increase both the volume and effectiveness of aid mean, in practice, for managing aid? This chapter summarises the practical implications, focusing on three main aspects: dealing with major changes (either increases or decreases) in aid volumes; improving accountability; and building more effective organisations. It shares some of the practical steps taken in 2009 by individual DAC members to rise to these challenges.

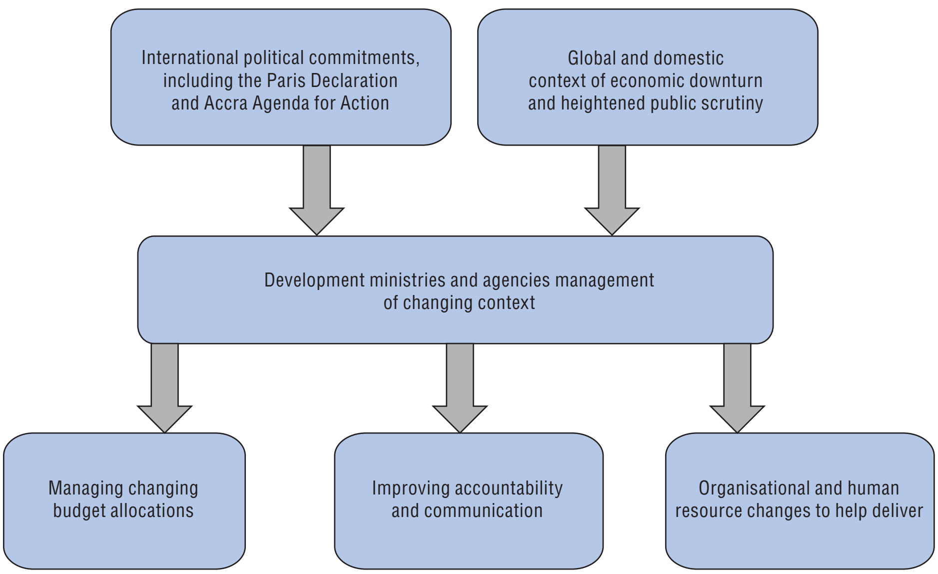
The challenges of today's context: managing changing budgets, accountability and effectiveness

DAC members are committed to increasing both the volume and the effectiveness of their aid. They have made these promises to each other, to partner countries and to their own taxpayers. Recently, the global economic downturn and financial uncertainty have placed greater pressure on policy makers to deliver, and to demonstrate the results of government spending. For aid agency managers this political and economic framework implies substantial practical challenges (Figure 2.1). This chapter discusses three such challenges:

- **Dealing with major changes in aid volumes.** Some managers need to scale up spending while cutting back on administration costs. Others are facing cuts to their overall budget. In both cases, they need to make sure that recipient countries can still depend on reliable aid flows, *i.e.* predictable aid.
- **Improving accountability.** Taxpayers in donor countries are increasingly demanding to know what their money achieves and how efficiently it is managed. Partner countries are also calling for better mutual accountability (*i.e.* where both donors and partners are accountable for development impacts).
- **Building more effective organisations.** Many DAC members have found some aspects of the Paris Declaration and Accra Agenda for Action (Annex) challenging to implement, often because of the need to reshape their organisational structure or staffing profile.

DAC members have taken different approaches to address these issues. This chapter draws on their experiences in order to share ideas more widely.[1]

Figure 2.1. **The context for managing aid in 2009**



Managing shifting aid budgets: growth, cuts, and predictability

Increasing aid effectively

Some DAC members have rapidly scaled up their aid budgets to meet their promise to allocate 0.7% of their gross national income (GNI) to official development assistance (ODA). However, implementing larger aid budgets requires enough staff with the right skills. Spain, for example, aims to reach 0.7% of GNI by 2012. Yet, the 2008 DAC peer review of Spain found that the system's implementation capacity was not keeping up with its soaring aid budget. The review recommended increasing staff capacity and preparing a detailed plan of the various instruments for using increased funds, as well as the staff and skills needed to manage them effectively (OECD, 2008a). In Austria, the Ministry of Foreign Affairs established the Austrian Development Agency to manage its planned increases in ODA. However, these increases in the aid budget did not materialise, and it is not clear whether sufficient flexibility was built into the system to allow it to re-allocate human resources in line with finances (OECD, 2009a). The Australian Agency for International Development had an increase in staff numbers of nearly 50% in just four years (OECD, 2008b). This needed to be complemented by significant investments to integrate and train these new staff members.

Another challenge for donors associated with scaling up the volume of their aid is to prevent the international aid system from becoming any more fragmented. The temptation to establish new vertical funds[2] or agencies for priority issues is often high, but it can lead to duplication and inefficiency and can complicate harmonisation. Because of these risks, some donors (*e.g.* Spain and Italy) are spending increased funds through existing multilateral channels. Other donors have reservations about the effectiveness of multilateral organisations and choose to retain a focus on bilateral programmes. However, the donor community as a whole still regularly establishes new initiatives, funds and organisations.

The more donors put into the multilateral system, the more they – and their taxpayers – want to be sure that it is used effectively. However, lots of different bilateral assessments of multilateral agencies can create unnecessary burdens and duplicate efforts. Working together is more efficient, and initiatives such as the Multilateral Organisation Performance Assessment Network (MOPAN) can increase such joint work. Some donors are now calling for a single multilateral assessment framework to be agreed and used by all donors.

Cutting back responsibly

While some donors are upping ODA volumes, for a growing number of DAC members the global economic downturn has forced development budget cuts. The key is to do this responsibly and predictably. For example, Ireland has cut almost EUR 15 million from its 2010 ODA budget, but will ensure that these cuts do not affect existing commitments to its partners in its bilateral country programmes. Instead, it is scaling back its plans to expand bilateral activities and will cut some of its planned support to multilateral agencies and non-governmental organisations (NGOs) (OECD, 2009c). Sweden's aid budget is a generous 1% of its GNI; however, the economic downturn means that in actual volume terms, the 2010 budget will be less than the previous year's. Because of this, the government has chosen to accelerate its planned phasing out from Latin America, while protecting its allocations to its focus countries, including those in Africa. Similarly, where donors (like Italy) are major supporters of the multilateral system or specific agencies, cuts need to be communicated in advance because they can have a major impact on these agencies' planned activities.

Ensuring flexibility and predictability

Remaining both predictable and flexible is a challenge for all donors. Aid budgets and programmes are often approved annually by member country parliaments. But donors need to make, and keep, multi-annual promises to partners so that they can plan ahead. Thus, communicating budget changes in advance is crucial to allow partners time to adjust their budgets and work plans.

In the current context of economic uncertainty, mechanisms to move funding around within the system and to cross over financial years can be helpful. New Zealand's legislation allows its development agency NZAID to overspend by as much of 10%, or under-spend by as much as 20% in one financial year, so long as the imbalance is redressed the following year. This has given NZAID more budgetary flexibility than many other donors and has proved a useful management tool (OECD, 2009d). However, not all donors have this flexibility, and some even require legislative approval for relatively minor adjustments or transfers between funding channels. This both slows things down and constrains organisations from managing across budget lines.

Improving accountability – at home and away

In donor and partner countries alike, people want to know that aid is working and that it provides value for money, especially at this time of heightened economic austerity. Governments must be accountable to their electorate and to their taxpayers. At the same time, partner countries are seeking greater mutual accountability. In this climate, it is crucial to ensure, identify and communicate development co-operation impacts. To do so requires effective systems of management and public communication that are driven by results.

Managing for results

Creating an organisation that is truly managed by and for results takes time, but the closer DAC members get to such a system, the easier they find it to reassure the public about the effectiveness of development co-operation. Results-based management should permeate all stages of project and programme management, from design, through everyday management, to regular monitoring, review and evaluation. Monitoring should be used to address problems and make changes as necessary. Some donors, such as the United States and Canada, have prioritised and professionalised results-based management throughout their work. Others are still trying to integrate this approach. Many find that the challenge is to design an approach that is a genuine tool for managers and field staff, rather than simply fulfilling a corporate requirement. In this vein, Canada has recently tried to consolidate some of its results-based management procedures in order to create a more streamlined and user-friendly system.

Identifying results

Evaluation is one very important component of an organisation managed by and for results; it is also an important mechanism for transparency and accountability. Most DAC members have a good foundation in evaluation, and draw on the DAC Principles for the Evaluation of Development Assistance (OECD, 1991). But almost all DAC members want to improve their evaluations and increase the work they do together. To support these efforts the DAC is developing new quality standards for evaluation (Box 2.1).

Box 2.1. **DAC quality standards for development evaluation**

Evaluation is a key accountability and learning tool for informing decision makers and the public at large about development results. To have the desired impact on policy makers and others involved in development work, it is essential that evaluations are of high quality and based on solid evidence.

The DAC Network on Development Evaluation aims to increase the effectiveness of international development programmes by supporting robust, informed and independent evaluation. It encourages high quality and harmonised development evaluation by continuously evolving its normative framework. This framework includes the DAC Criteria for Evaluating Development Assistance, a glossary of key evaluation terms and various guidance publications that are widely used in practical evaluation work and training.

The network is currently developing standards for development evaluation. These standards aim to improve the quality of evaluation and ultimately strengthen its contribution to development effectiveness. The standards provide guidance for evaluation managers and practitioners and can be used during the different stages of the evaluation. They cover the whole evaluation process: from planning to implementation and reporting. The standards underline the importance of actively disseminating the results of evaluations once they are completed. The standards can also facilitate the comparison of evaluations across countries, themes and sectors; support partnerships and collaboration on joint evaluations; and increase development partners' use of each others' evaluation findings.

The evaluation quality standards were approved for a three-year test phase in 2006 and have been used extensively during this period. They are now being revised based on contributions from a range of development partners, including donors and partner countries, during workshops in New Delhi and Auckland. Although the standards were developed primarily for use by DAC members, they can be useful to all development partners.

Source: The draft version of the standards and other material from the network can be found at *www.oecd.org/dac/evaluationnetwork/documents*.

Communicating results

It is not easy to demonstrate and communicate that aid money is well managed and that it is having an impact. One problem is that international development is cloaked in jargon and technicality. The principles of the Paris Declaration can be obscure, and because they focus on process, they are difficult to measure. New ways of working with donors increasingly joining together in country-led activities means that it may be neither possible nor appropriate to attribute particular results to specific donors. This complicates the communication task still further. An increasingly large number of donors, including Ireland, Norway, Sweden and the United Kingdom, are starting to explain to the public how their specific activities have contributed to general improvements in a partner country. This approach allows donors to engage jointly in and report on programmatic approaches and to use shared indicators, often those agreed with partner countries.

As taxpayers and legislators are really only interested in results and impacts, not process, this is where the focus of communication should be. The closer the communication team is to operational teams, the more able it will be to report real results. At the same time, the public also needs to understand why their government is working in particular ways; this is why communicating the value of co-ordination and use of local systems is important, helping provide context to reporting wider results rather than individual outputs of specific projects. Many donors have found that how they communicate results to their public – whether attributing them to their own specific funding or to approaches shared with others – is critical. The Netherlands, for example, is using impact evaluations to examine the steps that lead to tangible positive changes in people's lives. They include the role of Dutch NGOs in their assessments and openly acknowledge what has not worked and why. They prepare a biennial results report for parliament, which draws on all these sources to demonstrate the Dutch contribution to overall development progress. This is coupled with investment in public communication and development education, focused on achieving behavioural change amongst Dutch citizens.

Building more effective organisations

Implementing the aid effectiveness agenda (Annex) requires organisations that are staffed, run and structured appropriately. The 2009 OECD report *Managing Aid* (OECD, 2009e) identified three main institutional challenges to implementing the principles of the Paris Declaration: decentralisation, human resource management and adaptation of procedures. The structure of the organisation itself can play an important enabling role. While many members have initiated some sort of organisational changes since the Paris Declaration was signed, most are still seeing if new structures, processes and human resourcing strategies have improved organisational effectiveness and, ultimately, development results.

Getting the right people and skills in place

With strong staff teams in their partner country offices, donors can increase the responsibility of these offices. This also increases efficiency in planning and approving projects. Most DAC members have started to place more staff in partner country offices as part of their decentralisation process. But there is still enormous variation: for example, Denmark, the European Commission, Germany and Sweden have at least 70% of staff stationed in the field, while Portugal and New Zealand have at least 70% in headquarters (OECD, 2009e). Smaller donors need a critical mass of people at headquarters and so are likely to have low levels of decentralisation. The additional expense of stationing staff overseas can often be an obstacle to decentralisation. In Sweden, parliament has allocated extra funds specifically to cover these costs. In Canada, lessons from a past aborted decentralisation effort are being used now to ensure the process is better planned. In Spain, civil service recruitment regulations restrict staff from moving between headquarters and the field, which significantly limits the system's flexibility. Some agencies have used incentives – for example promotion and extra personal support and leave – to persuade staff to take up difficult or unpopular postings. Some are making greater use of staff recruited locally in the partner country. The quality and country knowledge of Irish Aid's locally recruited staff, for instance, are considered key strengths by the agency's partners (OECD, 2009c). Staff recruited in-country by the UK's Department for International Development (DFID) are able to take their experience to other postings and build a career within DFID. Many DAC members, however, still do not allow non-citizens to climb to mid-grade or senior positions.

Greater use of broader programme approaches (as opposed to implementing specific projects) can help to reduce partner country transaction costs and improve co-ordination and alignment. However, in practice, managing programmes is time consuming, particularly at the start, and also requires special skills. Some peer reviews have noted staff cuts can be risky during the transition to programmatic approaches. Instead, additional investment will often be necessary for building appropriate staff capacity and skills. The Netherlands and the United Kingdom have invested in staff training in public financial management[3] and in managing sector-wide approaches;[4] Sweden offers training in programme-based approaches. Canada, Denmark, the EC and France have trained staff in applying aid effectiveness principles in practice. In general, donors find there is a high demand for practical, rather than theoretical, training.

Changing how agencies work

Implementing the Paris Declaration principles requires many changes to the way donors work. These include involving partner countries in planning and reviewing their programmes, reforming procurement rules,[5] untying aid (Chapter 1), improving co-ordination among donors, increasing delegation (a shift of decision-making authority from a higher to a lower organisational level) and reducing long authorisation chains. The Japan International Cooperation Agency (JICA) has started to simplify planning by conducting one overall survey of each country's needs, rather than separate research on grants, loans and technical co-operation. The Netherlands has streamlined and simplified its planning and monitoring system. Some donors have also invested in trying to co-ordinate their various agencies at field level, which is often a pre-requisite for genuine harmonisation (one of the key tenets of the aid effectiveness agenda – see Annex) and can also reduce transaction costs for partner countries. A number of donors which have more than one agency and ministry involved in development co-operation are looking at ways to improve their co-ordination in the field. Delegating authority, including for project planning, management and financial authorisation, has been an important way for some donors to strengthen the field orientation and efficiency of their operations. For example, Canada's strengthened field operations in Afghanistan have allowed it to become a more nimble, responsive and effective partner there.

Effective organisational structure

Organisational restructuring has been taking place in a wide range of DAC member agencies. The Swedish International Development Agency (Sida), for example, was re-structured in 2008 so as to be better placed to implement aid effectiveness principles in practice. The most significant change was to re-group country teams around types of assistance, rather than by geographical location. These departments will be linked by staff networks, designed to share knowledge and lessons across the team groupings. In Japan, merging two agencies in 2008 has made the Japan International Cooperation Agency responsible for implementing almost all Japanese ODA, and it is now the world's biggest bilateral development agency. This approach should reduce fragmentation, bureaucracy and transaction costs, and increase synergies between grants, loans and technical co-operation. But regardless of how a donor chooses to structure its development co-operation system, and indeed its individual agencies, co-ordination and communication are the watchwords of successful structural change.

Conclusion

While policy makers continue to fine-tune policy and define what its aid agencies should be doing, aid agency managers have to work out how this can be done in practice. From our brief look at these three themes – managing changing budgets, improving accountability and building effective organisations – it is evident that there is huge potential and demand among members for learning from each other's experiences in managing change. The DAC provides a forum in which such lessons can be shared.

Notes

1. At an OECD seminar in May 2009, high-level participants from DAC member countries expressed an interest in investing more time in discussing and sharing experiences in practical aid management issues, particularly managing programmes and agencies for greater aid and development effectiveness.
2. A vertical fund, or a global vertical programme, is an international initiative which provides significant funds to developing countries to tackle a specific problem, through a specific channel. An example is the Global Alliance for Vaccines and Immunisation (GAVI).
3. Public financial management looks at all phases of the budget cycle – including the preparation of the budget, internal control and audit, procurement, monitoring and reporting arrangements, and external audit – to make sure that resources are allocated to priority needs, and that public services are funded efficiently and effectively (see OECD, 2003).
4. A sector-wide approach (SWAp) involves donors giving significant funding to a partner government's own sector policy and expenditure programmes (for example health or education). SWAps offer potential advantages over stand-alone projects. These include greater government ownership and leadership, enhanced transparency and predictability of aid flows, enhanced harmonisation among donors and reduced transaction costs.
5. Procurement is the full range of activities needed to acquire a good or deliver a service. These typically range from the initial identification of need, right through to contract management and the evaluation of performance (definition from *www.dfid.gov.uk/Global-Issues/How-we-fight-Poverty/Government/Public-Financial-Management-and-Accountability/Aid-effectiveness-procurement1/*, accessed 20 October 2009).

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Chapter 3

Country Systems, and Why We Need to Use Them

For aid to be effective, donors need to respect partner country ownership over their own development policies and practices. This means, among other things, using a country's own administrative systems to deliver aid. Decades of development experience show that bypassing country systems and policies weakens a country's ability to determine its own future.

Nonetheless, many donors are hesitant to use this approach because of fear of financial misuse and lack of attribution for development impacts. This chapter highlights the long-term advantages versus *the risks of using country systems, and outlines donor and partner country efforts to both strengthen and use these systems.*

Global commitments to using country systems

While development co-operation can improve people's lives, it is often criticised for being ineffective, redundant and ultimately delaying the achievement of self-sufficiency by partner country governments. It is certainly true that the way in which aid has been delivered in the past – for example, when donors create their own mechanisms for implementing development rather than using partner countries' systems – has risked undermining the sustainability of development efforts. By bypassing the government's existing systems, these parallel systems can contribute to the country's continued dependency on donors. Bypassing a country's decision-making bodies can undermine these institutions and hence the accountability of the government towards its own citizens. These risks need to be considered alongside donors' own concerns as they make efforts to increase their use of country systems in the delivery of aid.

Current international commitments to using country systems emphasise what the donor community is learning from decades of experience. The 2005 Paris Declaration and the 2008 Accra Agenda for Action (AAA) (Annex) commit donors to more systematic use of country systems and to supporting countries in strengthening their systems, whether for financial management, procurement, statistics or in the management of technical assistance (Box 3.1). For their part, partner countries have committed to strengthening their own systems to encourage donors to use them (Manning, 2007).

Box 3.1. **The Accra Agenda for Action and the use of country systems**

At the High Level Forum in Accra in September 2008 donors agreed:

- to use country systems as a first option for aid programmes managed by the public sector;
- to be transparent when they decide not to use country systems;
- to support country-led reform programmes;
- to develop corporate plans for using country systems;
- to channel 50% or more of government-to-government aid through country financial systems (public financial management – PFM – and procurement).

Partners and donors also agreed to jointly assess the quality of country systems. The DAC is strongly committed to measuring progress in this area (see below).

This chapter explains what is meant by "country systems" and looks at the degree to which donors are using them. It assesses why donors may be reluctant to use them more fully, and outlines a range of reasons why their use is important. Finally, it describes some encouraging measures being implemented by donors to increase the use of country systems, concluding by listing further actions needed by both the DAC and developing country governments to increase and broaden their use.

What are country systems and how can we use them?

In the Paris Declaration and the Accra Agenda for Action, "country systems" include national arrangements and procedures for public financial management, procurement, audit, monitoring and evaluation, and social and environmental procedures. For example, in the case of public financial management, national systems for the management of funds are those established by the country's general legislation and implemented by government. Beyond the more traditional administrative systems, country systems also include statistical systems, analytical work and technical assistance management (Box 3.2).

Box 3.2. **Statistics: what every country needs**

All countries need statistics. Reliable, timely data are crucial in policy making for identifying problems, informing the design and choice of policy, forecasting the future, monitoring policy implementation and evaluating policy impact. Appropriate disaggregation of data (for example, by sex, region and socioeconomic status) is also important. However, in many developing countries, national statistical systems lack adequate, predictable funding to support their regular work programmes. Therefore, at times they must rely on additional donor-led surveys to provide the data they need to inform national policy debates. Yet, these *ad hoc* and often donor-driven surveys do not always reflect the priorities of the country's own national development strategy.

The Partnership in Statistics for Development in the 21st Century (PARIS21) – whose Secretariat is hosted within the OECD's Development Co-operation Directorate – promotes the design, implementation and monitoring of national strategies for the development of statistics (NSDS). An NSDS provides a nationally-agreed vision for where the statistical system should be in five to ten years and sets milestones for realising that vision. It presents a comprehensive and unified framework for continual assessment of evolving user needs and priorities for statistics and for building the capacity to meet these needs in a more co-ordinated, synthesised and efficient manner. The NSDS also provides a framework for mobilising, harnessing and leveraging resources (both national and international), and a basis for effective and results-oriented strategic management of the statistical system.

Over recent years, the NSDS have become the benchmark for building sustainable statistical capacity in countries. By mid-2009, approximately 70% of International Development Association[*] borrowers and lower middle income countries were either designing or implementing a statistical strategy. Continued support is needed for the NSDS if partner country priorities are to be respected within their own national development strategies.

* The International Development Association is the part of the World Bank that helps the poorest countries by providing no-interest loans and grants for programmes aimed at boosting economic growth and improving living conditions.

Donors use country systems when their funds or services are managed according to partner country procedures, and implemented by the national government. For example, using country systems for financial reporting means that donors do not create separate accounting systems to satisfy donor reporting requirements, and do not create a separate chart of accounts to record the use of donor funds. Instead, they use the country's own reporting systems and chart of accounts. To take another example, using country systems for implementing projects and programmes means that the goods and services needed are procured according to national procurement procedures, under the partner country's own legislation.

Often, only some components of a country system are actually used. Table 3.1 identifies some of these key components. For instance, donors provide their aid “on plan” – *i.e.* aid is integrated into spending agencies’ strategic plans – but not “on audit”. This means that donors still require special additional audits to be carried out on the use of their funds. While such additional measures may be appropriate short-term safeguards in some situations, they risk bypassing partner country systems and undermining national lines of accountability. Donors can also ensure their aid passes through a country’s legislative system. When aid is included in the revenue and appropriations approved by parliament, donors are said to be providing aid “on parliament”. This strengthens domestic accountability by ensuring members of parliament know the amount of aid that is coming in and from where (CABRI and SPA, 2008).

Table 3.1. **Key dimensions in the provision of aid through country systems**

Term	Definition
On plan	Programme and project aid spending is integrated into spending agencies’ strategic planning and supporting documentation for policy intentions behind the budget submissions.
On budget	External financing, including programme and project financing, and its intended use are reported in the budget documentation.
On parliament (or “through budget”)	External financing is included in the revenue and appropriations approved by parliament.
On treasury	External financing is disbursed into the main revenue funds of government and managed through government’s systems.
On accounting	External financing is recorded and accounted for in government’s accounting system, in line with government’s classification system.
On audit	External financing is audited by government’s auditing system.
On report	External financing is included in *ex post* reports by government.

Source: Collaborative African Budget Initiative (CABRI) and Strategic Partnership with Africa (SPA) (2008), *Synthesis Report: Putting Aid on Budget*, CABRI, Pretoria.

One key way of using country systems is for a donor to provide “budget support”. This means that aid money is not linked to specific projects or expenditure items. Rather, it is disbursed through the country’s own administrative systems. Budget support is accompanied by conditions and procedures for dialogue between the countries and donors; efforts by donors to harmonise their aid and align it with national priorities; and technical assistance to strengthen the country’s administrative systems (OECD, 2006). The decision by donors to use budget support goes hand-in-hand with partner country commitments to strengthen their public financial management systems to ensure credible planning, budget, accounting, auditing and reporting.

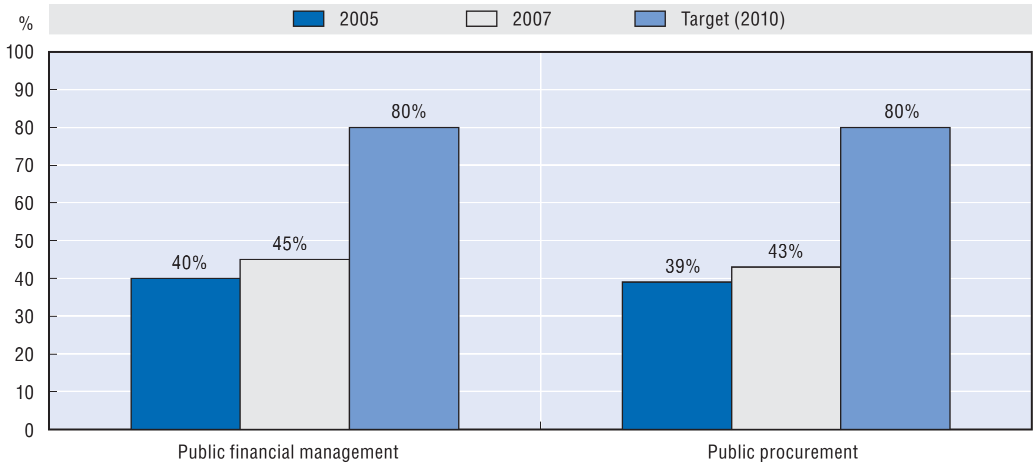
If designed appropriately, all forms of aid (including project support) can use country systems. However, in practice, many projects still rely on parallel systems or make only partial use of country systems. The reasons for this may vary, and could include capacity bottlenecks, or donor-side constraints preventing fuller use of country systems. Project finance often leads to the creation of separate project implementation units (PIUs) and use of parallel systems, or reliance on non-governmental organisations to implement activities that might otherwise be undertaken by government. For example, project support often involves donors using aid to support a specific activity, with donors retaining control of the project’s financing and management.

Are we reaching our targets for using country systems?

Evidence shows that country systems are still underused by donors. Some progress has been achieved in strengthening country systems – since 2005, 36% of partner countries have improved their score for public financial management (PFM). Less progress has been made to date in using country systems, although some time lag might be expected between the improvement in the quality of a country's systems and their increased use by donors. Figure 3.1 shows that only 45% of aid to the 54 developing countries surveyed in 2008 used those countries' PFM systems (the target is 80%) (OECD, 2008a).*

Figure 3.1. **Are donors fulfilling their Paris Declaration commitment to use partner country systems?**

Aid using partner country systems
(as a percentage of total aid disbursed by donors for the government sector)



Source: OECD (2008a), *2008 Survey on Monitoring the Paris Declaration*, OECD, Paris.

StatLink http://dx.doi.org/10.1787/787420181071

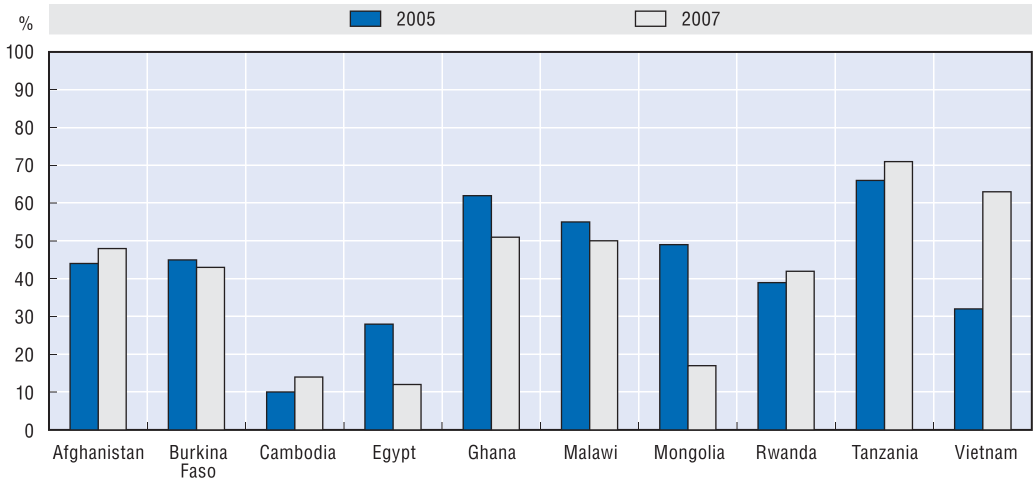
The survey results also point to a weak correlation between the quality of a country system and its use by donors. In some countries, such as Ghana, the 2008 survey shows a slippage in the proportion of aid using country public financial management systems (to 51%, from 61%) even though the quality of the system has improved (Figure 3.2). This finding would tend to imply that donors do not base their decision to use a country's systems solely on the strength of those systems.

There is some evidence that progress in the use of a country's systems in a sector such as health is also limited. In Mali, for instance, despite strengthened decision-making and implementation mechanisms in the health sector, donors vary in the extent to which they are using these systems. A study conducted by the Task Team on Health as a Tracer Sector (TT HATS) (TT HATS, 2009) shows that government representatives in Mali also feel that where questions arise over the quality of one component of a country's system, donors

* The Paris Declaration on Aid Effectiveness (2005) makes clear that donors' use of country procurement and PFM systems should be conditioned by the quality of those systems. As such, improvements in the use of country systems should go hand-in-hand with efforts to further strengthen them.

Figure 3.2. **Use of partners' financial management systems (selected countries out of 54 surveyed), 2005 and 2007**

Aid using partner country PFM systems
(as a percentage of total aid disbursed by donors for the government sector)



Source: OECD (2008a), *2008 Survey on Monitoring the Paris Declaration*, OECD, Paris.

StatLink http://dx.doi.org/10.1787/787423453067

bypass the system too quickly rather than trying to discuss how best to support it. This is particularly true when it comes to managing technical assistance.

Why are donors concerned about using country systems?

Analysis undertaken by the OECD shows that in the majority of cases, donors decide not to use country systems to avoid four main perceived types of risk:

1. that aid will be mismanaged or misused ("fiduciary risk");
2. that aid will be diverted to other objectives and so will not contribute to development ("developmental risk");
3. that individual donor efforts will not be recognised if countries manage their own funds; and their reputation will suffer if development objectives are not achieved, even if this failure is not attributable to their individual action, but is the result of factors beyond their financial control ("reputational risk");
4. that decisions to use country systems will delay funds being made available, especially in fragile states or emergency situations ("delaying risk").

Donors may vary in their tolerance for different risks based on their own legal frameworks, political commitments or internal incentives. Some donors therefore place developmental risk higher up the scale than fiduciary risk, whilst others try to avoid reputational risk more than the risk of delaying the availability of aid money. In finding the right balance in all these areas, it is fundamental that aid practitioners, aid sceptics and the public at large better understand what using country systems entails, the risks of both using and not using a country's systems, and the ways in which mutual support and partnership can help achieve the commitments set in Paris and Accra.

Why shouldn't we be afraid of using country systems?

The potential risks of using country systems need to be balanced against the benefits. However, the latter are often not understood or communicated well enough. One reason is that the benefits are institutional, long-term and diffuse in nature, whereas fiduciary risks are seen to be much more immediate and are likely to engender stronger political pressure to avoid them. In addition, the question of using a country's own administrative systems is quite technical and therefore difficult to communicate to a wider audience (OECD, 2008b). There is also some evidence that donors feel that the longer-term benefits of using country systems are attributed largely to other donors, rather than to the donor who steps up first to use the systems and who may incur short-term costs while essentially providing a public good for other donors (Knack and Eubank, 2009). There is a strong need, therefore, for a variety of stakeholders in donor countries to improve their understanding of the longer-term benefits of using country systems. This section outlines a number of key benefits in the use of country systems.

Use them or lose them

Donor use of a partner country's established institutions and systems helps to strengthen the partner's long-term capacity to develop, implement and account for its own policies – both to its legislature and to its citizens. Evaluations of donor support to public sector reforms confirm that channelling aid through country systems strengthens budget processes and improves the country's own administrative and financial systems (Independent Evaluation Group, 2008). A joint evaluation of general budget support showed that channelling funds through the budget played a significant role in making government agencies take the budget process more seriously. Previously, donor money was "invisible" to those making decisions in ministries responsible for the budget.

Donors' concerns about the misuse of funds can motivate them to focus their attention on strengthening country processes in order to combat corruption (Wescott, 2008; and Chapter 7). Even though fiduciary risks remain high in certain countries, evaluations show that efforts to reduce corruption have better prospects when they emphasise building country systems to reduce the opportunities for corruption, rather than engaging in donor-created parallel systems (Independent Evaluation Group, 2008). It must also be noted that stand-alone projects are not immune to corruption. Whilst a stand-alone approach to project management and implementation may offer benefits in terms of clearer accountability and management lines, such projects often rely on a small team of individuals, and the degree of risk – and ultimate success or failure of a project – can rely as much on the individuals involved than on government as a whole. Although parallel systems can at first seem to promote effective project management, when the project ends, so does the good practice and learning, leading to very short-term gains. Reforming national institutions is therefore a more challenging, but ultimately more effective and long-term solution to corruption challenges and financial misuse (World Bank, 2009).

More accountable governments

Most development requires governments to account to their parliaments and people for how national resources are spent on economic and social development. When donors bypass government systems, accountability lines tend to become more diffuse, especially if the funds are managed in project implementation units. Agencies become accountable to donors instead of to their citizens for delivery of services. In a recent fiduciary assessment in Uganda, for instance, the World Bank outlined how using internal control arrangements ensured clearly demarcated responsibilities for acquiring and paying for goods and services: line ministries perform the procurement function while treasury makes payment to suppliers (World Bank, 2009). The government, rather than the donor, is ultimately responsible for performance.

Less fragmented aid delivery

When donors use country systems, aid delivery tends to be less fragmented as all donors align their support behind the partner government's own policies. This is particularly the case when donors use the partner government's planning tools. When donors operate outside the planning system, government representatives cannot plan effectively for their long-term development efforts as they do not know what funds are coming in, or through which treasury account. Moreover, accountability becomes further fragmented when a partner government has to be accountable to different sets of donors. Governments also have a responsibility to facilitate donor harmonisation to support their national policies (see below for discussion of partner countries' role in deciding when to use their own systems).

Better value for money, for donors and partners

Ineffective aid can be costly. For example, the cost of failing to implement the aid effectiveness agenda in full across the European Commission's aid programme could range from EUR 5 to EUR 7 billion a year (European Commission, 2009). Implementation through local systems substantially reduces downstream transaction costs for governments because they no longer have to account for and audit separate projects. Evidence from an evaluation of general budget support shows that partner governments' transaction costs in implementation have been significantly reduced by virtue of being able to follow standard government procedures rather than a multiplicity of donor ones (IDD, 2006).

These benefits need to be better understood and examined in the light of the risks (be they fiduciary, developmental, reputational and/or delaying) and the country context (for instance, these risks will differ depending on whether donors are operating in a fragile country or in a middle income country). A more evidence-based evaluation is needed to understand the benefits that accrue to both donors and countries when using a variety of different country systems – from the management of technical assistance, to procurement, to sophisticated financial management systems.

Where do we go from here?

The Paris Declaration, and especially the Accra Agenda for Action, have prompted donors to review their procedures and practices to increase their use of country systems. Donors are introducing incentives for their staff at the country level for using country systems, developing better staff guidance, as well as systematically monitoring the use of country systems in their programmes. For example, Australia has revised its guidance for developing country strategies by emphasising the importance of working through partners' financial procurement and decision-making systems and strengthening these over time. Their new Pacific Partnerships for Development, signed with Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tuvalu, Tonga and Vanuatu, take this into account. Canada has linked staff performance assessments to commitments to aid effectiveness (including on using country systems). Similarly, Sweden has made each country team director responsible for ensuring that the use of country systems is considered as the first option in all new aid programmes. The European Commission has created an internal information system to monitor progress on use of country systems. Some donors have sought to promote the approach beyond their immediate staff to their partners delivering aid on the ground: for instance, Norway has put pressure on its civil society partners to align their operations with country systems (OECD, 2009). The United States has launched a process to evaluate how much of its development assistance programme can be managed through the Government of Pakistan's public financial management and procurement systems. This process includes assessing specific government units, looking at how they manage these systems, and establishing local capacity to help units resolve any management weaknesses.

In the health sector, concerns that the growing number of global programmes and initiatives targeting specific health objectives could bypass or weaken sometimes fragile health country systems have led governments and donors to re-focus on health system strengthening and to seek to create a common platform for health systems strengthening. This would promote the use of country systems to reduce transaction costs for partner countries. There are already signs of progress. The Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM), for example, reports that 82% of the programmes it supports use national monitoring and evaluation systems and 56% use national procurement systems. In some countries, such as Uganda, funds that were originally managed by a separate project implementation unit will – through a long-term institutional arrangement – be provided in the form of budget support (TT HATS, 2009).

A role for the DAC

The DAC and its associated bodies are taking several steps to increase members' use of country systems:

1. The DAC encourages and supports donors to use country systems.
2. The DAC provides a forum for donors and partners to exchange views and practical ideas on the risks and benefits of using country systems in a variety of different contexts.
3. The Working Party on Aid Effectiveness has created a Global Partnership on Country Systems. It includes donor and partner country representatives and brings together the task forces on PFM and procurement. It is jointly chaired by Ghana and the United States. The role of the global partnership is to:
   - support the development of joint partner country and donor guidance and good practice to address the technical challenges of strengthening and using country systems (including in public financial management, procurement, monitoring and evaluation, and social and environmental assessment);
   - facilitate a dialogue on partner country efforts in strengthening country systems and on when to use country systems, building on existing fora for dialogue where possible. This dialogue will be undertaken at the country level to ensure better and more evidence-based discussion of the benefits and risks of using country systems.
4. As part of its work to support the Working Party on Aid Effectiveness, the Task Team on Health as a Tracer Sector has identified the use of country systems – including procurement and public and financial management systems – as a critical challenge that needs to be addressed. The TT HATS has facilitated a joint learning and self-assessment exercise by Ghana and Madagascar of their country procurement systems and donors'

use of them. This study presents the main lessons and conditions for donors to move towards greater use of country systems and points out the critical need for donors to further support countries' efforts to reform, monitor progress and strengthen their systems, including through appropriate capacity development support.

The DAC is also working to promote the use of country systems in the delivery of emerging forms of assistance, going beyond traditional aid. For example, it is striving to ensure that climate adaptation funds – a new source of funding – are not provided through parallel systems. In the context of its ongoing efforts to ensure gender equality, it is also working to strengthen gender-responsive budgeting (Box 3.3).

Box 3.3. **The importance of country systems for cross-cutting issues**

Mainstreaming the environment in country systems

By 2030, additional annual investments for climate change mitigation and adaptation are likely to range from USD 50 billion to several hundred billion USD. This climate change financing needs to be channelled through country systems and funding mechanisms must encourage broad national ownership, strengthen national capacity to address climate change and promote coherent approaches to development and climate change challenges.

A country system approach to environmental capacity development implies mainstreaming environment across government – in other words, not only enhancing the capacities of environment ministries, but also of central planning ministries, ministries of finance and other sectoral ministries. It also involves looking at the role and capacity of non-governmental actors in the private sector and civil society.

Gender responsive budgeting: improving the lives of women and men

The Accra Agenda for Action (AAA) recognises the importance of gender equality and women's empowerment in development. Partner countries and donors have agreed to "ensure that their respective development policies and programmes are designed and implemented in ways consistent with their agreed international commitments on gender equality, human rights, disability and environmental sustainability" (Accra Agenda for Action, 2008).

In this respect, gender-responsive budgeting can help governments to ensure that resources are used to help both women and men. The DAC is examining how gender-responsive budgeting techniques can be integrated into the public financial management cycle and the country's overall legal framework.

In Morocco, one of the countries where most progress has been made on integrating gender equality into overall budget reform, this is seen as a means of more efficiently using government resources to achieve development and equity objectives. The first phase of Morocco's gender-responsive budgeting initiative, led by the Ministry of Economy and Finance since 2002, focused on capacity building and the production of gender budgeting tools and methodologies. The second phase aimed to develop a culture of policy and programming evaluation within line ministries. Since 2005, annual gender reports – evaluating the relevance of public policies to the different situations of women and men – have been prepared and presented to parliament alongside the finance bill. The number of ministries and departments producing gender reports has increased rapidly, from 4 in 2005 to 25 in 2009 (Burn, 2008).

The role of partner country governments

The benefits and risks of using country systems also need to be evaluated by the countries receiving aid. Partners are not bystanders in donors' decisions to use country systems. Beyond the Paris Declaration commitments to strengthen their systems, developing countries may also request that donors delay the use of certain components of their national systems. The reasons for this may vary from country to country, but could include the perception by some domestic stakeholders that their own systems need to be strengthened further before they can be used fully, as was the case in Ukraine (Vani, 2007). In other instances, countries may wish to ensure that they are responsible for managing the funds they receive. For instance, a government may ask donors only to use certain components of their country systems when they feel they have sufficient control over the use of that aid, knowing that they will be made to be accountable for its use (CABRI, 2009). In still other cases, where aid remains a small fraction of the national budget, the use of country systems may entail overly high transaction costs and reduce opportunities for quick, demand-driven actions. Ultimately, therefore, whilst most partner countries demand stronger use of country systems across the entire government cycle, the decision to use country systems must be taken in collaboration with partner countries and in line with their own priorities.

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Chapter 4

Aid for Trade: A Route Out of Poverty?

Many developing countries consider trade to be a key component of their growth and poverty reduction strategies. However, trade flows are estimated to have declined by around 10% in 2009 as a consequence of the economic crisis, undermining confidence in trade's role as an engine for growth and poverty reduction. Despite this, turning away from trade is not the answer. On the contrary, this chapter argues that it is all the more important to ensure that the right conditions are in place for integrating developing countries into regional and global markets.

This rationale of the Aid-for-Trade Initiative, as this chapter describes, has already made remarkable progress. Developing countries are prioritising trade in their development strategies and donors are scaling up resources. The chapter concludes that maintaining momentum despite the economic crisis will require broad-based country and regional dialogue to ensure that aid for trade contributes to wider development goals and can set and achieve specific development targets. And trade integration must be accompanied by policies that lift people out of poverty and distribute the benefits of trade more equitably across and within developing countries.

Why aid for trade?

Trade, and especially international trade, is an essential component of economic growth and can reduce poverty when the right conditions are in place. As a result, many developing countries have begun to integrate themselves further into the global economy. However, lack of capacity – in institutions, information, policies, procedures or infrastructure – has meant that many countries have been unable to benefit from greater access to international markets or to compete with wealthier countries. In response, in 2005, the World Trade Organization (WTO) members launched an initiative to support poorer members in their use of trade as an engine of growth and poverty reduction (Box 4.1). This chapter explores the role that trade can play in poverty reduction, assesses the progress and impacts to date of the Aid-for-Trade Inititiative and highlights the growing value of regional trade. It concludes by assessing how the momentum of the initiative can be maintained, particularly in light of the current economic crisis.

The rationale for aid for trade has been strengthened by the crisis. The quantity and quality of aid, including aid for trade, are now more important than ever for economic growth and human welfare. Aid for trade provides an essential stimulus in the short term, creating

Box 4.1. **The Aid-for-Trade Initiative**

The Aid-for-Trade Initiative was launched at the 2005 Hong Kong WTO Ministerial Conference. It aims to help developing countries, particularly the least developed, overcome the structural limitations and weak capacities that undermine their ability to compete, and to realise and maximise the benefits of trade and investment opportunities. The initiative will "enable developing countries, particularly least developed countries (LDCs), to use trade more effectively to promote growth, development and poverty reduction and to achieve their development objectives, including the Millennium Development Goals (MDGs)" (WTO Task Force on Aid for Trade).

Because trade is a diverse and complex activity, aid for trade is broad and not easily defined. It includes:

- Technical assistance: helping countries to develop trade strategies, negotiate more effectively, and implement changes.
- Infrastructure assistance: building the roads, ports, and telecommunications that link domestic and global markets.
- Productive capacity assistance: investing in industries and sectors so countries can build on their comparative advantages to diversify and add value to their exports.
- Adjustment assistance: helping with the costs associated with tariff reductions.

The initiative is reviewed every two to three years at a global level. The Second Global Review (July 2009) evaluated progress and scrutinised how the initiative is being implemented on the ground. The next global review is tentatively scheduled for 2012.

employment and reinvigorating growth, while also addressing long-term competitiveness challenges. Global food security is a case in point. Aid for trade can help improve the productive capacity of the agricultural sector and trade-related infrastructure, storage and distribution systems. All of these are key for long-term global food security (Box 4.2).

Box 4.2. **Food security**

The sharp rises in food prices in 2007 and 2008, and their subsequently even steeper fall, have underlined the fragility of global food security. The price rises led to riots and substantial instability in a large number of developing countries. Donors responded quickly to provide short-term emergency assistance. However, there is increasing concern about falling domestic and donor spending on agriculture. ODA to agriculture and food security fell from its 1980 high of 17% to under 4% of total bilateral ODA in 2007. The joint *Agricultural Outlook 2009-18,* published by the OECD and the Food and Agriculture Organization of the United Nations (FAO), forecasts that global food markets will remain volatile for some time, given their strong links to crude oil prices (OECD/FAO, 2009).

Achieving global food security in the longer term requires actions for agriculture, as well as actions outside the agricultural sector. Farmers, especially small-scale farmers, need to increase productivity, diversify their income base and improve their ability to respond to market needs. They also need effective social protection and insurance mechanisms, much greater access to innovation and technology and more effective public institutions. All stakeholders (developing countries, donors, the private sector and civil society) will need to work together to increase the capacity of countries to invest in agriculture and to make the sector a prosperous one that raises income and feeds the poor. More broadly, efforts are needed to diversify the structure of economies and reduce poverty to make food more affordable. This will have to include aid-for-trade arrangements that bolster the critical infrastructure and systems on which food production, marketing and access depend.

Global food security is now at the top of the international agenda. It was a central theme at recent G8 and G20 meetings, with a UN General Assembly and a World Food Summit following hot on their heels. Many donors are now scaling up aid to agriculture, rural development and food security, and making them much higher priorities. A key challenge ahead will be to turn political promises (by both developing countries and donors) into sustainable, effective and responsible investments in food security.

Aid for Trade at a Glance 2009 – an overview of the latest monitoring of the Aid-for-Trade Initiative published jointly by the OECD and the WTO (OECD/WTO, 2009) – highlights the initiative's many achievements. To build on these achievements, however, it must be shown that the initiative ultimately contributes to trade creation and poverty reduction. This is particularly important in the face of the worst economic crisis in generations. Stakeholders in developed and developing countries alike are eager to know whether the Aid-for-Trade Initiative is leading to the desired results. In particular, they are asking: do country-owned trade strategies and donor-funded trade programmes build capacity to trade, improve trade performance and reduce poverty? How do we know we are on the right track? How can we tell success from failure? Some of the answers to these questions are explored in the next section, before the progress of the initiative is outlined in the section which follows.

Under what conditions can trade reduce poverty?

"Aid for trade should support the broader development goals we all share, focusing not only on building trade capacities but also on contributing to a healthier environment and to fighting poverty" (OECD Secretary-General Gurría, at the 2nd Global Review of the Aid-for-Trade Initiative, 6-7 July 2009).

The relationships among trade, growth and poverty are complex. Though opinions differ as to the nature of these relationships, most agree that developing countries can gain real benefits from opening up their economies. Indeed, the weight of evidence is that greater openness is important for growth and has been a central feature of successful development. No country has developed successfully by closing itself off from the rest of the world, very few countries have grown over long periods of time without experiencing a large expansion of their trade, and most developing countries with rapid poverty reduction also enjoy high economic growth (*i.e.* the growth accounts for a large share of observed changes in poverty reduction).

Of the numerous empirical studies on the topic, however, most have failed to establish a systematic relationship between greater integration and growth, and there is little agreement on causality (OECD, 2009). Economic growth in general is a rather messy process and will not be equitable if left to its own devices. For this reason, governments need policies that bring the benefits of growth to those sub-groups of people that would otherwise not be reached. To make growth more beneficial to the poor, policies need to tackle the multiple dimensions of poverty, including the economic, political and social dimensions, as well as the cross-cutting dimensions of gender and environment. Policies must also help to empower the poor to contribute to and participate in the growth process (OECD, 2006).

In looking at both trade-to-growth and growth-to-poverty links, Cicowiez and Conconi (2008), for example, conclude that the critical elements in translating economic growth into poverty reduction seem to be complementary and multidimensional public policies. Work by the University of Adelaide exploring the links between trade, growth and poverty reduction lists five prerequisites for a positive relationship between trade and poverty reduction: *i)* trade openness; *ii)* domestic reform; *iii)* a robust and responsible private sector; *iv)* institutional reforms; and *v)* political will and co-operation (Redden, 2008).

In short, while trade, and therefore aid for trade, may be positively linked to growth, trade policies are by no means the only policies that are important for reducing poverty.

The Aid-for-Trade Initiative: a progress report

As mentioned earlier, monitoring has shown that the Aid-for-Trade Initiative has made good progress. Partner countries are mainstreaming trade in their development strategies and clarifying their needs and priorities. Donors are improving aid-for-trade delivery and scaling up resources. In 2007, as was the case in 2006, aid for trade grew by more than 10% in real terms; total new commitments from bilateral and multilateral donors in 2007 reached USD 25.4 billion, with an additional USD 27.3 billion in non-concessional trade-related financing. Preliminary data for 2008 show a continued increase in aid for trade. This section outlines some of the impacts of the initiative on trade.

An OECD/WTO partner country and donor aid-for-trade questionnaire sought to shed light on the impact of this funding on trade (OECD/WTO, 2008).[1] Over 80 partner countries and 50 donors responded, giving a clear sign of across-the-board engagement in the initiative. In these self-assessments, partner countries generally agreed that the following four aid-for-trade programmes have been most effective:

1. **Trade policy analysis, negotiation and implementation.** The case of the Philippines suggest that training and workshops have been particularly useful in helping officials to better understand the function, structure and rules of the multilateral trading system. Sri Lanka reports that WTO technical assistance has helped to train trade negotiators, but it also expresses concern that WTO programmes risk turning officials into "rule takers" rather than "rule makers" by focusing too narrowly on rules, rather than development policy.
2. **Trade facilitation.** This is the second most frequently identified area where aid for trade is seen as effective. Simplification of customs procedures and improvements to port authorities are considered particularly important and useful (*e.g.* Ghana, Kenya and Malawi). An OECD (2009) study found that customs reform – often supported by technical assistance programmes, financial assistance or public-private partnerships – may bring important increases in customs revenue over a relatively short period of time: for example 150% in Angola half-way through the five-year reform programme, and 58% in Mozambique during the first two years of the programme. More importantly, however, trade facilitation and custom reforms lead to increased trade.
3. **Competitiveness**. Belize reports that the EU-funded Banana Special Framework of Assistance, which provided technical assistance, supplies, infrastructure, schools and teacher training, played a significant role in improving the competitiveness of its banana industry.
4. **Export diversification.** Zambia reports that European Development Fund projects helped it to increase the export capacity of its horticulture and floriculture sectors. In Grenada's case, an initiative that brought together the public and private sectors, as well as NGOs, enabled the design of a broad strategy for increasing and diversifying exports.

Mainstreaming trade by partner countries

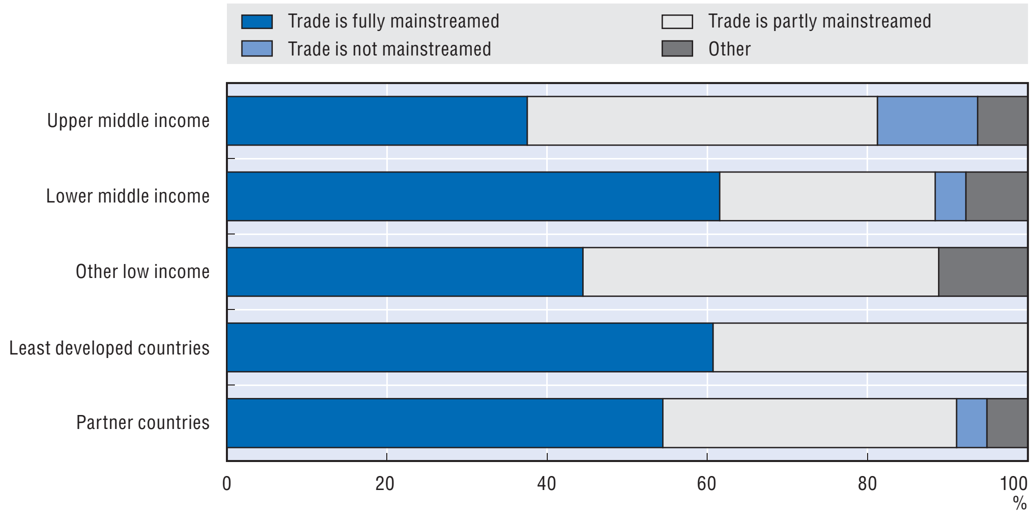
Increasingly, partner countries are becoming actively involved in the Aid-for-Trade Initiative. Nearly all partner countries report having national development strategies and more than half have fully mainstreamed trade by incorporating it into well-developed government priorities and action plans (Figure 4.1). Although independent surveys raise questions about this assessment, it is nevertheless a clear indication of the growing awareness among partner countries that trade can play a positive role in promoting economic growth and reducing poverty.

While partner countries increasingly discuss their priorities with donors through a variety of dialogue fora, donors note that the success of these discussions depends critically on the extent to which trade-related priorities have been mainstreamed and implemented by those countries. Mainstreaming is essential, because without a trade-development strategy that works, it is hard to attract donor support to address specific supply-side constraints. With competing claims on limited resources, especially in times of economic crisis, it will be difficult for donors to sustain increased aid-for-trade flows without clear demands from partner countries.

An increasing commitment by donors

Aid-for-trade flows to low income countries are growing faster than to any other income group. Most are spent on infrastructure, in particular transport and power, whereas

Figure 4.1. **Mainstreaming of trade by partner countries**

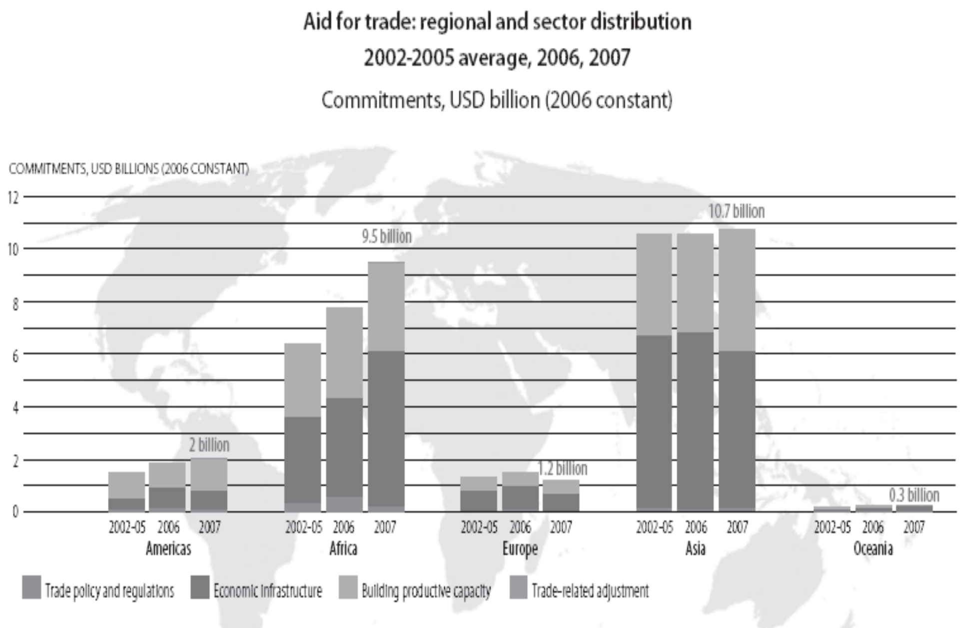


Source: OECD (2009a), *Aid for Trade at a Glance 2009*, OECD, Paris. Figure based on responses to OECD and WTO (World Trade Organization) (2008), *Donor Questionnaire on Aid for Trade*, OECD, Paris, available at *www.oecd.org/dataoecd/2/3/43040336.pdf*.

StatLink http://dx.doi.org/10.1787/787437153115

flows to middle-income developing countries reflect their priority to build productive capacities, including trade development. The largest share of aid for trade goes to Asia, although Africa, especially Sub-Saharan Africa, is catching up and received most of the additional funds in 2007 (Figure 4.2). With the exception of Europe, all other regions

Figure 4.2. **Geographical and sectoral aid for trade, 2002-2007**



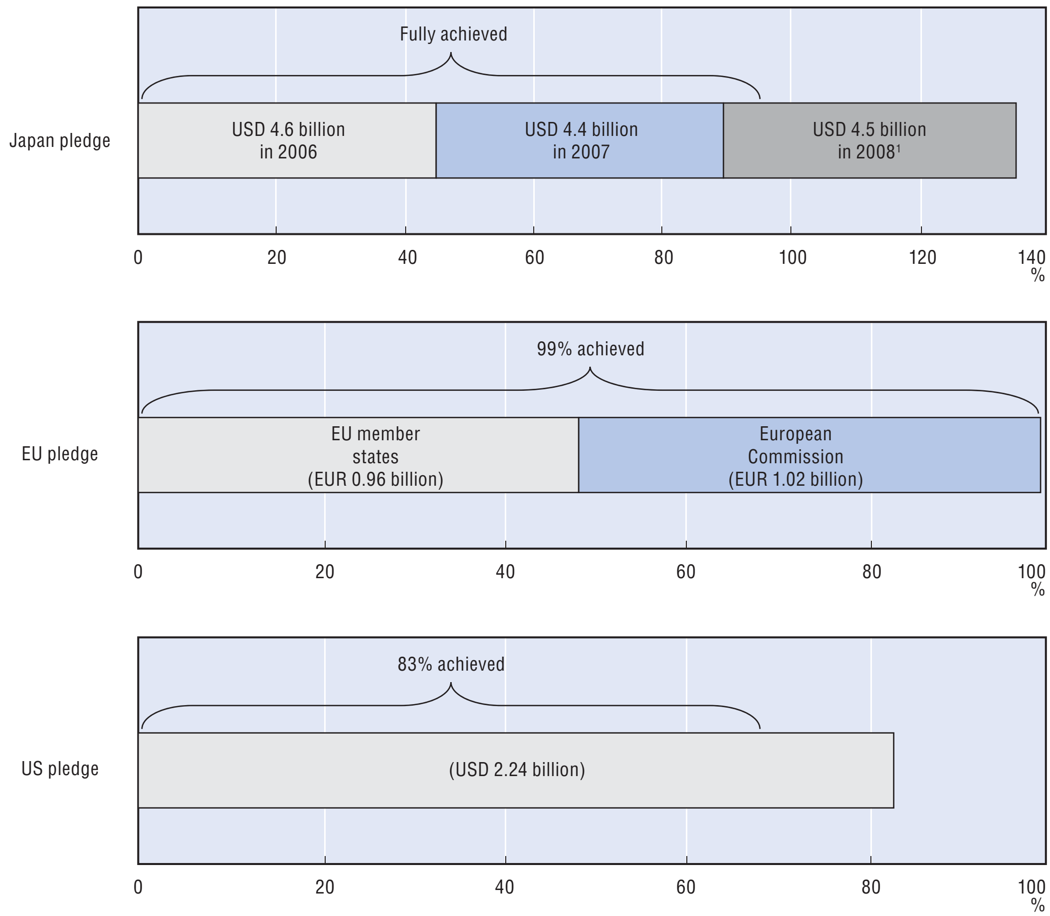
Source: OECD Creditor Reporting System (CRS) database, *www.oecd.org/dataoecd/20/29/31753872.htm*.

StatLink http://dx.doi.org/10.1787/787514122068

(*i.e.* Latin America and the Caribbean, and Oceania) also saw their volumes of aid for trade increase during 2006 and 2007.

At the 2005 Hong Kong WTO Ministerial Conference (Box 4.1), a number of donors pledged to increase their aid for trade by 2010. Donors are on track to meet, or have already met, these pledges (Figure 4.3). The USD 4.3 billion increase in aid for trade in 2007 was additional, *i.e.* not at the expense of other programmes such as health or education. Donors are planning to continue increasing funds for aid for trade over the medium term. Furthermore, calculations suggest high disbursements of commitments.

Figure 4.3. **Selected donor progress towards Hong Kong pledges, 2009**



Source: OECD/WTO (2009), *Aid for Trade at a Glance 2009*, OECD, Paris. Based on data from the CRS.

StatLink http://dx.doi.org/10.1787/787531174371

Bilateral donors provided USD 15.8 billion in aid for trade during 2007, well over 60% of total flows, and many channelled their funds through multilateral agencies. Consequently, multilateral donors tended to allocate a significantly higher share of their sector allocable aid to aid for trade than bilateral donors.

Donors are also strengthening their capacity to respond to rising aid-for-trade demand by bolstering in-house expertise and raising awareness among policy makers and practitioners at headquarters and in the field. Furthermore, donors are aligning around partner countries' procedures and systems, and undertaking more and more joint initiatives, including triangular co-operation. Partner countries acknowledge these positive trends.

Regional aid for trade: an area for growth

International experience has demonstrated that regional trade integration can be a powerful catalyst to economic growth. However, developing countries sometimes face particular capacity constraints in their ability to capitalise on the full potential of such processes. For example, poor cross-border infrastructure may prove to be a particular challenge for low-income developing countries. This highlights the need for more and better aid to address the constraints to regional trade integration, a point increasingly confirmed by partner countries and donors alike.

Partner countries have identified common priorities for regional integration, including transport infrastructure, trade facilitation, competitiveness and export diversification, as well as capacity for regional trade negotiations. Donors have also recognised the importance of regional integration and report a rising demand for regional aid for trade. Financial support for trade-related global, regional and multi-country programmes – areas which were among the challenges highlighted during the first Global Aid-for-Trade Review – has doubled since 2005 (OECD/WTO, 2009). Most partner countries confirm that they benefit from regional aid for trade and that their main constraints to regional trade are being addressed.

Aid for Trade at a Glance 2009 (OECD/WTO, 2009) includes three case studies of regional aid-for-trade efforts: *i)* a pilot programme to improve the trade and transport corridor in the Southern region of Africa for the freer flow of goods and people; *ii)* a regional integration project to boost inter-connectedness among the countries in Mesoamerica through improvements in transport infrastructure and the regulatory environment; and *iii)* an economic corridor development project in the Greater Mekong sub-region of Asia to enhance physical links and promote closer economic ties among countries in the sub-region. All three case studies illustrate how aid for trade is being used to tackle both common and region-specific challenges. However, one challenge to regional integration efforts is a lack of co-ordination between donors and partners. To strengthen regional capacity and improve effective participation in the regional and multilateral trading systems, further co-ordination on regional aid for trade activities is needed.

The next steps

As noted in this chapter, the relationship between trade, growth and poverty reduction is complex. But it is clear that openness and integration can contribute to economic development and poverty reduction. The Aid-for-Trade Initiative has succeeded in raising awareness, not only about these important links, but also about the binding trade-related constraints that keep developing countries from benefiting fully from trade expansion. The initiative has also succeeded in mobilising resources to build trade capacities related to policies, institutions and infrastructure.

In order to maintain momentum, particularly in light of the current economic crisis, several practical steps are needed. The OECD, in collaboration with international partners, is working to achieve these objectives:

- Broadening the aid-for-trade dialogue to engage parliaments, civil society and the private sector more effectively. Without broader engagement and outreach the initiative is likely to be only of interest to bureaucrats and to remain divorced from the political landscape in which it must be carried forward. This more inclusive dialogue is especially important given the political sensitivity of many trade reforms.

- Showing that aid for trade is worth doing by exploring and demonstrating the large potential gains from broad-based multilateral trade liberalisation and the integration of developing countries into the global economy. We need to develop better methods for evaluating the impact of aid for trade, and we need to promote their use.
- Demonstrating that aid for trade can hit specific targets. This means case-by-case, country-by-country identification of the nature and extent of the impediments that are preventing the benefits of trade from being fully realised.[2] We need to identify exactly how aid for trade will address these impediments, how it will work with, and add value to, initiatives by private firms, and how it will fit into the evolving framework of regional and multilateral co-operation.
- Incorporating the Paris Declaration on Aid Effectiveness principles of ownership, mutual accountability and management for results (Annex) into aid-for-trade programmes. Aid for trade is part of a larger picture encompassing international co-operation, improved policy coherence and a whole-of-government approach to economic development and poverty reduction. It needs to be shown that aid for trade contributes to the wider goals of partner countries. Trade development strategies will only be successful and sustained where the partner country takes the lead in determining the goals and the priorities of the strategy and sets the agenda for how they are to be achieved. To date, local ownership remains relatively weak in many developing countries.

Notes

1. Other than this survey, there have been very few aid-for-trade-specific evaluations, in part because the initiative has only recently emerged as a distinct objective of development co-operation. Consequently, the WTO task force has recommended that increased evaluation of aid for trade should be promoted and funded. This will also mean developing appropriate methods for evaluating aid for trade at the programming and policy levels. In particular, the evaluation and aid-for-trade policy communities should work out specific measures for evaluating aid-for-trade activities, as compared to other development programmes.
2. The monitoring report (OECD/WTO, 2009) contains around 80 fact sheets which provide a tool for each country to strengthen the links between demand, response, outcomes of priority programmes and their impact on trade performance. These fact sheets help to create incentives, through a sustained dialogue among governments, civil society, the private sector and donors, to improve the coherence of aid for trade with overall development strategies around which donors should align their support.

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Chapter 5

Climate Change: Helping Poor Countries to Adapt

While the developed world is working out the best mitigation strategies for reducing greenhouse gas emissions, the developing world needs help to adapt to the impacts of an already changing climate. "Development as usual" will not be adequate to climate-proof vulnerable populations and countries. Adaptation needs to be built into planning at all levels, from projects to national and sectoral strategies. This chapter outlines the DAC members' role in this process and the challenges ahead.

Development co-operation in the context of a changing climate

The changes occurring to our climate can seem remote compared with such immediate problems as poverty, disease and economic stagnation. Yet without addressing climate change, progress towards resolving these other core development priorities will be seriously undermined.

Climate change will increasingly affect basic elements of life for people around the world: water availability, food production, health and the environment (Figure 5.1). If left unchecked, climate change could cause significant economic and ecological disruption (IPCC, 2007a), especially for already vulnerable populations, including women and children.

"Development as usual" without considering climate-related risks and opportunities will not resolve these challenges. Although many development activities may help to reduce vulnerability to many climate-change impacts, other development initiatives may increase vulnerability. For example, coastal zone development plans that fail to take into account sea level rise will put people, industries and basic infrastructure at risk and prove unsustainable in the long term. This type of negative impact is called "maladaptation". In addition, climate change considerations may raise the importance of supporting such sectors as agriculture, rural development and water resource management.

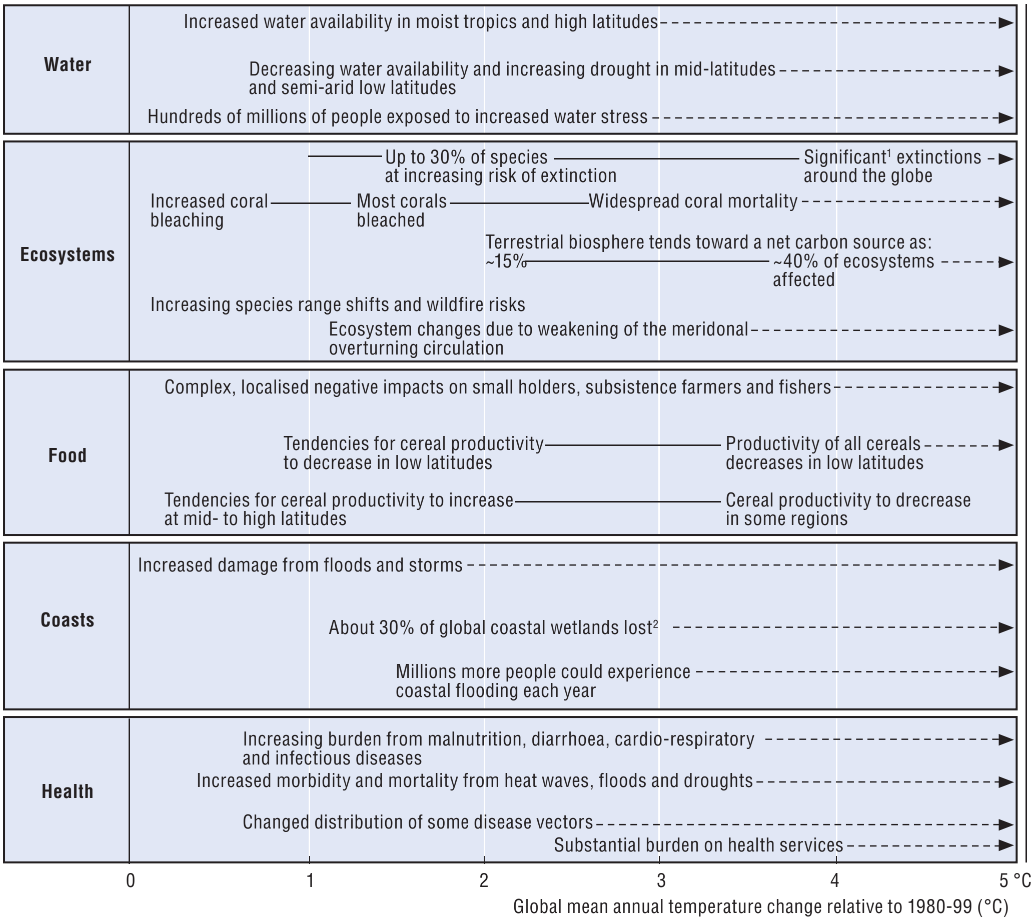
Table 5.1. **Potential impacts of climate change on selected Millennium Development Goals**

Millennium Development Goal	Examples of links with climate change
Eradicate extreme poverty and hunger (**Goal 1**)	Climate change is expected to reduce the assets of many poor people, alter the path of economic growth, and worsen regional food security. Water resources are likely to be stressed through increased evaporation losses and increasing water demands resulting from rising temperatures. Food production, which is closely linked to water availability, will face increased stress in regions where water is scarce.
Promote gender equality and empower women (**Goal 3**)	In the developing world in particular, women are disproportionately involved in natural resource-dependent activities, such as agriculture, which are particularly vulnerable to climate change.
Health-related goals (**Goals 4, 5 and 6**)	Climate change may affect health directly through increased temperatures, heat waves, floods, droughts and storms; and indirectly through increased disease incidence and reduced quantity and quality of food and water.
Ensure environmental sustainability (**Goal 7**)	Climate change is likely to alter the quality and productivity of natural resources and ecosystems which contribute a significant share of income in developing countries. Coastal zones are particularly vulnerable to the impacts of sea level rise, storm surges, and increases in the intensity of cyclones in certain regions.

Source: Multi-Agency report (2003), *Poverty and Climate Change: Reducing the Vulnerability of the Poor through Adaptation*, report by the African Development Bank, Asian Development Bank, UK Department for International Development, Federal Ministry for Economic Co-operation and Development (Germany), Ministry of Foreign Affairs – Development Co-operation (The Netherlands), the OECD, United Nations Development Programme, United Nations Environment Program and the World Bank, Washington DC; IPCC (2007b), *Fourth Assessment Report of the Intergovernmental Panel on Climate Change*, Cambridge University Press, Cambridge; WEDO (Women's Environment and Development Organization) (2008), *Gender, Climate Change and Human Security*, policy report developed for the Greece Government Chairmanship of the Human Security Network, WEDO, New York/Athens.

Figure 5.1. **Key impacts as a function of increasing global average temperatures**

Impacts will vary by extent of adaptation, rate of temperature change, and socio-economic pathway



Note: The black lines link impacts; dotted arrows indicate impacts continuing with increasing temperature. Entries are placed so that the left-hand side of the text indicates the approximate onset of a given impact. Quantitative entries for water stress and flooding represent the additional impacts of climate change relative to the conditions projected across the range of *Special Report on Emissions Scenarios* (SRES) scenarios A1FI, A2, B1 and B2. Adaptation to climate change is not included in these estimations. Confidence levels for all statements are high.

1. "Significant" is defined here as more than 40%.
2. Based on average rate of sea level rise of 4.2 mm/year from 2000 to 2080.

Source: IPCC (Intergovernmental Panel on Climate Change) (2007), "Climate Change 2007: Impacts, Adaptation and Vulnerability", Working Group II Contribution to the *Fourth Assessment Report of the Intergovernmental Panel on Climate Change*, Cambridge University Press, Cambridge.

Poor people and poor countries will bear the brunt of climate change. This is because developing countries, and notably the least developed, rely heavily on climate-sensitive sectors, and have high levels of poverty, low levels of education and limited human, institutional, economic, technical and financial capacity. Unless tackled urgently, climate change will prevent several of the Millennium Development Goals (MDGs) from being achieved (Table 5.1), undermining national poverty eradication and sustainable development objectives.

Against this background, this chapter explores how the threats to the planet's climate are being dealt with, and what is being done to incorporate adaptation into development co-operation policies from the local and project level up to the national level.

How are we dealing with climate change?

There are two main ways we can respond to climate change:

1. Mitigation: reducing climate change itself, by lowering emissions of greenhouse gases.
2. Adaptation: taking action to reduce the adverse consequences of climate change, as well as to harness positive opportunities.

Mitigation

Historically, the majority of greenhouse gas emissions have come from developed countries. The United Nations Framework Convention on Climate Change recognises that all countries should protect the climate system for the benefit of present and future generations, on the basis of equity and in accordance with common but differentiated responsibilities and respective capabilities. Accordingly, the developed countries should take the lead in combating climate change and its adverse effects. The most advanced developing countries also have an important role to play.

At the same time, against the background of a projected doubling of world greenhouse gas emissions by mid-century, it is essential for all countries to move towards low-carbon growth paths. Development choices made today will not only influence adaptive capacity; they will also determine future greenhouse gas emissions.

A recent joint high-level meeting of the OECD Development Assistance Committee (DAC)[1] and the Environment Policy Committee (EPOC) has recognised the need to support developing countries in achieving low-carbon development pathways. Meeting participants highlighted that low-carbon development can simultaneously stimulate growth, promote energy security and contribute to climate change mitigation and adaptation. Furthermore, the Declaration on Green Growth (OECD, 2009a), which was endorsed by the OECD Ministerial Council Meeting in June 2009, underlines the special need to co-ordinate development co-operation activities in order to help developing countries promote green growth. It recognises the role of the DAC in contributing to OECD-wide efforts in these areas.

Simple measures and technologies to facilitate low-carbon growth and its associated benefits are already known. Renewable energy technology, policy and measures for improved energy efficiency, and promotion of improved urban planning and public transportation may all simultaneously contribute to climate change mitigation and economic growth. International co-operation can provide incentives to encourage the adoption of such win-win strategies.

Adaptation

While mitigating climate change is absolutely critical, there are clear signals that the climate is already changing, and some countries are already feeling the effects. Therefore, adaptation is all the more urgent and needs to become integral to economic policies, development projects and international aid efforts. In 2006, development and environment ministers from OECD countries endorsed the Declaration on Integrating Climate Change Adaptation into Development Co-operation (Box 5.1), in which they called for "meaningful co-ordination and sharing of good practices" (OECD, 2006a). *Integrating Climate Change Adaptation into Development Co-operation: Policy Guidance* (OECD, 2009b) was published in response to this request. The rest of this chapter summarises its main messages.

Box 5.1. **How the DAC countries intend to provide effective support for climate change adaptation**

The DAC-EPOC *Policy Statement on Integrating Climate Change Adaptation into Development Co-operation* states that support to developing countries to address the new challenges of climate change adaptation will:

- Be guided by the commitments in the Monterrey Consensus, the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action (Annex).
- Be aligned to partner countries' long-term visions, development plans and programmes, such as National Adaptation Programmes of Action (NAPAs, Box 5.5).
- Seek to use partners' own systems and harmonise approaches. Capacity development support will enable partners to lead and manage all aspects of climate change adaptation.
- Use a variety of aid approaches, emphasising programme-based and sector-wide approaches rather than specific projects.
- Be efficient and effective, and mobilise private sector support.
- Ensure that climate risks are adequately taken into account in all programmes which development agencies support.

Specific attention will be paid to the most vulnerable: least developed countries; small island developing states and African states affected by drought, floods and desertification; vulnerable communities and groups, including women (Box 5.3), children and the elderly.

A key approach will be to identify and implement win-win adaptation-development solutions and to seek synergies between climate change adaptation and mitigation, notably in sectors such as energy, agriculture and forestry, and with the other Rio conventions (on biological diversity and desertification). In addition, links will be reinforced between climate change adaptation and disaster risk reduction and management.

Source: OECD (2009c), *Policy Statement on Integrating Climate Change Adaptation into Development Co-operation*, OECD, Paris, available at *www.oecd.org/dataoecd/26/36/42747468.pdf*.

Implementing and mainstreaming adaptation

It is fundamental to integrate climate change adaptation measures into existing country-led and -owned development processes and activities at several levels, *i.e.* the project, local, sectoral and national. Further, adaptation should not be treated as a stand-alone agenda, but be integrated into other environmental and socio-economic policies ("mainstreamed"). Adaptation within each of these levels is discussed in turn in the sections which follow.

Adapting projects to climate change

A development project may be directly or indirectly vulnerable to the impacts of climate change. At the same time, a project may increase or decrease the vulnerability of recipient communities or systems to climate change. This vulnerability depends on the type of infrastructure it establishes, the activities it supports, and its geographical location. In addition, the expected lifetime of project activities is likely to be a critical factor determining the need to assess climate change vulnerability. For example, investment in long-lived infrastructure (such as a dam or irrigation network), should consider the effect of future climate conditions on the viability of the project, since climate change impacts will most likely become increasingly relevant over its planned useful life.

In order to integrate adaptation at the project level, considerations of climate risks and adaptation need to be incorporated into every step of the project cycle: identification, appraisal, design, implementation, and monitoring and evaluation.

Donor agencies can play two roles in integrating climate change adaptation at the project level. First, if they provide development co-operation through project support, they can integrate adaptation within the projects in which they are involved. Second, they can develop and share assessments, frameworks and tools that can be of use to other partners. Various donors have developed tools and instruments for screening their project portfolios for climate risk, and for selecting and integrating adaptation measures within projects (Box 5.2). More work will be needed, nonetheless, to harmonise these methodologies across donors.

Box 5.2. **Some donor-developed methods for climate change screening**

The United States Agency for International Development has prepared generic guidance on how to incorporate climate change considerations into project development, using a six-step process to examine whether modifications are needed to account for climate change. The World Bank has designed a computer-based tool for the assessment and design for adaptation to climate change. Working together, Intercooperation (the Swiss Foundation for Development and International Co-operation), the International Institute for Sustainable Development, the International Union for Conservation of Nature and the Stockholm Environment Institute have developed the Community-Based Risk Screening Tool – Adaptation and Livelihoods; this tool helps users to foresee possible negative effects of community-level projects on climate resilience and to adjust the projects to enhance local adaptive capacity. The UK Department for International Development has developed a computer-based tool to assess opportunities and risks of climate change and disasters. This process-based tool offers a light-touch screening process for donor programmes. On behalf of the German Ministry for Economic Co-operation and Development, GTZ (German Technical Co-operation) has developed a climate check tool which covers both adaptation and mitigation issues associated with development projects.

Source: For more information, see OECD (2009b), *Integrating Climate Change Adaptation into Development Co-operation: Policy Guidance*, OECD, Paris.

Adapting to climate change locally

Some policy initiatives of development assistance agencies have clear implications for adaptation at the local level (Box 5.3). For example, donor support for decentralisation in partner countries – whether focused on political, fiscal, or administrative decentralisation – may have important implications for climate change adaptation. The process usually has the overarching aim of increasing participation and government accountability, as well as making the delivery of public services more efficient, accessible, equitable and responsive to local needs. As the process of decentralisation continues, local-level adaptation to climate change may provide a means through which donors can better understand the relationship between decentralisation and local vulnerability reduction.

Box 5.3. **Climate change adaptation and gender issues at the local level**

Within poor communities, women and children tend to be particularly vulnerable to environmental degradation and natural disasters. For this reason, when developing and implementing adaptation strategies at the local level – whether in rural or urban settings – it is critical to recognise and respect the greater vulnerability of women and children to the impacts of climate, as well as the difference in the way women and men are affected. Further, it is critical to include women as equal participants in any adaptation strategy. This will help to avoid contributing to differences in the relative vulnerability to climate change.

Women can be supported through livelihood activities that are more tolerant and/or less vulnerable to an increasingly extreme and variable climate. In Bangladesh, for example, in light of the growing risk of floods, women have been supported in moving away from raising chickens to raising ducks for household consumption and income generation purposes (CARE Canada, 2008).

Sources: CARE Canada (2008), *Bangladeshi Women Are Knowledge Keepers in Mitigating Climate Change*, online article, *http://care.ca/main/?en&BangladeshiWomen*, accessed 15 Dec. 2009; IUCN (World Conservation Union) (2007), "Women and Climate Change – Women as Agents of Change", *IUCN Climate Change Briefing*, Dec. 2007, available at *http://cmsdata.iucn.org/downloads/climate_change_gender.pdf*.

Climate change adaptation within key economic sectors

Certain sectors are particularly sensitive to climate variability and therefore need to factor climate change into sector policy and planning as a matter of priority. Some of these sectors are directly affected by climate, such as agriculture, while others incur mainly indirect impacts. For example, industrial production can be affected if climate change reduces (or enhances) hydropower production for electricity. This has happened recently in Ghana, where drought conditions have limited hydropower production, cutting economic growth by 2%. Key climate-sensitive sectors include agriculture, forestry, fisheries, water resource management, human health, nature conservation, energy, and infrastructure.

Development co-operation is often earmarked for specific sectors. In these sectors, taking into account climate change information at the policy-making stage can allow adaptation actions to be identified, avoid maladaptation, risks and reveal new opportunities. For example, in the agricultural sector, increased temperatures in some regions may make certain crops more suitable than others. Identifying this long-term prospect can help guide sectoral policy and, subsequently, the rural development options pursued for the region. For long-lived infrastructure facilities, climate change concerns may prompt the revision of sector-wide plans, construction and design criteria, and site selection.

Strategic environmental assessment (SEA) can be a useful tool for applying a "climate lens" to sectoral policies, strategies and plans. The term refers to "a range of analytical and participatory approaches that aim to integrate environmental considerations into policies, plans and programmes and evaluate the inter-linkages with economic and social considerations" (OECD, 2006b). Although SEAs have mainly been used to evaluate the impact on the environment of policies, plans and programmes rather than the other way round, they provide a generic framework and sound methodology for integrating environmental considerations into policies, plans and programmes (Box 5.4).

Donor agencies can support many of the above actions through sector-level budget support and sector-wide approaches. They can also support capacity development in

Box 5.4. **SEA of land-use planning for the Nhon Trach District, Viet Nam**

SEA was conducted in 2007/08 to integrate environmental issues into the land-use planning for Nhon Trach District near Ho Chi Minh City. As part of the SEA, an assessment of the possible consequences of climate change for the district was carried out. The SEA report proposed, therefore, not only environmental protection solutions, but also measures for adapting to expected climate change impacts, including estimated costs and implementation considerations. The assessment of climate change impacts included analyses of possible temperature increase, precipitation changes, sea-level rise, and salt water intrusion. Proposed recommendations and measures for adapting to climate change included:

- Maintain and further develop dike systems to prevent the invasion of seawater in the district.
- Identify new varieties and species of crops, and adapt cropping systems in order to reduce the vulnerability of the agricultural system to climate change impacts.
- Maintain a minimum of 15% tree coverage on agricultural land converted to other uses, such as dwellings or construction land, to contain soil erosion.
- Improve the maintenance and extension of the drainage system at the same pace as urban development; enhance environmental management of urban and industrial parks, including regular dredging, in order to avoid local flooding in the rainy season.
- Continue to preserve existing mangrove forests in the district in order to mitigate increasing hazards from high tides.

Source: ADB (Asian Development Bank) (2009), *Strategic Environmental Assessment as a Tool to Improve Climate Change Adaptation in the Greater Mekong Subregion*, Asian Development Bank, Manila; SEMLA, Viet Nam-Sweden Cooperation Programme on Strengthening Environmental Management and Land Administration in Viet Nam (2008), *Evaluation of SEMLA SEA Projects*, SEMLA, Hanoi.

adaptation assessment and planning. Finally, donor agencies can provide financial and technical support for monitoring and evaluating progress towards integrating climate adaptation into sectoral strategies, plans and programmes.

Adapting to climate change at the national level

The national level is critical for mainstreaming climate change adaptation. Strategic decisions taken at this level create the enabling environment for public and private sector actors as well as for communities and households. Medium- to long-term development and poverty reduction strategies and objectives are also established at this level through national visions, development plans and strategies.

Priorities at the national level include:

- Improving the coverage and the quality control of climate monitoring data.
- Commissioning national-level assessments of climate change impacts, vulnerabilities and adaptation options. This will lead to improved and more targeted information on how climate change affects specific national priorities and core government functions.
- Moving the co-ordination for adaptation into powerful central bodies, such as the Office of the President or Prime Minister, or the planning agencies.
- Including considerations of climate change risks in long-term policy visions, as well as in poverty reduction and sustainable development strategies.

- Making a sound economic case for investing in adaptation and ensuring adequate resource allocation (for example through a horizontal fund for adaptation) for the incorporation of adaptation considerations in policies, plans and programmes (Box 5.5).

Box 5.5. **Integrating climate change adaptation into national policies and development strategies**

Although to date there has been little integration of climate change adaptation at the national level, some countries have integrated climate change concerns into their national policies, such as development and poverty reduction strategies.

Several of the least-developed countries have recently created national adaptation programmes of action (NAPAs). NAPAs focus on activities to address the urgent and immediate adaptation needs of the country. NAPAs are action-oriented, country-driven, flexible programmes based on national circumstances. They establish priorities for action and are therefore useful for development planners.

Bangladesh has created clear links between its NAPA and its Poverty Reduction Strategy Paper (PRSP) in order to mainstream adaptation to climate change. The PRSP recognises climate change as a cause of grave concern to the country, highlighting the challenges posed by sea-level rise. It analyses extensively the relationship between natural disasters, growth and poverty. Climate change is considered an important challenge for water resource management and environmental protection. The PRSP has 19 policy matrices for implementing the strategy, one of which focuses exclusively on comprehensive disaster management. One of its key targets is to "factor vulnerability impacts and adaptation to climate change into disaster management and risk reduction plans, programmes, policies and projects". This, together with an acknowledgement of the NAPA as a national implementation programme, helps to ensure policy coherence for adaptation activities. The priority adaptation strategies identified in Bangladesh's NAPA specifically complement the PRSP. In devising strategies to address climate change and raise awareness, the NAPA also refers to PRSP policy matrices on "comprehensive disaster management" and "environment and sustainable development".

There are many international initiatives, such as the United Nations International Strategy for Disaster Reduction, that can support the design and implementation of national adaptation policies. These initiatives could be enhanced and strengthened so that developing countries can use them to integrate climate change adaptation into national policies.

While developing country partners must lead efforts to integrate climate change adaptation, international donors have a critical role to play in supporting such efforts. They can promote capacity building, for instance in monitoring climate and in assessing future climate change impacts and adaptation priorities at the national level. In this context, it is fundamental to raise awareness within donor agencies about the risks posed by climate change. Donors can also use high-level policy dialogue to raise the profile of adaptation with partner countries' senior officials in key ministries, such as finance and planning. In addition, donor agencies can provide financial support. For example, they could contribute to an adaptation fund managed by a central body such as a planning or finance ministry for funding the costs of integrating adaptation measures into their activities. International donors can also encourage action on adaptation through joint assistance strategies.[2] It is fundamental, however, that donors co-ordinate and harmonise their adaptation efforts at the country level.

Notes

1. The DAC's work on environment and climate change is carried out through its Network on Environment and Development Co-operation (ENVIRONET), an international forum that brings together practitioners from bilateral and multilateral development agencies. Representatives from partner countries, regional development banks, non-governmental organisations and research institutions also participate in its work.
2. Joint assistance strategies are comprehensive frameworks for managing the development co-operation between the government and the various bilateral and multilateral donors which operate in a partner country.

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Chapter 6

Ensuring Fragile States Are Not Left Behind

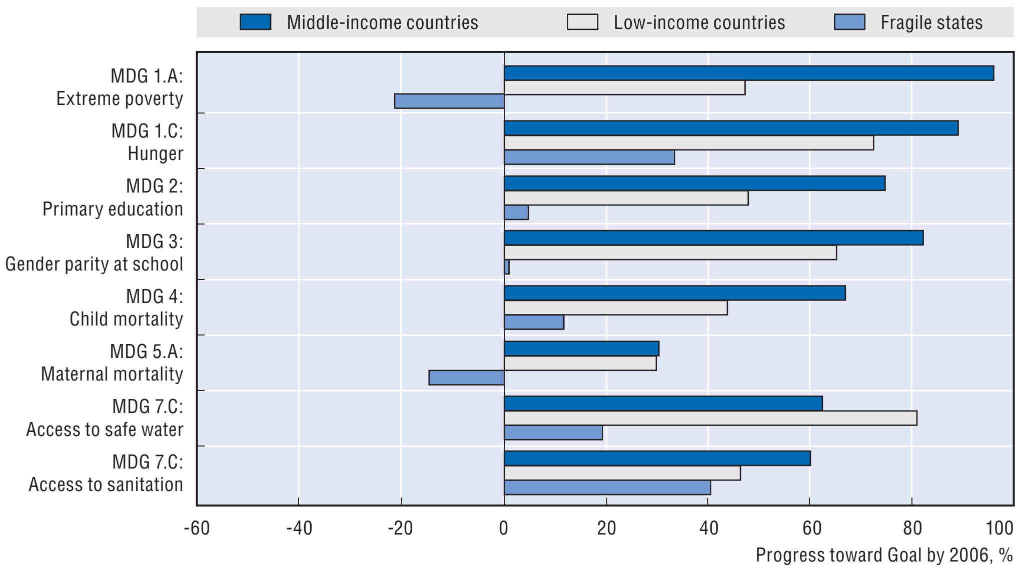
Achieving the Millennium Development Goals will depend on how successful we are at helping the world's most fragile states. This group of 48 countries represents the poorest of the poor, often because of violent conflict and poor governance.

In 2007, the OECD endorsed ten Principles for Good International Engagement in Fragile States and Situations. This chapter reports on progress and lessons learned from implementing these principles in Afghanistan, Central African Republic, Democratic Republic of Congo, Haiti, Sierra Leone and Timor-Leste. The views presented here come directly from the countries themselves and have much to offer to those striving to engage more effectively in such environments.

The world's most fragile states raise fundamental challenges

Will we be able to eradicate poverty by 2015? While many countries are making progress towards achieving the Millennium Development Goals (MDGs), a third of all developing countries are falling behind. Figure 6.1 shows alarming trends in these fragile states, particularly regarding poverty, primary education and gender equality. These 48 countries, which range from Afghanistan to Zimbabwe, concentrate half of the world's children who die before their fifth birthday, one-third of all maternal deaths worldwide, and one-third of all people surviving on less than one dollar a day. In addition, these already vulnerable countries are currently suffering the consequences of shocks linked to food and fuel prices, the global economic crisis, climate change and environmental degradation.[1]

Figure 6.1. **The slow, and sometimes negative, development progress of fragile states, 2006**



Source: International Monetary Fund and the World Bank (2008), *Global Monitoring Report 2008: MDGs and the Environment*, International Monetary Fund and the World Bank, Washington DC.

These countries are often trapped in a vicious cycle of violent conflict, poverty or poor governance, which is holding back progress towards the MDGs. In these countries the state often lacks the capacity or legitimacy to support equitable development. With the right conditions, however, some of them – such as Burundi and Mozambique – have demonstrated a remarkable turn-around.

Without improving conditions in these fragile states, we will simply fail to reach the MDGs by 2015. While 38% of official development assistance goes to such countries, we can still improve the return on this investment (OECD, 2009). In 2007, recognising that fragile states require specific attention, OECD development ministers endorsed the Principles for Good International Engagement in Fragile States and Situations (OECD, 2007a): take context as a starting point; do no harm; focus on statebuilding as the central objective; prioritise prevention; recognise the links between political, security and development objectives; promote non-discrimination; align with local priorities in different ways in different contexts; agree on practical co-ordination mechanisms; act fast but stay engaged; and avoid pockets of exclusion. At first glance these principles seem to be common sense, but each has important operational implications. Many of them have clear links to the aid effectiveness agenda (Chapter 1 and Annex), and beyond aid have implications for security, peacebuilding and statebuilding. A body of good practice is already emerging from field experience in some countries, although in others current practice is still far from according with these principles.

At the Third High Level Forum on Aid Effectiveness, partner countries and donors decided to monitor their implementation over time through a multi-year survey.[2] In a baseline round in 2009, six fragile states – Afghanistan, Central African Republic (CAR), Democratic Republic of Congo (DRC), Haiti, Sierra Leone and Timor-Leste – held multi-stakeholder consultations aiming to discuss the quality of international engagement through the lens of each principle, and to agree common steps to improve development effectiveness.[3]

These consultations took place in a spirit of mutual accountability. They involved a president and two prime ministers; ministers, from planning and finance to defence and justice; mayors from remote towns; members of parliament; NGOs from the capital and the districts; women and youth groups; and private sector representatives. On the international front, diplomats, humanitarians, and security and development actors from both bilateral and multilateral organisations participated.[4] This comprehensive approach is consistent with international efforts to increase policy coherence, which is critical to any success in fragile states.[5] Led by the host governments and facilitated by the DAC Secretariat, the six consultations yielded rich findings for both international actors and partner governments. Combined with expert studies and other evaluations, these multi-stakeholder findings can help improve our collective response to state fragility.

Following an assessment of the uniqueness of fragile states, the next sections explore some of the main development issues raised during the consultations: *i)* it is imperative to prioritise and to do so jointly across policy communities; *ii)* options to improve aid effectiveness are available, even in difficult circumstances; *iii)* the record in capacity development is mixed, although capacity issues in fragile states are acute; *iv)* statebuilding requires a global approach that goes beyond capacity and ballots; and *v)* there is a risk of overlooking trends in social exclusion and of shifting away from security concerns too soon.

Each fragile state is unique

As Tolstoy famously wrote in *Anna Karenina*, "All happy families are alike; every unhappy family is unhappy in its own way". Similarly, fragile states may resemble each other from afar, but they differ in their forms and degrees of fragility. First, a state can be fragile if its institutional capabilities are extremely low, or its resource base extremely thin (*e.g.* Burundi). In some countries (*e.g.* Somalia) the state is simply not present, or is present only in the capital city. In other cases, the state apparatus may be strong but accountability to citizens is limited or non-existent (*e.g.* Myanmar). Second, changes over time can contribute to fragility: changes in people's expectations coupled with weak political processes, and issues of land ownership and demographic pressure coupled with environmental degradation, can exacerbate tension between the state and citizens. Third, countries that have emerged from conflict often remain fragile for some time: they have to turn around the heavy legacy of years of war and bad governance.

The six countries surveyed in this chapter represent a wide range of fragile situations. In addition, situations from province to province can differ. However, most of these countries are considered to be post-conflict. Consultations in countries currently experiencing large-scale conflict, chronic crisis, or political impasse might lead to different findings. Such countries also warrant our attention. There, too, populations are under tremendous stress and can be hotbeds of instability with negative spillovers – be they the formation of rebel groups, the proliferation of drugs and weapons, human trafficking or the spread of diseases. Cases in point include piracy in the Gulf of Aden affecting global trade routes, and West Africa's role as a corridor for narco-trafficking.

"What's the priority when everything is a priority?"[6]

Fragile states pose special challenges by virtue of the sheer scale and range of their needs, be it restoring security and basic services for ordinary people; delivering "dividends of peace", such as jobs and basic services, to prevent former rebels from going back to the bush; restoring roads and bridges as well as bonds between former enemies; or giving people a voice in the new society that may be emerging: everything is a priority.

These challenges are in sharp contrast to an often limited capacity to use international aid: depleted human capital and "lost generations" resulting from years of disrupted education and poor health services, dysfunctional institutions, poor or outdated policies and sometimes difficult access to areas beyond the main cities are all contributing factors. Reflecting on this, Timor-Leste Prime Minister Xanana Gusmão remarked: "Some two billion dollars has been spent in Timor-Leste over the last 10 years, but if you ask the people in the villages, 'Where did you spend this money?', the reply is all too often, 'Not in my village'" (Timor-Leste consultation, 2009).

In such contexts, there is a need for strict prioritisation:

1. First, agree on a common vision for peace and identify the critical path from fragility to resilience. This path must contain clearly identified short-, medium- and long-term goals: what must be done in the first six and 24 months and what can wait? Agreeing such a roadmap between government and the international community, and across policy communities, has become recognised good practice over the last decade (*e.g.* the Afghanistan Compact). Stakeholders in countries without a strictly prioritised and multi-year compact have called for one, for example Timor-Leste, where priorities are currently defined annually.
2. Next, international partners need to recognise the centrality of the national budget process: it is a mechanism to reconcile means and ends and therefore to prioritise. It is also an essential element of the social contract – the pact which is constantly being negotiated between citizens and their government. As all six consultations have highlighted that aid not reported in the national budget may blur domestic accountability relations and undermine planning (Table 6.1). This is backed up by research by the DAC International Network on Conflict and Fragility (INCAF), which illustrates how donors may do harm to statebuilding processes: "Keeping aid off budget

Table 6.1. **Aid, tax and budget in the six countries**

	Afghanistan	CAR	DRC	Haiti	Sierra Leone	Timor-Leste	Elements of reference
Aid (USD, 2008)	3.9 bn	180 m	1.2 bn	701 m	535 m	278 m	Total ODA in 2008 reached USD 119.8 bn, of which 33.8 bn (or 30%) benefited fragile states.
Population under USD 1 a day	53% (2003)	66.6% (2007)	59.2% (2006)	54% (2007)	57% (2007)	52.9% (2001)	26% of the world population survives on one USD a day or less (2005).
Aid per capita (USD, 2008)	155	41	19	73	91	260	Aid to Sub-Saharan Africa averages USD 35.7 per capita.
Tax revenue to gross domestic product (GDP) (2009)	6.4%	7.7%	13.2%	9.4%	10.5%	109.7%	OECD countries collect on average 36.2% of their GDP in tax.
Aid on partner country national budget (2008)	69%	36%	58%	95%	54%	n.a.	The target (Paris Declaration Monitoring Survey Indicator 3) is 85% in 2011.
Aid predictability (2008)	70%	45%	20%	67%	30%	n.a.	The target (Paris Declaration Monitoring Survey Indicator 7) is 100% in 2011.

Sources: Heritage Foundation (2009), *2009 Index of Economic Freedom*, Heritage Foundation, Washington DC; OECD (2010), *Annual Report on Resource Flows to Fragile States*, OECD, Paris; OECD (2008), *Aggregate Aid Statistics*, OECD, Paris; OECD (2008), *2008 Survey on Monitoring the Paris Declaration*, OECD, Paris; United Nations Development Programme (2008), *The Human Development Report 2007/08*, UNDP, New York; UNICEF (2006), *State of the World's Children*, UNICEF, New York; World Bank (2008), *World Development Indicators*, the World Bank, Washington DC.

StatLink http://dx.doi.org/10.1787/800456518573

weakens the development of public accountability and therefore state legitimacy" (Chapter 3 and OECD, 2010h, forthcoming).

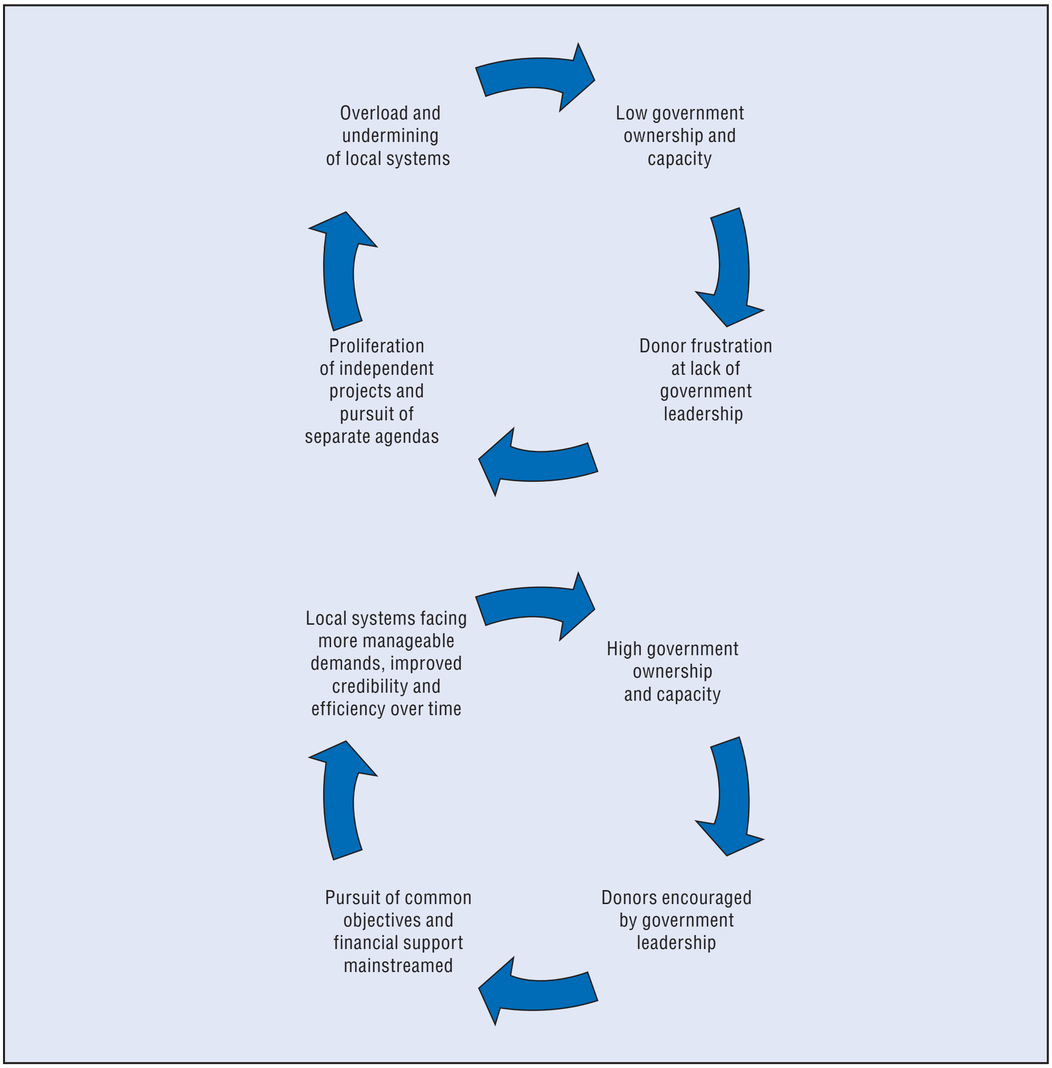
The road towards improved aid effectiveness

If donors do not use country systems, the chances that these systems will one day improve are limited (Figure 6.2 and Chapter 3). This is one of the central tenets of the aid effectiveness agenda to which donors committed in the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action (Annex).

While in the six countries surveyed, all national and international stakeholders agreed that national ownership, alignment to national priorities and systems, and donor harmonisation were important goals, the six countries have applied the Paris Declaration to different degrees:

- In some countries, conditions – such as lack of leadership, stability or capacity of a government counterpart – were seen as challenges to the immediate and full implementation of the Paris Declaration. However, it was recognised that harmonisation can occur even in the absence of a strong government counterpart, and that there are creative options for alignment. Even if donors do not channel funds through government systems, such options can help prepare the ground for future use of country systems (Phase I in Table 6.2). These include shadow alignment (aligning with government systems, such as the budget cycle or administrative districts, to increase future compatibility of international assistance with national systems) and bottom-up approaches (aligning with local priorities expressed in consultations with state and/or non-state actors, such as local government authorities and/or civil society).
- In other countries, circumstances were thought to have matured sufficiently to allow closer alignment with national priorities and systems. As a country stabilises and human resources, policies and institutions are strengthened, it is essential to improve alignment as conditions permit, in order to build accountable and effective states (Phases II and III in Table 6.2).

Figure 6.2. **How a vicious aid effectiveness circle can become a virtuous one: Sierra Leone**



Source: Adapted from Government of Sierra Leone (2009), *Aid Policy*, Government of Sierra Leone, Freetown.

Capacity development: a poor scorecard

In all consultations, international capacity development efforts were judged by both national and international stakeholders to often be piecemeal and to sometimes undermine the state. Table 6.3 summarises this diagnosis of current capacity development efforts, as well as the approaches fragile states would like to see adopted.

While these findings may not be specific to fragile states, it is important to remember that capacity in most fragile states is particularly limited. At the time of DRC's independence, there were just 16 Congolese university graduates and the picture for vocational training was bleak (Stengers, 2007). Only one in two adults in Timor-Leste is literate (United Nations, 2009), while 83% of Haitians with higher education live outside Haiti (World Bank, 2005).

Table 6.2. **Aligning in different ways according to context**

	Phase I: Limited government capacity and/or legitimacy	Phase II: Improved legitimacy but limited capacity	Phase III: Improved legitimacy and capacity
Context	Because of limited legitimacy and/or capacity, donors cannot rely on partner governments to "take the lead to co-ordinate aid at all levels" (Paris Declaration). There might be a trade-off between *i)* delivering short-term results to save lives and stabilise a volatile situation and *ii)* building national capacity to get the job done.	There might be improved legitimacy and accountability, but donors are still limited by weak national capacity. Only a few sectors have government leadership and an agreed sector strategy.	Government has a cross-sectoral, prioritised and actionable development strategy and some capacity in key central and line ministries.
Possible donor response	**Shadow alignment and bottom-up approaches** Donors have to rely on shadow alignment, bottom-up approaches and direct service delivery. A division of labour by sector is necessary and possible, even in the absence of strong government leadership.	**Partial alignment** Donors can align better in some sectors, although in others they may have to continue resorting to projects managed by parallel project implementation units (PIUs). Good practice is for parallel PIUs to include a capacity development component.	**Full alignment** With capacity development efforts, the Paris Declaration principles can be implemented fully.

Sources: Consultations; OECD DAC Secretariat (2009).

Table 6.3. **Current and desired approaches to capacity development, as expressed by stakeholders in the six fragile states**

Current	Desired
A short-term, discrete project approach	A medium/long-term programme approach with an evaluation of impact on capacity Capacity development objectives built into all programming
A donor-driven approach, often a patchwork of approaches influenced by different administrative cultures and ideas	A multi-donor effort based on a shared assessment of capacity needs
Emphasis on hard (technical) skills, rather than soft skills (management, leadership, civic education) or basic skills (literacy, numeracy)	"A better understanding of the day-to-day reality in government offices" (OECD, 2010i) and a more balanced investment across hard, soft and basic skills
Large salary differentials and distortions in local wages	Co-ordination amongst donors for a common salary grid with less discrepancy between nationals and internationals (to balance with the need to limit in-country "brain drain")
Technical assistants in executive rather than advisory positions, thus blurring accountability	Capacity development built into the terms of reference of all technical advisers, who should have skills in training or facilitation in addition to technical skills
Direct service delivery and limited use of government systems	Use of government systems, with a capacity development component, if need be using ring-fenced arrangements at first

Source: Consultations; OECD DAC Secretariat (2009).

Beyond ballots: sources of state legitimacy

While statebuilding is a central challenge in all six cases, the overall diagnosis of how to strengthen state capacity and legitimacy varies in each country. In Timor-Leste, some felt that "our main challenge is statebuilding and the main challenge in statebuilding is capacity development", and "state institutions don't have enough capacity to respond to social needs". Others have emphasised social and political issues. In Haiti and CAR, stakeholders recognised that "fragility stems from our chronically weak social contract" (Haiti consultation).

While free and fair elections are one source of state legitimacy, a state will only build legitimacy over time if it has mechanisms for participation and accountability, delivers the key services expected of it and earns "moral authority" among its citizens.[7] The six countries felt that while the international community's heavy investment in supporting elections was essential,[8] it is equally important to improve governance beyond elections – particularly local governance – given that outside the main cities the state is often "a phantom state".[9] In addition, the investment in elections is seen to be at odds with an equally massive investment in directing service delivery, rather than supporting national capacity to deliver. This undermines the visibility of the state by denying it any role in delivering services such as water or health care, whilst enhancing the visibility of NGOs and contractors.

Risks of social exclusion

In the immediate aftermath of conflict, it may often make sense to first focus attention on the capital city: "When Dili is fine, Timor-Leste is fine" (OECD, 2010g). However, there is increasing concern about under-investment in secondary cities, certain regions and specific social groups; at the same time stabilisation in most of the six countries could free up resources and make access easier (security, infrastructure, human capacity):

- Participants from the Central African Republic hinterland say they simply feel "abandoned", with one-fifth of ODA targeted towards the provinces – a familiar post-conflict pattern. In Haiti, there is consensus that "it is the [rural] majority that is excluded".
- There are strong concerns about some regions being "aid orphans", such as the provinces of Bandundu, Equateur and Kasai oriental in DRC; and the districts of Ghor, Daikundi, Bamyan, Sar-e-Pol and Badakhshan in Afghanistan.
- Gender equality was raised in all consultations (all of which included women), in particular access to education in Afghanistan and the scourge of gender-based violence in DRC. In most countries, jobless "angry young men" converging towards cities were deemed to represent "a time bomb" which must be defused. In DRC and Timor-Leste, more than half the population is under 18 years old but young people are largely absent from priority programming.

Participants in the consultations generally felt it was government's responsibility to allocate resources fairly, both geographically and across social groups. Increased transparency of aid allocations, would help in tackling exclusion.

"Don't forget about security"

Private sector development and economic growth were judged to be essential to consolidate peace in all six countries: "When asked about national priorities, donors will almost systematically mention the fight against terrorism, internal security, counternarcotics, while Afghans identify employment and the economic situation as their first concern" (OECD, 2010b). Even the UN Force Commander in one of these countries recognises that "security does not fill bellies nor generate jobs".

At the same time, all the consultations warned of the dangers of shifting away from security concerns prematurely. Maintaining a credible rapid response was a consistent theme. In Timor-Leste, the International Stabilisation Force could help ensure peaceful elections in 2012 if its mandate were extended. In Haiti, successful efforts at curbing crime in Port-au-Prince need to be consolidated by reform of the justice sector: one without the other is like "walking with one leg shorter than the other" (OECD, 2010e). In DRC, a sustained approach to security system reform (Box 6.1) and early planning for a hand-back of security functions from the UN mission to the state are required. In Sierra Leone, "the external threat is bigger than the internal threat"; but this could easily translate into

Box 6.1. **Security system reform: what have we learnt?**

Recent work by the DAC has focused on the positive role that the integrated reform of a country's security system can play in stabilising fragile, conflict-prone or conflict-affected states. The traditional concept of security is being redefined to include not only state stability and the security of nations but also the safety and wellbeing of their people. The recognition that development and security are inextricably linked is enabling security in partner countries to be viewed as a public policy and governance issue, inviting greater public scrutiny of security policy. A democratically run, accountable and efficient security system helps reduce the risk of conflict, thus creating an enabling environment for development. The DAC's 2005 *Policy Guidance on Security System Reform* covers three interrelated challenges facing all states: *i)* developing a clear institutional framework for the provision of security that integrates security and development policy and includes all relevant actors; *ii)* strengthening the governance of the security institutions; and *iii)* building capable and professional security forces that are accountable to civil authorities.

Security system reform has now become a central component of efforts to overcome fragility and conflict in a number of countries, from Sierra Leone to the Solomon Islands. The challenge for donors remains how to ensure that they support reform processes that are sustainable; underpin poverty reduction through enhanced service delivery; and help develop effective and accountable systems of security and justice in partner countries. These principles are laid out in the *OECD DAC Handbook on Security System Reform: Supporting Security and Justice* (OECD, 2007b). Between 2007 and 2009, the handbook was disseminated broadly in donor headquarters and in partner countries. Consultations with government, civil society and donors in Burundi, the Central African Republic, Guinea Bissau and Bolivia highlighted a number of lessons:

1. SSR is a key priority for donors working in post-conflict and fragile situations. It is no longer on the margins of the donor agenda.
2. Today almost all donor agencies recognise that security and development together are required for sustainable development.
3. Aid agencies alone cannot reform the security sector successfully. A whole-of-government approach is required, and donors need to put the necessary mechanisms in place.
4. Effective SSR donor co-ordination can be difficult when donors compete over who should play the co-ordination role.
5. SSR is first and foremost a political process that requires careful political analysis and judgement by donors, respect and appreciation of local ownership, and local political will for reform.
6. Security issues go to the heart of state sovereignty; donors need to be sensitive and ensure a process that enables alignment to local processes. Donors also need to question the importance of their own visibility in the process: do donor logos on flags, billboards and TV advertisements benefit partner-led reform?
7. Donors should undertake exhaustive SSR assessment missions before designing SSR programmes.
8. Specialised and well-trained donor staff are vital for successful SSR.

trouble at home, and fighting the drug trafficking affecting all of West Africa and managing possible spillovers from the Guinea crisis were seen as priority areas.

A compass for navigating fast-moving waters

To conclude, fragile states represent rapidly changing environments in which several fronts need to be tackled simultaneously. This requires partnerships across actors with diverse agendas and different ways of working (relief, diplomacy, security, development *etc.*). The complexity of such partnerships requires a shared analysis of the critical path and the setting of common goals. These are not a given; they are always the result of negotiation. It also requires a clear picture of the strengths of each policy community to allow for a division of labour that is flexible enough to respond to rapidly changing circumstances.[10]

In all six countries, the DAC Principles for Good International Engagement in Fragile States were felt to raise essential questions in the framework of a holistic approach: from aid effectiveness to statebuilding, inclusion, security and resource allocation. For all these, practical guidance and/or monitoring is available (Bibliography).

Notes

1. The group of fragile states discussed here is determined based on a compilation of three lists: the bottom two quintiles of the World Bank's Country Policy and Institutional Assessment 2008; the Carleton University Country Indicators for Foreign Policy 2008 and the Brookings Index of State Weakness in the Developing World 2008. This group is identified for working purposes annually and does not constitute an official OECD list or definition.
2. Accra Agenda for Action, 2008, paragraph 21e.
3. Timor-Leste: 2-3 March 2009; Haiti: 20-21 May 2009; Democratic Republic of Congo: 3-4 June 2009; Afghanistan: 17-19 June 2009; Central African Republic 21-22 July 2009; Sierra Leone: 19 October 2009.
4. Each consultation was co-ordinated by a national co-ordinator and international focal points. The latter were the United Nations Assistance Mission in Afghanistan and the UK (Afghanistan); France, the African Development Bank and the United Nations Development Program (CAR); The United Nations Mission in DRC (DRC); Canada (Haiti); the UK and the United Nations Integrated Peacebuilding Office in Sierra Leone (Sierra Leone); and the World Bank (Timor-Leste).
5. G8 Declaration (2009), *3C (Coherence, Coordination, Complementarity) Roadmap*, *2009*, G8 Declaration, L'Aquila, 2009.
6. All quotes are *verbatim* from the consultations themselves. This particular quote is from the CAR consultation, 21-22 July 2009, *www.oecd.org/fsprinciples*.
7. DRC consultation, 3-4 June 2009, *www.oecd.org/fsprinciples*. The OECD (2010i, forthcoming) highlights that in any state diverse sources of legitimacy co-exist and interact.
8. The international community contributed more than USD 432 million to support the 2006 elections in DRC (Source: United Nations, *www.un.org/Depts/dpko/missions/monuc/elec.pdf*).The overall cost of Afghanistan's 2009 and 2010 presidential, parliamentary, provincial and district council elections, borne by both government and donors, is estimated at USD 300m (Source: UK Foreign and Commonwealth Office).
9. CAR Country Report, *www.oecd.org/fsprinciples*. This expression was also used in a 2007 report by the International Crisis Group: *Central African Republic: Anatomy of a Phantom State* (Africa Report No. 136, ICG, Brussels). In Afghanistan, "almost 40 per cent of Afghanistan is either permanently or temporarily inaccessible to governmental and non-governmental aid" (UN Security Council, S/2008/782, *Report of the Security Council Mission to Afghanistan*, 21 to 28 November 2008).
10. In Afghanistan, the dominance of the security agenda over humanitarian and development assistance has been highlighted, rather than the lack of co-ordination (OECD, 2010b).

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Chapter 7

Collective Action to Fight Corruption

The prevailing world economic crisis will only increase the level of scrutiny over the use of public funds. This chapter explores how the development community is making increased efforts to tackle corruption, whilst maintaining its commitment to the aid effectiveness agenda. The chapter draws on knowledge and lessons from the field, and research by the Development Assistance Committee's Network on Governance to show how donors are increasingly working together in partner countries to understand and deal with corruption. Donor spending on a variety of initiatives aimed at strengthening governance is steadily increasing. In addition, international agreements like the UN Convention against Corruption (UNCAC) are helping to support coherent donor approaches. The chapter concludes by listing some further actions needed in today's crisis environment to respond better to public concerns about corruption in the overall delivery of international aid.

Corruption: a threat to development

"The greatest threat to effective aid is the prevalence of corruption in environments where aid operates" (Carlsson, 2009).

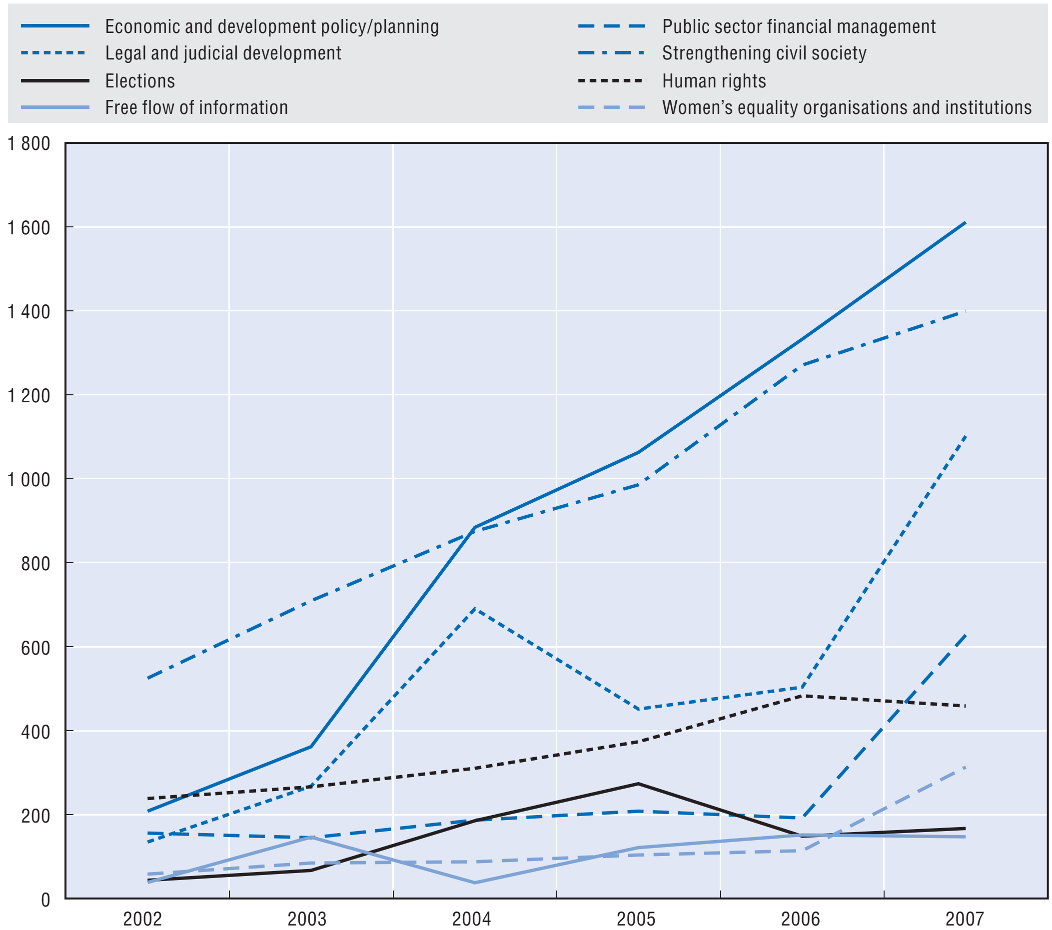
There is a growing public perception that aid money is squandered by corrupt governments. Combined with the global economic crisis increasing the level of scrutiny over the use of public funds, domestic economic hardship appears to be resulting in a greater focus on aid budgets. This increases the likelihood that incidents of corruption will lead to calls to cut aid. As an example, 52% of respondents to a UK survey believe that corruption in poor countries makes it pointless donating money to reduce poverty (DFID, 2009). OECD governments have a responsibility to help prevent and address corruption. Today there is a growing understanding of what makes donor countries part of the problem – and of how they can be part of the solution.

Donors have developed approaches to the delivery of aid that aim to balance corruption concerns with broader aid effectiveness priorities and poverty reduction goals. The Paris Declaration on Aid Effectiveness (Annex) sets out a clear, practical plan to help improve the quality and positive impact of development assistance through efforts to combat corruption. It commits donors to increasing their support to developing countries' anti-corruption efforts, aligning with country-led initiatives and promoting local ownership of anti-corruption reforms. Calls for greater policy coherence are also gaining ground; for example, policies to recover misappropriated development funds are supported by complementary policies which address banking secrecy. The specific focus of donor anti-corruption efforts has been on programmes to strengthen mechanisms associated with those areas where corruption is most likely to occur, for example in procurement and financial management systems. Donor spending on strengthening governance (including public sector financial management) has been increasing since 2002 (Figure 7.1). Additionally, international agreements like the UN Convention against Corruption (UNCAC) and the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Anti-Bribery Convention) will help support coherent donor approaches.

Until 2003, donors were making poor headway in their fight against corruption (OECD, 2003). The main constraints were limited capacity, competing priorities and piecemeal approaches to fighting corruption. The DAC took action by publishing the *Policy Paper and Principles for Donor Action in Anti-Corruption* (OECD, 2006). This paper proposed actions for a more effective and co-ordinated fight against corruption, such as working jointly with other donors to establish a clear and common understanding of country-level corruption trends and the governance context in which corruption occurs; developing principles for common OECD DAC responses to corruption; integrating national action on corruption with international/"supply side" action on issues such as bribery, money laundering and asset recovery; and applying lessons learned in supporting the implementation of the UNCAC.

Figure 7.1. **DAC donor spending on strengthening governance, 2002-2007**

Current prices, disbursements, in USD millions



Source: OECD DAC, *International Development Statistics*.

StatLink http://dx.doi.org/10.1787/787556542258

The DAC's Network on Governance (GOVNET)[1] has followed up on these proposals by producing specific recommendations on how donors can improve processes for assessing governance and how they can better tackle corruption through greater co-ordination, based on knowledge and lessons learned from the field (OECD, 2009a and b). In this chapter we highlight some of the main findings and recommendations.[2]

A shared understanding of governance

"We must take a serious view of the fact that for decades we have paid aid worth billions to countries where corruption has increased rather than decreased" (Carlsson, 2009).

Corruption is the result, at least in part, of poor governance. To tackle corruption we need to understand how public sector governance works in a country – both the formal and informal uses of power. Good governance is not just about government; it is also about political parties, parliament, the judiciary, the media, civil society and the more informal agents of accountability often relied upon in developing countries. It is about how citizens, leaders and public institutions relate to each other in order to make things happen (DFID, 2006).

Donors need to conduct joint analysis of governance in a partner country to ensure that their responses are informed by a common understanding of the governance challenges impacting on corruption (OECD, 2006). The analysis is most effective when partner governments show leadership and ownership of measures to improve governance and reduce corruption (Box 7.1); this can also provide an opportunity for donors to enhance joint responses. The analysis should, as a necessary first step, explore the political drivers and policy priorities of partner country governments that impact on their level of commitment to tackle corruption.

Why should this be a joint donor exercise? GOVNET found that there is frequent duplication and overlap among assessment tools used by donors and other stakeholders in the field: "There are multiple definitions of governance and a multiplicity of assessment tools… [revealing] the existence of 45 general methodologies, many of which overlap" (OECD, 2009a).[3] This inevitably increases transaction costs for both donors and partner countries. There are very few instances of genuinely coherent and co-ordinated governance assessments at the national level (Box 7.1). While it may not be possible to agree a commonly accepted definition of governance, there is scope for further agreement on identified principles around what good governance represents.

GOVNET research has found that there is little interest in developing one single common assessment tool for all to use. However, co-ordination can be improved by matching different tools to specific purposes, mixing long- and short-term interventions and feeding lessons from individual processes into new initiatives. Similarly, donors should identify and draw lessons from existing best practices from their own experiences to inform further

Box 7.1. **A shared understanding of governance: examples from Africa**

One of the few examples of an effectively co-ordinated governance assessment comes from Rwanda. Significantly, the driving force behind this more co-ordinated effort came directly from the head of state. The president of Rwanda initiated a successful joint governance assessment (JGA) in 2006 to foster a collaborative and inclusive process among stakeholders from government, civil society, the media and opposition parties, with donors and the multilateral agencies working effectively together in a supporting role. The Government of Rwanda notes that the JGA:

> […] intends to establish a common understanding of governance progress, problems and priorities, and a framework for assessing progress over the coming years on the basis of agreed indicators and benchmarks. The guiding principle has been to provide a basis for joint ownership and constructive discussion in order to improve the quality and usefulness of dialogue around issues of good governance (Ministry of Local Government, 2008).

In Cameroon, the Change Habits-Oppose Corruption (CHOC) Project – a partnership involving numerous donors* – was set up to explore country-level partnerships for good governance. This promising platform provides a coherent assessment framework through which significant progress can be made. Under GOVNET's leadership and following an invitation from the Government of Cameroon, a multi-donor mission conducted a rapid assessment of corruption in Cameroon and proposed the next steps to support the country in its fight against corruption.

* Jointly managed by the government and the United Nations Development Program (UNDP).

programming on anti-corruption. Efforts should build on existing frameworks for donor and government co-ordination and should also draw directly on partner country-led assessment processes to inform programming and dialogue at the country level.

Corruption must be dealt with jointly

"The joint responses approach is a key tool in the effort to ensure that governments actually walk the talk" (Participant at a donor workshop on improving the collective response to corruption, 2009).

How have donors been dealing with corruption? In Afghanistan, Indonesia and Mozambique,[4] depending on the situation and the context, donors took various short-term, localised action in response to incidents of corruption, such as suspending aid temporarily, conducting audits and investigations, holding bilateral political dialogues and trying to recover funds. Donors have generally tried to remain engaged so that longer-term development objectives (and reputations) are unharmed and so that aid remains predictable, in line with the aid effectiveness agenda.[5]

When situations become unstable, donor concern tends to focus on stabilisation, maintaining security and ensuring the provision of basic services. In these contexts, donors continue to pursue longer-term approaches to strengthening accountability and improving transparency.

It has been shown however, that hesitation and mixed messages can leave the drivers of corruption intact. Effective and co-ordinated dialogue mechanisms can help to avoid undermining the credibility of the donor community and strengthening the impact of their collective effort. Unless there will be major consequences, there is a risk that partner governments will take no action at all where they receive mixed messages from donors. In the same fashion, partner governments may have separate dialogue mechanisms with different donors, or emphasise different strategic priorities with each donor government. In these cases, governments may take advantage of less demanding and critical development partners in a "divide and conquer" strategy.

In Uganda, donors are piloting a "graduated response to corruption" based on the DAC policy principles on anti-corruption. This includes efforts to co-ordinate donor reactions to corruption in Uganda including the proposed use of a "rolling core script"[6] with agreed wording, to ensure donors all strike the right balance of issues in political dialogue in responding to incidents of corruption. The script would take into account both past and present incidents of corruption to ensure co-ordinated and consistent messages.

While donor policies on governance and corruption have tended to converge in recent years, differences in practice, particularly between headquarters and the field, are another constraint to effective joint responses to corruption. Here, the trade-off is often between technical priorities identified at the country level and more political considerations prioritised in donor capitals. In Tanzania, for example, while co-ordination among donors on the ground is enabling them to implement a clear and unified response to incidents of corruption, they would like stronger and more co-ordinated support from their headquarters.[7] It has been recognised that this is at odds with the commitments and principles around ownership and alignment as elaborated in the Paris Declaration and the Accra Agenda for Action and that further efforts to resolve this trade-off are needed.

Financial *versus* stability trade-offs have also been identified (OECD, 2009b). This is especially the case in fragile states, where there are a number of competing agendas (peace settlement and security, humanitarian support, public institution building and social and economic development (Chapter 6). Lack of co-ordination and agreement on priorities and/or sequencing of anti-corruption initiatives can have a significant impact on donors' ability to effectively address corruption in these states. In Afghanistan, for example, early efforts were focused on stabilisation and security. These priorities made it difficult for donors to raise corruption publicly or in political dialogue. Donors were later forced to pay more attention to corruption (especially the drug economy) as it became so virulent and entrenched that it began to threaten peace and development. This case underlines the need to ensure that there is a deeper understanding of the nexus between the drivers of conflict, corruption and state legitimacy. Donors need to be equipped with the right tools to enable them to quickly identify the destabilising forms of corruption that need to be dealt with urgently. GOVNET, together with the Utstein Anti-Corruption Resource Centre, is conducting further research to analyse the unique challenge of fighting corruption in fragile states. This research will enable donors to better sequence integrity approaches into the state-building agenda, as well as identify the risks and unintended consequences of anti-corruption and integrity programming.

One way of improving governance and reducing corruption that is gaining in favour involves strengthening the accountability of political elites through both domestic and internationalised accountability processes (such as compliance with the UN Convention against Corruption). Partner governments' accountability to their citizens is important. To promote this type of accountability, however, special care must be taken to ensure that co-ordination of donor responses does not reinforce partner governments' accountability to donors rather than to their own citizens, particularly in aid-dependent countries.

The way forward: tackling corruption at a time of crisis

> "… it may not be feasible for donors to continue to respond to corruption in the same way as they have in the past if they are required to demonstrate greater effectiveness in the short term in tackling it" (OECD, 2009b).

The prevailing world financial crisis will only increase the level of scrutiny over the use of public funds. GOVNET's research and analysis over the past ten years occurred in a benign aid environment where great emphasis was placed on aid effectiveness, scaling up of aid and developing and adhering to the principles of the Paris Declaration. In the current global economic crisis, donors' priorities are likely to shift towards good financial management and more immediate action against corruption. With greater public scrutiny of aid budgets, any increase in corruption could lead to calls to cut aid. It is, therefore, fundamental to ensure that the risks of corruption associated with development assistance are minimised so that high-profile incidents of corruption do not undermine public support for development.

In this context, the traditional donor response – of remaining engaged despite evidence of corruption and deteriorating governance – may become less effective in maintaining public support for development. Donors may need to respond better to public concerns about corruption in the overall delivery of international aid. This will require better communication of the anti-corruption measures supported; closer monitoring of corruption trends and the impact of anti-corruption measures; more effective ways of ensuring that partner governments are held to account for their use of public funds (including enforcement when corruption cases occur); and improved management of risk in the use of donor funds without undermining aid effectiveness.

In the framework of GOVNET, donors should continue their efforts to understand the full spectrum of issues related to both the demand and supply sides of corruption, the extent to which aid may present opportunities that encourage corruption, as well as international drivers of corruption, in order to promote more co-ordinated and coherent action at the country level.

Notes

1. The DAC's work in the area of governance is carried out through its Network on Governance (GOVNET), an international forum that brings together practitioners from development co-operation agencies and experts from partner countries.
2. A full outline of the studies' findings and recommendations can be found on the GOVNET website: *www.oecd.org/dac/governance/govassessment*.
3. A governance assessment sourcebook (OECD, 2009c) has been developed which intends to help practitioners to navigate the universe of donor tools and methodologies in use. It is available on the GOVNET website (*www.oecd.org/dac/governance/govassessment*).
4. These observations are based on in-depth, retrospective case studies conducted by GOVNET. This network also facilitated further country-level dialogue in Tanzania, Honduras, Cameroon, Sierra Leone, Zambia and Peru. A similar dialogue was recently initiated in Uganda.
5. Commitments to enhance the predictability of aid seem, through this analysis, to have taken precedence over commitments to improve co-ordination and harmonisation.
6. At a workshop on building a strategic development partner response to corruption in Uganda, Kampala, 15-16 September 2009.
7. These views were expressed through a pilot survey on donor responses to corruption conducted in 2007 by the donor agencies in-country, on behalf of GOVNET. The pilot survey was co-ordinated by the UK Department for International Development (DFID).

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Chapter 8

Efforts and Policies of the Bilateral Donors

This chapter summarises key progress made by the 23 members of the Development Assistance Committee towards meeting their aid effectiveness commitments in 2009, plus some of the challenges arising. It shows how donors are significantly scaling up their core aid programmes. In 2008, total net official development assistance from members of the DAC rose by 11.7% in real terms to USD 121.5 billion, the highest dollar figure ever recorded. Donors' forward spending plans suggested an 11% increase in programmed aid between 2008 and 2010, including larger expenditures by some multilateral agencies. However, the current outlook suggested that about USD 16 billion (in 2008 prices) must still be added if donors are to meet their current 2010 commitments. The chapter also contains more detailed reviews of five countries (Austria, Ireland, Italy, Sweden and Switzerland) which underwent DAC peer reviews in 2009, plus a summary of mid-term reviews of five other countries.

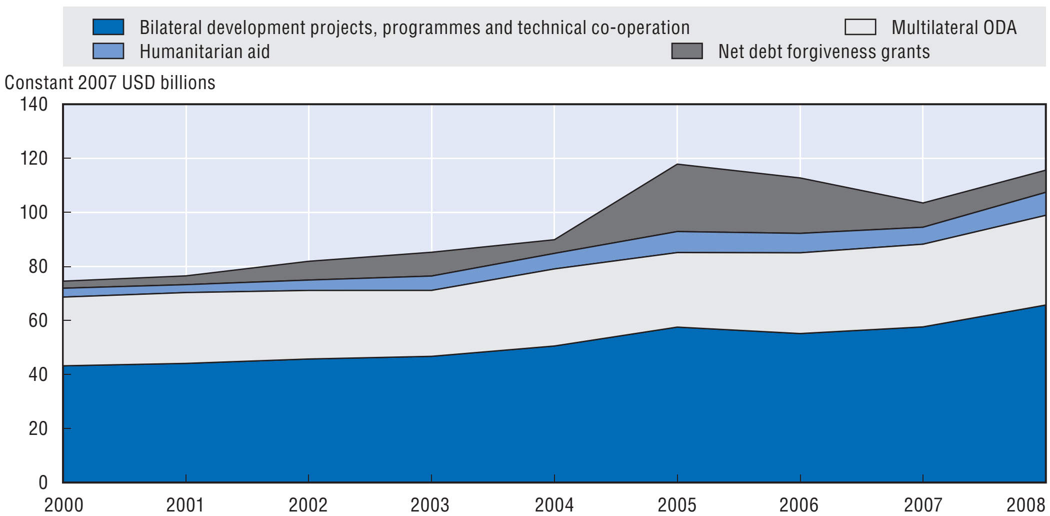
DAC members' aid performance in 2008

This chapter outlines key progress made in 2009 by the 23 members of the OECD's Development Assistance Committee (DAC) towards meeting their aid effectiveness commitments. This first section summarises the performance of DAC donors in 2008 and explores whether they are on track to meet their aid commitments. The second section provides individual notes on each of the DAC's member countries, analysing what steps they have been taking to fulfil their aid effectiveness commitments and the challenges still to be overcome. The third section reviews the main achievements and challenges of other OECD donors, while the fourth section describes the role of non-OECD providers of development assistance.

In 2008, total net official development assistance (ODA) from members of the DAC rose by 11.7% in real terms to USD 121.5 billion. This is the highest dollar figure ever recorded and represents 0.31% of members' combined gross national income.

Although the volume of bilateral development projects and programmes has been rising in recent years, between 2007 and 2008 it rose substantially (by 14.1% in real terms), indicating that donors are significantly scaling up their core aid programmes (Figure 8.1).

Figure 8.1. **Components of DAC donors' net ODA, 2000-2008**



StatLink http://dx.doi.org/10.1787/787604428152

Donor performance

The largest donors in 2008 by volume were the United States, Germany, the United Kingdom, France and Japan (in descending order). Five countries exceeded the United Nations' target of allocating 0.7% of their gross national income to ODA: Denmark, Luxembourg, the Netherlands, Norway and Sweden (Table 8.1).

In 2008, net ODA from the United States was USD 26.8 billion, representing an increase of 20.5% in real terms. Its ratio of ODA to gross national income (GNI) rose from 0.16% in 2007 to

0.19% in 2008. The United States' net ODA allocations increased to practically all regions, particularly Sub-Saharan Africa (+43.5% in real terms, to USD 6.7 billion). Net ODA also increased substantially to the group of least developed countries (+43.2% in real terms, to USD 7 billion). Humanitarian aid also rose significantly (+43.1% in real terms, to USD 4.4 billion) due mainly to increased relief food aid.

Japan's net ODA reached USD 9.6 billion, an increase of 10.7% in real terms over 2007. Its net ODA/GNI ratio rose from 0.17% in 2007 to 0.19% in 2008. The increase is mainly due to a rise in contributions to international financial institutions and reverses the downward trend in Japan's ODA since 2000 (excluding peaks in 2005 and 2006 due to high levels of debt relief).

The combined net ODA of the 15 EU members of the DAC rose by 9.9% in real terms to USD 71 billion, representing 58% of all DAC ODA. As a share of GNI, net ODA from DAC-EU members rose to 0.43%. Significant increases in real terms were recorded by Greece, Portugal, Spain and the United Kingdom.

In real terms, net ODA rose in 14 DAC-EU countries as follows:

- Belgium (+13.7%), due to an increase in bilateral aid as well as contributions to multilateral organisations.
- Denmark (+0.4%), practically unchanged.
- Finland (+9.2%), due to the general scaling up of its aid.
- France (+2.4%), which increased its contributions to European institutions (including the European Commission and the European Development Fund) and bilateral lending.
- Germany (+6.3%), due to an increase in bilateral co-operation and larger contributions to the European Commission.
- Greece (+28.8%), due to an increase in contributions to the EC and International Development Association (IDA).
- Ireland (+6.7%), reflecting a general scaling up of its aid in order to reach the UN target of 0.7% by 2012.
- Italy (+11.8%) due to increased debt relief.
- Luxembourg (+3.3%), reflecting an increase in bilateral aid.
- The Netherlands (+4.8%), which increased its bilateral aid.
- Portugal (+ 22.4%), due to an increase in bilateral aid, notably to Africa.
- Spain (+22.6%), reflecting increased bilateral aid, especially to Africa.
- Sweden (+3.9%), which despite budgeting for an ODA/GNI ratio of 1% of GNI, fell short this year, partly because expected debt relief did not materialise.
- The United Kingdom (+25.0%), reflecting a general scaling up of its aid.

Net ODA fell in Austria (–12.4%), due to a lower level of debt relief grants than in 2007.

Net ODA by the European Commission rose by 17.5% in real terms to USD 14.8 billion, mainly due to an increase in technical co-operation activities and humanitarian aid, as well as better reporting on its loan programme.

Net ODA from other DAC countries changed between 2007 and 2008 as follows:

- Australia (+6.2%), reflecting an overall scaling up of its aid.
- Canada (+13.6%), due to an overall scaling up of its aid and increased contributions to the World Bank.

- New Zealand (+11.5%), reflecting an increase in bilateral ODA.
- Norway (–2.5%).
- Switzerland (+7.6%), which increased its bilateral aid.

On a gross basis (*i.e.* without any deductions for loan repayments), ODA reached USD 135.8 billion in 2008, an increase of 10.7% in real terms. The largest donors, based on their gross ODA, were the United States (USD 27.8 billion), Japan (USD 17.5 billion), Germany (USD 16 billion), France (USD 12.5 billion) and the United Kingdom (USD 12 billion).

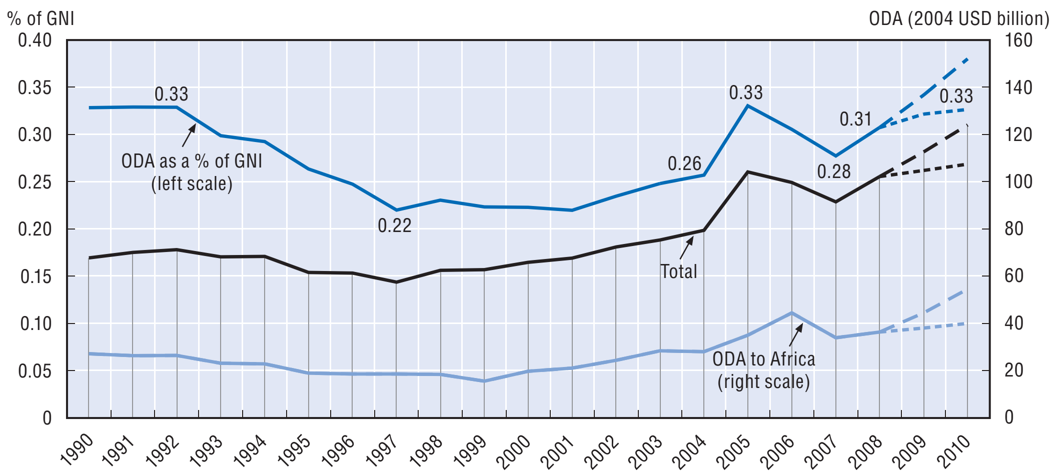
What are the expected aid levels for 2010?

Following the Monterrey Financing for Development Conference in 2002, donors made specific commitments to increase their aid. When quantified by the OECD DAC Secretariat, the pledges implied lifting aid from USD 80 billion in 2004 to USD 130 billion in 2010 (at constant 2004 prices), representing 0.36% of estimated GNI in 2010. This estimate was referred to at the Gleneagles G8 Summit and detailed pledges by G8 countries were recorded in the summit outcome document. These were reaffirmed at the UN Millennium +5 Summit, when EU countries adopted a common commitment. However, reduced growth in 2008 and the economic contraction in 2009 have lowered the dollar value of these commitments to about USD 124 billion (in constant 2004 dollars), or USD 44 billion over the 2004 level as compared to the original estimated increase of USD 50 billion.

While most countries have maintained their commitments for 2010, others, including some large donors, have reduced or postponed the pledges they made for 2010. On the basis of current 2010 budget proposals:

- The overall expected ODA level for 2010 is estimated at USD 107 billion (expressed in 2004 dollars), an increase of USD 27 billion over the 2004 baseline, with the ODA/GNI ratio rising from 0.26% to an estimated 0.33%.
- The shortfall of USD 17 billion (in 2004 dollars) compared to the growth-adjusted 2005 political commitments impacts particularly on Africa (Figure 8.2).

Figure 8.2. **DAC members' net ODA 1990-2008 and DAC Secretariat simulations of net ODA 2009-2010**



— dashed line indicates the growth-adjusted trajectory envisaged at Gleneagles.
...... dotted line indicates estimates based on reported intentions or current 2010 budget plans made by DAC members.
...... dotted line for Africa indicates a DAC Secretariat estimate.

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Table 8.1. **OECD DAC Secretariat simulation of DAC members' net ODA volumes in 2008 and 2010**

In constant 2008 USD million

The data below are not forecasts, but Secretariat projections based on reported intentions or current 2010 budget plans made by member countries of the OECD's Development Assistance Committee (DAC). These have been confirmed by the 2009 DAC *Survey on Donors' Forward Spending Plans*. The key figures from such announcements are shown as "Assumptions". To calculate net ODA and ODA/GNI ratios requires projections for GNI for 2010. For 2009 and 2010, the projections of real growth are taken from the *OECD Economic Outlook* No. 85 (June 2009) Annex Table 1 or reflect more recent GNI estimates provided by members themselves. While calculations have been discussed at technical level with national authorities, the DAC Secretariat is responsible for the methodology and the final published results.

	2008		Assumptions (ODA/GNI ratios)	2010			
	Net ODA (2008 USD m)	ODA/GNI (%)		Net ODA (2008 USD m)	ODA/GNI (%)	Real change in ODA compared with 2008 (2008 USD m)	Per cent
Austria[1]	1 714	0.43	0.37% in 2010	1 487	0.37	–226	–13
Belgium	2 386	0.48	0.7% in 2010	3 331	0.70	946	40
Denmark[2]	2 803	0.82	0.83% in 2010	2 945	0.83	142	5
Finland	1 166	0.44	0.55% in 2010	1 393	0.55	227	19
France[3]	10 908	0.39	0.46% in 2010	12 667	0.46	1 759	16
Germany[4]	13 981	0.38	0.4% in 2010	13 741	0.40	–240	–2
Greece[5]	703	0.21	0.21% in 2010	693	0.21	–10	–1
Ireland	1 328	0.59	0.52% in 2010 and 0.7% in 2012	1 040	0.52	–288	–22
Italy[6]	4 861	0.22	0.20% in 2010	4 389	0.20	–471	–10
Luxembourg	415	0.97	1% in 2009 and following years	410	1.00	–5	–1
Netherlands	6 993	0.80	Minimum 0.8%	6 652	0.80	–341	–5
Portugal	620	0.27	0.34% in 2010	742	0.34	121	20
Spain	6 867	0.45	0.51% in 2010 and 0.7% in 2012	7 594	0.51	727	11
Sweden[7]	4 732	0.98	1%	4 706	1.03	–26	–1
United Kingdom[8]	11 500	0.43	0.56% in 2010-11 and 0.7% in 2013	14 280	0.56	2 780	24
DAC EU members, total	**70 974**	**0.43**		**76 068**	**0.47**	**5 093**	**7**
Australia[9]	2 954	0.32	See footnote 9	3 272	0.35	318	11
Canada[10]	4 785	0.32	See footnote 10	4 835	0.33	50	1
Japan[11]	9 579	0.19	See footnote 11	9 579	0.20	0	0
New Zealand[12]	348	0.30	See footnote 12	380	0.34	33	9
Norway	3 963	0.88	1% over 2006-09	4 494	1.00	531	13
Switzerland[13]	2 038	0.42	See footnote 13	2 195	0.47	157	8
United States[14]	26 842	0.19	See footnote 14	27 647	0.20	805	3
DAC members, total	**121 483**	**0.31**		**128 471**	**0.34**	**6 988**	**6**

1. In its programme of December 2008, the Austrian Government reiterates the commitment to meet the 0.51% target at a later stage. The figures shown are taken from the current Three-Year-Programme on Austrian Development Policy.
2. Over the coming years, the Danish government will strive to increase ODA as a per cent of GNI from the current level of 0.8%.
3. According to the assumptions in the draft finance bill for 2010, France expects the ODA/GNI ratio in 2010 will be between 0.44%-0.48% (based on an estimated 2010 GNI of 1 958 billion euros). The actual amount will depend on the timetable of debt forgiveness for countries reaching the decision point under the HIPC Initiative. Based on France's official forecast, the Secretariat estimates an ODA/GNI ratio of 0.46% in 2010.
4. The ODA/GNI ratio of 0.4% in 2010 is purely a Secretariat estimate. Final 2010 aid allocations are yet to be determined.
5. The ODA/GNI ratio of 0.21% shown for 2010 is purely a Secretariat estimate. Accurate figures regarding the ODA budget for 2010 are not yet available since the Government Budget is annually discussed and approved in Parliament in late December.
6. The figures are estimated on the basis of the current legislation. The Budget Law for 2010-12 could be amended until its final approval. Other measures to increase ODA could be taken also in the context of the study on Italian gradual realignment, currently under way. Italy's current draft budget plans estimate an ODA volume of 3.043 billion euros in 2010, representing an ODA/GNI ratio of 0.20%.
7. Sweden's expected net ODA for 2010, based on current budget plans, is USD 4 706 million. This represented an ODA/GNI ratio of 1% based on the GNI prognosis available at the time decided upon. The Secretariat estimates an ODA/GNI ratio of 1.03% in 2010 based on current GNI projections.
8. This Secretariat simulation of 2010 ODA applies its previous estimate of the ODA/GNI ratio in 2010 (0.56%) to its current projections of UK GNI in 2010, expressed at 2008 prices and exchange rates.
9. Australia expects to continue increasing its ODA. Australia has announced it intends to reach an ODA/GNI target of 0.5% by 2015-16 and in 2009 the Australian Government announced interim targets of 0.34% in 2009-10, 0.35% in 2010-11, 0.37% in 2011-12 and 0.40% in 2012-13. The figure here is adjusted for inflation.
10. Canada intends to double its 2001 International Assistance Envelope (IAE) level by 2010 in nominal terms. The Canadian authorities estimate ODA (composed in large part from the IAE) will be 5.1 billion Canadian dollars in 2010. The ODA figure shown here is adjusted for inflation and converted to USD at the 2008 exchange rate.
11. Japan intends to increase its ODA by USD 10 billion in aggregate over the five years 2005-09 compared to 2004. However, Japan is not currently in a position to estimate its 2009 or 2010 ODA. The Secretariat has estimated the 2010 figure as the same as the 2008 level. No adjustment is made for inflation.
12. New Zealand has announced an intermediate target of NZD 600 million for 2012-13. The Secretariat estimates an ODA/GNI ratio of 0.34% in 2010.
13. The Swiss Parliament proposed to the Government in December 2008 to increase ODA to 0.5% of GNI by 2015. The provision of additional resources to meet this objective still has to be examined. Based on the actual financial plan and the most recent economic prospective data, the ODA/GNI ratio of 0.47% will be reached in 2010.
14. The United States does not issue or approve forecasts on projected ODA. The amount shown here is purely a Secretariat estimate. It is based on 2004 ODA plus USD 5 billion nominal per annum to cover the Gleneagles G8 commitments on increased aid to Sub-Saharan Africa, Millennium Challenge Account, and initiatives on HIV/AIDS, malaria and humanitarian aid.

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- The shortfall is confirmed by the 2009 survey on donors' forward spending plans (OECD, 2009f). It suggested an 11% increase in programmed aid between 2008 and 2010, including larger expenditures by some multilateral agencies.
- Expressed in 2008 prices, ODA is estimated at USD 128 billion in 2010, representing an increase of nearly USD 7 billion over 2008 (Table 8.1).

Yet despite various shortfalls against commitments, ODA increased by nearly 30% in real terms between 2004 and 2008 and is expected to rise by about 35% in real terms between 2004 and 2010. ODA as a per cent of GNI rose from 0.26% in 2004 to 0.31% in 2008 and is expected to rise further to 0.33% in 2010 (Figure 8.2). The increase between 2004 and 2008 is the largest ever increase in ODA over such a time period even if we do not consider the enormous debt relief effort that boosted the aid numbers in the earlier years of the period. The figures for this same period include a large rise in ODA, in real terms, to Afghanistan (91%) and Iraq (84%); the combined volume increase for Afghanistan and Iraq was USD 5.6 billion (in 2004 prices). Aid to sub-Saharan Africa rose by 24% in real terms and aid to Africa as a whole by 22%; excluding debt relief, aid rose by 41% and 37% to these regions respectively. Notwithstanding some donors' fulfilling their aid pledges to Sub-Saharan Africa, overall aid to Africa has not kept pace with the ambitious Gleneagles pledge of a USD 25 billion increase. The estimated overall increase for Africa between 2004 and 2010 is USD 12 billion (in 2004 prices).

Notes on DAC members

The information that follows in this section was provided by the countries themselves in answer to two questions put to them by the DAC:

1. What reforms/changes in the institutional system or way of working is your country currently implementing to enable it to meet the Accra Agenda for Action's commitments?
2. What are the biggest challenges you face in implementing this agenda, whether on the political side (*e.g.* convincing parliament and/or the public, balancing visibility with country ownership) or technical side (*e.g.* adjusting the mix of staff skills, bringing decision-making closer to the field)?

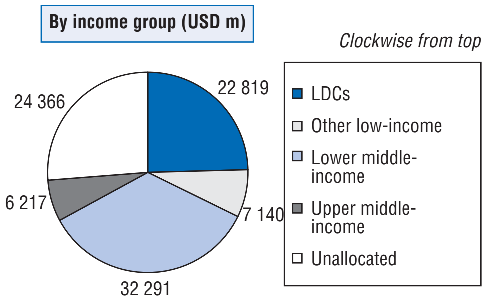
The section starts with a summary chart showing data for all the DAC countries in total. Notes on DAC members are then presented in alphabetical order, and include country charts of the key ODA data for each member country. In the country charts, the data on net ODA (top left-hand corner) refer to 2008; other data are averages for 2007/08 unless otherwise indicated. Five text boxes provide more detailed information on each member that underwent a DAC peer review in 2009 (Box 8.1). The section ends with a summary of the findings of five mid-term reviews – of Canada, Denmark, Finland, the Netherlands and Spain – also carried out in 2009.

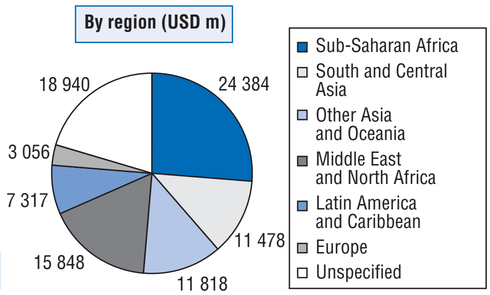
TOTAL DAC COUNTRIES

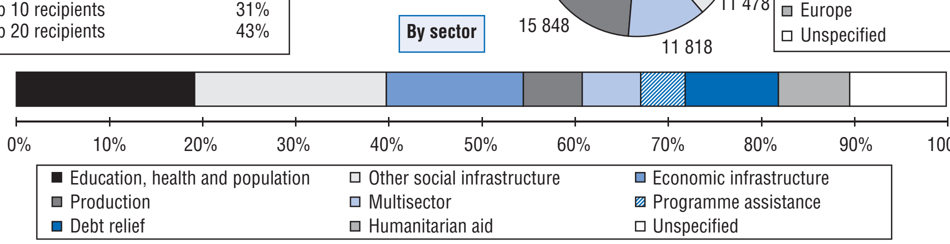
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	103 485	121 483	17.4%
Constant (2007 USD m)	103 485	115 632	11.7%
ODA/GNI	0.28%	0.31%	
Bilateral share	70%	71%	

Top ten recipients of gross ODA (USD million)	
1 Iraq	9 462
2 Afghanistan	3 475
3 China	2 601
4 Indonesia	2 543
5 India	2 263
6 Viet Nam	1 745
7 Sudan	1 743
8 Tanzania	1 603
9 Ethiopia	1 551
10 Cameroon	1 396
Memo: Share of gross bilateral ODA	
Top 5 recipients	22%
Top 10 recipients	31%
Top 20 recipients	43%







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Box 8.1. **The peer review process**

The DAC requires all of its 23 members to evaluate each other's development programmes through a unique system of peer reviews. The reviews monitor individual members' policies and efforts in the area of development co-operation. Each member is critically examined approximately once every four years and five or six programmes are examined annually. The peer review is prepared by a team consisting of representatives of the DAC Secretariat working with officials from two DAC member countries who are designated as "examiners". The country under review provides a memorandum setting out the main developments in its policies and programmes. Then the Secretariat representatives and the examiners visit the capital city to interview officials, parliamentarians, as well as civil society and NGO representatives of the donor country to obtain a first-hand insight into current issues surrounding the development co-operation efforts of the member concerned. Field visits assess how members are implementing the major DAC policies, principles and concerns. They also review operations in recipient countries, particularly with regard to poverty reduction, sustainability, gender equality and other aspects of participatory development, and local aid co-ordination. The Secretariat then prepares a draft report on the member's development co-operation which is the basis for a DAC review meeting at the OECD. At this meeting senior officials from the member country under review respond to questions from committee members.

Australia

In 2008, Australia's net ODA was USD 2.95 billion, representing a 6.2% increase in real terms over 2007. This increase reflects an overall scaling up of Australia's aid. ODA as a per cent of GNI remained stable at 0.32%.

Reform for implementing the aid effectiveness agenda

A 2009 policy statement on Australia's international development assistance recognises the importance of aid effectiveness in making genuine improvements to people's lives. In August 2009, participants of the Pacific Island Forum, chaired by Australia, endorsed the Cairns Compact on Strengthening Development Coordination in the Pacific. The compact aims to accelerate progress on the Millennium Development Goals by improving co-ordination among all development partners in the Pacific. Australia has now signed up to eight Pacific Partnerships for Development to increase mutual accountability for results and promote partner-led development. Where government systems are strong and accountability processes are in place, Australia, in collaboration with other donors, has made good progress in aligning and harmonising its programmes with partner countries' development objectives. For example, in Viet Nam in 2009 Australia channelled around 50% of its bilateral aid through programme-based approaches (using Viet Nam's own management systems). The Australian Agency for International Development is developing an Operational Policy and Management Framework for an effective and scaled-up aid programme in line with the Accra Agenda for Action (AAA).

Challenges in implementing the aid effectiveness agenda

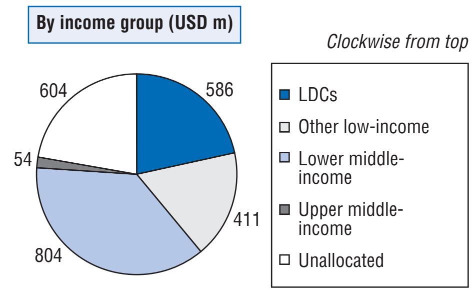
- **Working in fragile states.** A large proportion of Australia's aid goes to fragile or small island states, where weak state capacity is a major obstacle to progress. Australia is developing an understanding of the strengths and limitations of partner countries striving to overcome fragility and conflict and adapting the way its aid programme is delivered as the starting point for responsive and effective aid delivery. Australia is also applying the DAC Principles for Good International Engagement in Fragile States and Situations (OECD, 2007) when developing and reviewing relevant country strategies and partnerships, reporting annual performance and designing and reviewing development programmes.

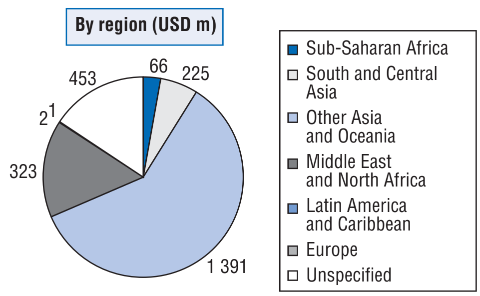
AUSTRALIA

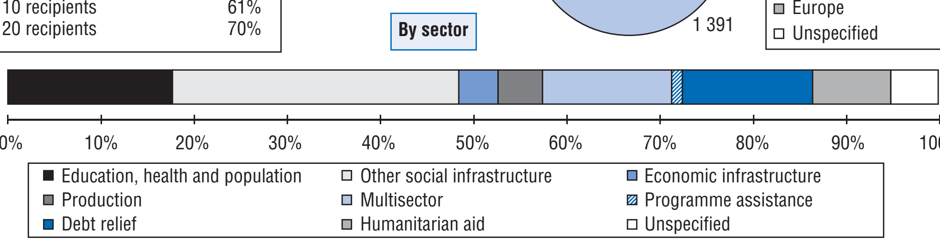
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	2 669	2 954	10.7%
Constant (2007 USD m)	2 669	2 834	6.2%
In Australian dollars (million)	3 189	3 583	12.3%
ODA/GNI	0.32%	0.32%	
Bilateral share	85%	90%	

Top ten recipients of gross ODA (USD million)	
1 Indonesia	330
2 Papua New Guinea	301
3 Iraq	285
4 Solomon Islands	194
5 Afghanistan	94
6 Timor-Leste	79
7 Philippines	71
8 Viet Nam	71
9 Bangladesh	40
10 China	39
Memo: Share of gross bilateral ODA	
Top 5 recipients	49%
Top 10 recipients	61%
Top 20 recipients	70%







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Austria

In 2008, Austria's net ODA fell by 12.4% in real terms from 2007, to USD 1.71 billion. The fall is explained by the fact that the level of debt relief grants was higher in 2007 than in 2008. ODA as a per cent of GNI fell from 0.50% in 2007 to 0.43% in 2008.

Reform for implementing the aid effectiveness agenda

Austrian development co-operation (ADC) has been challenged by the AAA and the DAC 2009 peer review (Box 8.2) to set the right priorities for its Aid Effectiveness Action Plan up to 2011 and beyond. This forthcoming action plan will adapt the mix of aid instruments to capacities in partner countries, make better use of local systems and encourage more joint approaches with other donors. For example, besides participating in Uganda's Joint Assistance Strategy, ADC successfully increased the use of country systems and contributed to their strengthening in that country. Budget support is likely to become a preferred financing instrument for Austria in the long run so long as conditions in partner countries allow. ADC will concentrate on its comparative advantage as a small donor. Austria promotes country ownership: one of the guiding principles of its programmable aid.

Stronger focus is being placed on development results and results reporting. Country and regional strategies are being adapted to include and demonstrate impacts in the country. Austria also participates in and supports the international multi-stakeholder process to promote civil society development effectiveness so as to deepen its engagement with civil society organisations.

Challenges in implementing the aid effectiveness agenda

- Financial constraints will remain a major challenge for the ADC, with the aid budget being "frozen" over the coming years. This will hamper the scaling up of aid available to programmes in partner countries and the further devolution of competences to the field.
- Greater support from the public will need to be secured by concentrating on development results and increasing public awareness. This support will be needed to reach the 0.7% GNI/ODA goal.

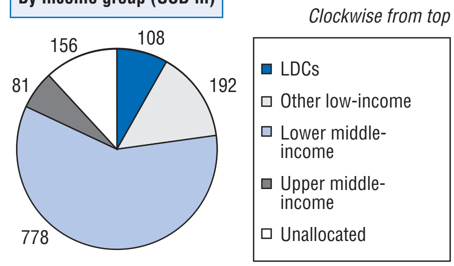
AUSTRIA

Gross bilateral ODA, 2007-08 average, unless otherwise shown

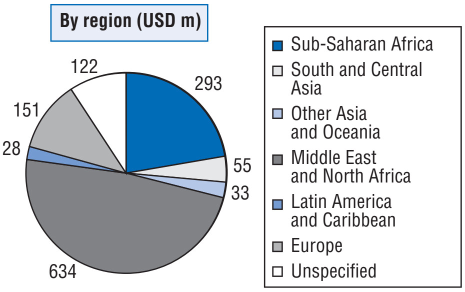
Net ODA	2007	2008	Change 2007/08
Current (USD m)	1 808	1 714	-5.3%
Constant (2007 USD m)	1 808	1 585	-12.4%
In euro (million)	1 321	1 188	-10.1%
ODA/GNI	0.50%	0.43%	
Bilateral share	73%	72%	

Top ten recipients of gross ODA (USD million)	
1 Iraq	592
2 Nigeria	161
3 Bosnia and Herzegovina	36
4 Serbia	33
5 Georgia	28
6 Egypt	27
7 Turkey	26
8 China	19
9 Chad	15
10 Ethiopia	14
Memo: Share of gross bilateral ODA	
Top 5 recipients	65%
Top 10 recipients	72%
Top 20 recipients	79%

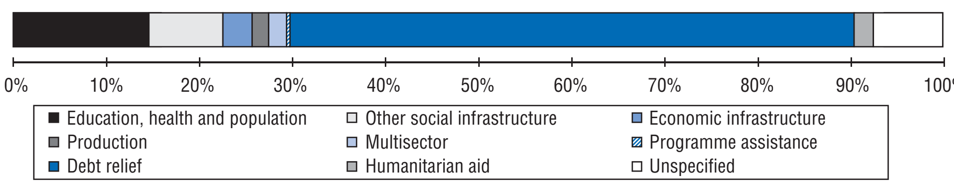
By income group (USD m)



By region (USD m)



By sector



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Box 8.2. **DAC peer review of Austria, 29 April 2009**

Examiners: Luxembourg and Norway

Austria's ODA was 0.42% of its GNI in 2008, placing it 11th amongst DAC donors. The DAC commended Austria for focusing its development co-operation on the world's poorest people. Austria plans to substantially increase its aid for humanitarian action, priority partner countries and UN agencies. It has established the Austrian Development Agency (ADA), the fruit of an organisational reform begun in 2004. A new five-year budgetary cycle provides a good foundation for making Austria's aid system more coherent and its aid more predictable. Austria also participates in and supports the international multi-stakeholder process to promote civil society development effectiveness and to deepen its engagement with civil society organisations.

Challenges and recommendations

- Increasing ODA volumes without resorting to debt relief. Debt relief made up 50% of Austria's ODA between 2005 and 2007 and more than 40% in 2008, which is higher than any other DAC member. As debt relief declines, Austria must sharply increase its aid to meet its commitment to reach the EU target of 0.7% of GNI to development assistance by 2015. Despite the financial crisis, Austria must reach its interim target of 0.51% in 2010. Austria's net ODA fell by 14% to USD 1.7 billion from 2007 to 2008, due to a lower level of debt relief grants provided in 2008.
- Developing a plan containing annual targets for achieving aid commitments. This is necessary to give credibility to Austria's aid promises and to make aid volumes more predictable for partner countries and other development partners.
- Enhancing the effectiveness of aid by increasing the share of aid that can be programmed by partner countries.
- Deepening commitment to policy coherence for development. Austria needs a medium-term development policy, endorsed by the government, which commits *all* ministries to reducing poverty, increasing peace and security, and preserving the environment. It also needs clearly-prioritised and time-bound action agendas; to clarify mandates and responsibilities for policy coherence for development; and to build a system for analysis, monitoring and reporting which includes perspectives and experiences from the field.
- Austria should not rely on debt relief as a significant component for meeting its ODA commitments. The fragmentation of overall ODA and the aid programme managed by ADA should be reduced. Staffing and technical expertise in the Ministry of Foreign Affairs (MFA) needs to be strengthened for it to act as the national co-ordinator for aid and development policy. The MFA should use *ex ante* aid allocations by all ministries to help achieve greater coherence in the aid policy, and build the transparency and predictability of total ODA.
- Placing managing for impact at the centre of planning, implementation, disbursement reporting, monitoring and evaluation and staff performance objectives. Country programmes should have specific results frameworks, which should be aligned with partner countries' own objectives.
- Increasing the focus on public and political awareness of global development challenges.

Belgium

In 2008, Belgium's net ODA was USD 2.39 billion, an increase of 13.7% in real terms from 2007. This was mainly due to the overall scaling up of its aid. ODA as a per cent of GNI rose from 0.43% in 2007 to 0.48% in 2008.

Reform for implementing the aid effectiveness agenda

Belgium is to make the assessment of country systems compulsory (as recommended by a country-level review of the programming process for indicative co-operation programmes – ICPs), and country systems will be the preferred *modus operandi*. If country systems fail to meet required standards, Belgium will take measures to improve them. It is developing a manual to guide this new focus on country systems. Up to 50% of allocations can now be channelled through budget support; general budget support is to be provided *via* the EC or World Bank. Cross-cutting issues will be integrated into priority sectors at all stages of the ICP cycle.

Fragmentation and unpredictable aid will be avoided through a strategy that limits interventions to two sectors (this applies now to over half of the bilateral programmes). It also provides for long-term engagement – at least 12 years. To enhance predictability, four-year ICPs and frontloading (allocating ODA funds several years ahead) are now the rule. Since 2008 Belgium has been using a results-based planning matrix to align its programmes with the development goals of partner countries. The Directorate-General for Development Co-operation (DGDC) has created a network to strengthen results-based management in staff training, country programming and co-operation with NGOs and multilateral organisations. DGDC have consulted with and agreed how Belgian civil society organisations will apply the principles of the Paris Declaration and the AAA.

Challenges in implementing the aid effectiveness agenda

- Working in fragile states. A large share of Belgium's partners consists of fragile states. This makes implementing the AAA particularly challenging. Parliament and the public are reluctant to systematically use country systems (in particular budget support) in these contexts. Belgium therefore actively contributes to monitoring the Principles for Good International Engagement in Fragile States and Situations and has established an internal network on fragility.
- Collaborating with civil society. Other challenges include: *i)* translating the agreement with the Belgian civil society organisations (CSOs) on applying the Paris principles into changes in programming and financing practices; and *ii)* involving CSOs in policy work.

BELGIUM

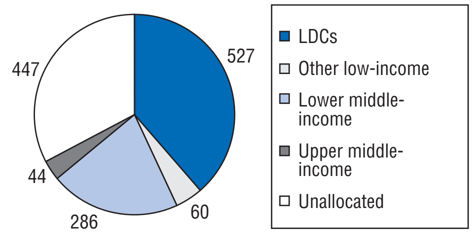
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	1 951	2 386	22.3%
Constant (2007 USD m)	1 951	2 219	13.7%
In euro (million)	1 425	1 654	16.1%
ODA/GNI	0.43%	0.48%	
Bilateral share	63%	58%	

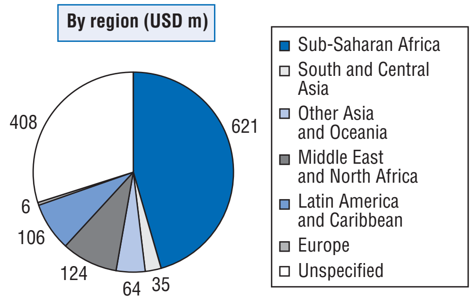
Top ten recipients of gross ODA (USD million)	
1 Congo, Dem. Rep.	192
2 Rwanda	54
3 Iraq	53
4 Cameroon	46
5 Burundi	43
6 Palestinian Adm. Areas	25
7 Mozambique	25
8 Viet Nam	25
9 Peru	24
10 Senegal	22
Memo: Share of gross bilateral ODA	
Top 5 recipients	28%
Top 10 recipients	37%
Top 20 recipients	50%

By income group (USD m)

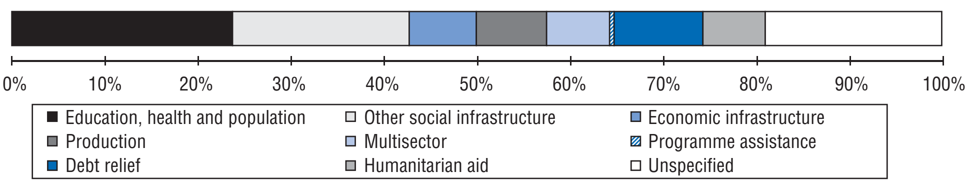
Clockwise from top



By region (USD m)



By sector



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Canada

In 2008, Canada's net ODA was USD 4.79 billion, an increase of 13.6% in real terms from 2007. This increase is supported by: the continued commitment to double the international assistance envelope by 2010-11; increased payments to the World Bank in support of Canada's doubling aid to Africa commitment; and substantial bilateral debt relief in 2008 (whereas negligible amounts were recorded in 2007). Canada is on-track to deliver its portion of the global scaling up of aid commitments. ODA as a proportion of GNI rose from 0.29% in 2007 to 0.32% in 2008.

Reform for implementing the aid effectiveness agenda

Canada's aid effectiveness agenda provides the basis for Canada to fulfill key commitments under the Paris Declaration and the Accra Agenda for Action. It is aimed at increasing *i)* the focus, with bilateral programming concentrating on 20 countries and on five thematic priorities (increasing food security, stimulating sustainable economic growth, securing the future of children and youth, promoting democracy and security and stability). The Canadian International Development Agency (CIDA) is focusing on the first three of these; *ii)* efficiency (for example, Canada is untying 100% of its aid, effective since April 2008 for all food aid and by 2013 for the remainder); and *iii)* accountability (with, for example, CIDA performance measurement frameworks, staff performance contracts and aid effectiveness as a guiding principle in evaluating proposals). Canada will also continue to pursue efforts with its multilateral, private sector and civil society partners to enhance aid effectiveness.

Challenges in implementing the aid effectiveness agenda

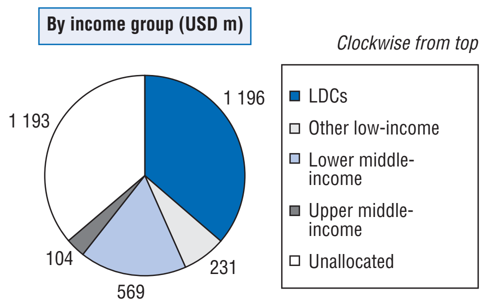
- Improving communication to the Canadian public to enhance accountability and secure continuous support for international assistance programming. CIDA is implementing a communications strategy to clarify the rationale and benefits of the government's policy measures – particularly CIDA's 20 countries of focus and its priority themes.
- Ensuring careful monitoring, adjustment, training and support in the shift of responsibilities from CIDA headquarters to the field. Enhancing the field presence has meant creating a knowledgeable field workforce and off-setting the financial costs. The government has developed strategies to address these challenges and ultimately increase the impact of Canadian international assistance.

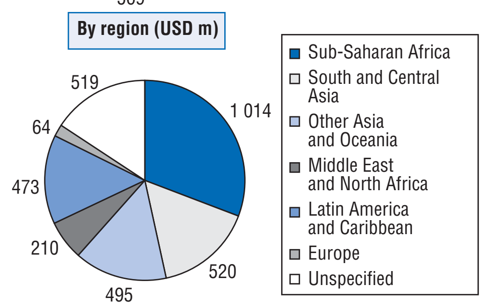
CANADA

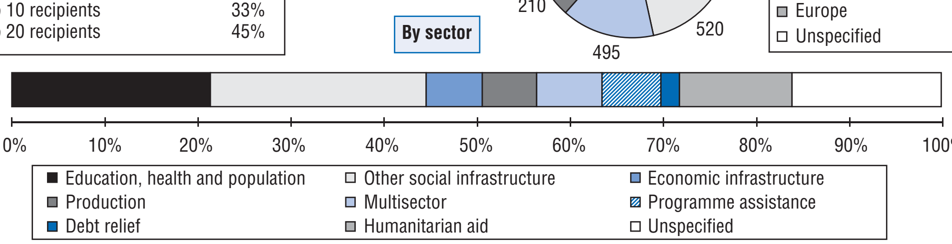
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	4 080	4 785	17.3%
Constant (2007 USD m)	4 080	4 635	13.6%
In Canadian dollars (million)	4 383	5 145	17.4%
ODA/GNI	0.29%	0.32%	
Bilateral share	77%	70%	

Top ten recipients of gross ODA (USD million)	
1 Afghanistan	277
2 Haiti	133
3 Ethiopia	122
4 Iraq	93
5 Indonesia	81
6 Mali	78
7 Sudan	77
8 Ghana	76
9 Bangladesh	71
10 Mozambique	67
Memo: Share of gross bilateral ODA	
Top 5 recipients	21%
Top 10 recipients	33%
Top 20 recipients	45%







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Denmark

In 2008, Denmark's net ODA was USD 2.8 billion, an increase of 0.4% in real terms from 2007. ODA as a proportion of GNI rose from 0.81% in 2007 to 0.82% in 2008.

Reform for implementing the aid effectiveness agenda

Denmark is currently revising its development co-operation policy to bring it in line with the principles of the Paris Declaration and the Accra Agenda for Action (AAA). It is also working to improve awareness and knowledge of Danish development co-operation. Denmark has been ensuring that its aid management framework and technical guidelines for development assistance comply fully with the AAA. Denmark has a highly decentralised aid administration which helps foster partner country ownership and support partnerships at the country level. To maximise the use of country systems, Denmark has made sector budget support the main channel for its development assistance. Programme preparation must strive to maximise use of country systems; when programmes are not well aligned the reasons must be clearly stated. Where the use of country systems is not feasible, additional safeguards and measures are established in ways that strengthen rather than undermine country systems and procedures. Danish bilateral aid will make use of country systems as the first option, will conduct more thorough assessments of country systems' use and increase the emphasis on national ownership, alignment and harmonisation.

Challenges in implementing the aid effectiveness agenda

- Ensuring fully owned, partner-led processes in dividing labour and other mechanisms for harmonising aid.
- Maximising use of country systems based on jointly-agreed and transparent assessments of capacity, procedures and risks.
- Developing mechanisms for mutual accountability.

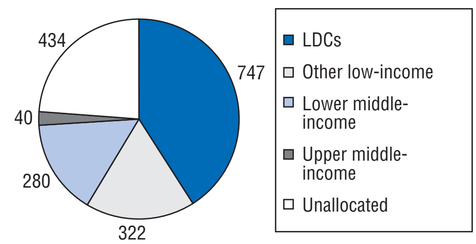
DENMARK

Gross bilateral ODA, 2007-08 average, unless otherwise shown

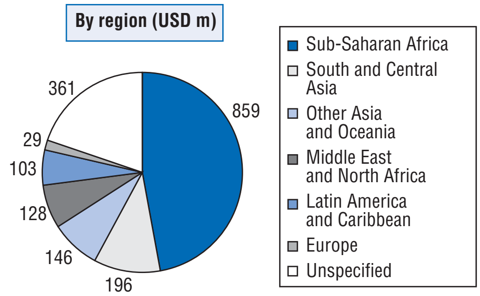
Net ODA	2007	2008	Change 2007/08
Current (USD m)	2 562	2 803	9.4%
Constant (2007 USD m)	2 562	2 573	0.4%
In Danish kroner (million)	13 945	14 486	3.9%
ODA/GNI	0.81%	0.82%	
Bilateral share	64%	65%	

Top ten recipients of gross ODA (USD million)	
1 Tanzania	105
2 Uganda	97
3 Mozambique	90
4 Nigeria	89
5 Viet Nam	82
6 Ghana	79
7 Kenya	56
8 Egypt	56
9 Nepal	48
10 Benin	46
Memo: Share of gross bilateral ODA	
Top 5 recipients	25%
Top 10 recipients	41%
Top 20 recipients	62%

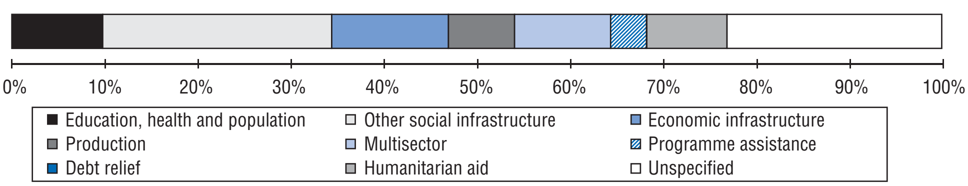
By income group (USD m)



By region (USD m)



By sector



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European Commission

In 2008, the European Commission's net ODA was USD 14.76 billion, an increase of 17.5% in real terms from 2007.

Reform for implementing the aid effectiveness agenda

The European Commission (EC) has now established an overall strategy for implementing the Accra Agenda for Action focusing on use of country systems, division of labour, untying aid, conditionality, predictability and transparency. Two aid effectiveness networks have been established to promote the Accra agenda within headquarters and in EC delegations in 46 countries. The delegations have been provided with guidance on implementing aid effectiveness, including using country systems via aid modalities other than budget support. The EC has raised awareness of aid effectiveness across its services and is developing training in aid effectiveness.

The EC began devolving development co-operation to some 104 EC delegations worldwide in 2000. This reform process has considerably improved aid delivery. EC development assistance has been significantly simplified by reducing the number of financial instruments for external assistance from 35 to 10. External assistance is also more accountable, *via* the European Parliament's scrutiny of EC instruments. There is now also greater flexibility in the types of actions, beneficiaries and financing.

The EC has created an internal information system to monitor progress annually on effective aid across all country offices, including the use of country systems *versus* parallel implementation units. The EC is also promoting a common approach to the AAA among Member States *via* a proposed operational framework initially concentrating on division of labour, use of country systems and technical co-operation. The EU has also asked the African, Caribbean and Pacific states to include clear references to aid effectiveness in the revised Cotonou agreement.

Challenges in implementing the aid effectiveness agenda

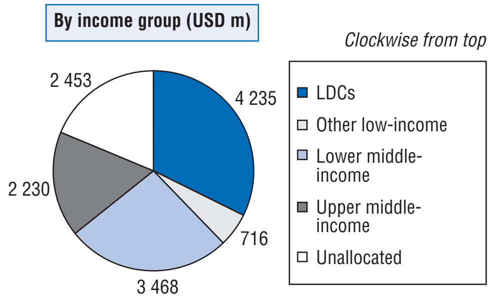
- It is difficult to make major changes to the existing long-term financial framework (valid until 2013). However, regular evaluations and reviews ensure that aid is matched to partner countries' needs and capacities.
- Cumbersome regulations/procedures can undermine the use of country systems and joint working. For example, before delegating funding for implementation by another donor or partner country, the EC must audit their financial systems. Making procedures more flexible will require an EU Council decision.
- Aid effectiveness is often perceived as an "add-on" – separate from daily routines. It can even be seen as an additional burden. Changing the organisational culture and promoting incentives for effectiveness remain challenging.

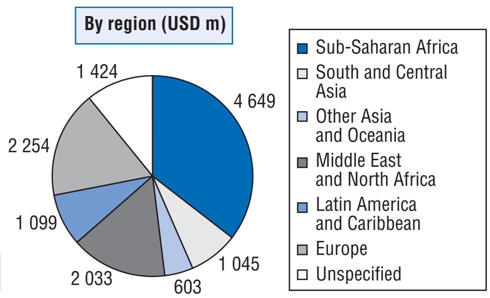
EUROPEAN COMMISSION

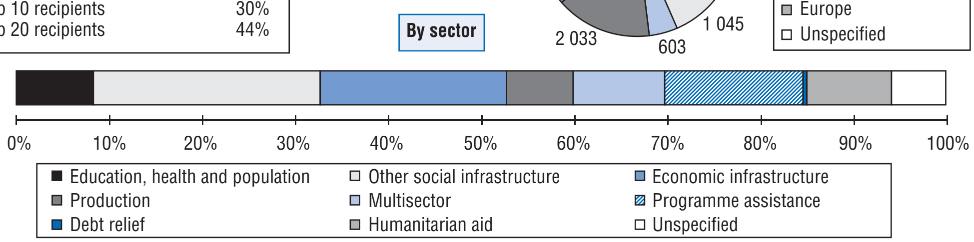
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	11 634	14 757	26.8%
Constant (2007 USD m)	11 634	13 670	17.5%
In euro (million)	8 499	10 231	20.4%

Top ten recipients of gross ODA (USD million)	
1 Turkey	961
2 Palestinian Adm. Areas	602
3 Ethiopia	419
4 Morocco	402
5 Serbia	332
6 Afghanistan	328
7 Sudan	266
8 Egypt	229
9 Croatia	219
10 Uganda	210
Memo: Share of gross bilateral ODA	
Top 5 recipients	21%
Top 10 recipients	30%
Top 20 recipients	44%







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Finland

In 2008, Finland's net ODA was USD 1.17 billion, an increase of 9.2% in real terms over 2007. The increase was due to Finland's general scaling up of its aid. ODA as a proportion of GNI rose from 0.39% in 2007 to 0.44% in 2008.

Reform for implementing the aid effectiveness agenda

In 2009 Finland completed an analysis of its section of the DAC *2008 Survey on Monitoring the Paris Declaration* (OECD, 2008a). This is currently being reviewed by the Foreign Ministry's inter-departmental working group on aid effectiveness, who will make recommendations for implementing more effective and co-ordinated aid. Finland has established new workshops to allow country teams and aid effectiveness advisors to seek practical solutions for applying the Paris and Accra principles to projects and programmes. The goal is to strengthen the link between policy and aid effectiveness implementation. Finland is reviewing its guidelines for programme design and implementation, and its templates and terms of references for project planning and evaluation. It will emphasise the aid effectiveness commitments throughout the programme cycle. Finland also intensified its staff training during 2009 to ensure that staff are aware of aid effectiveness principles and have the necessary tools to apply them in their work. Finally, pilot agreements to delegate more responsibility for development co-operation to the embassies will begin in 2010.

Challenges in implementing the aid effectiveness agenda

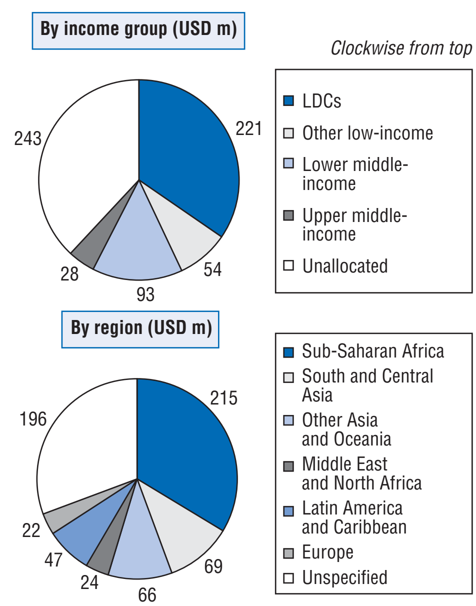
- An increasing administrative burden for Foreign Ministry staff from the use of joint procedures for planning, evaluation and reporting.
- The need for guidance on deciding when to use country systems, and a common approach among donors for assessing country systems and sharing assessments.
- Overall, partner country ownership is a crucial component in implementing the aid effectiveness agenda. For instance, successfully reorganising donors to achieve enhanced division of labour at country level would, in many cases, require stronger leadership from partner governments.

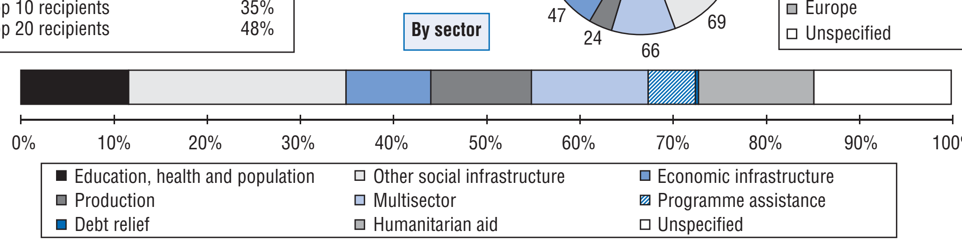
FINLAND

Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	981	1 166	18.8%
Constant (2007 USD m)	981	1 072	9.2%
In euro (million)	717	808	12.7%
ODA/GNI	0.39%	0.44%	
Bilateral share	60%	59%	

Top ten recipients of gross ODA (USD million)	
1 Tanzania	40
2 Mozambique	37
3 Viet Nam	28
4 Afghanistan	23
5 Nicaragua	21
6 Zambia	19
7 Kenya	15
8 Nepal	15
9 Ethiopia	13
10 Somalia	13
Memo: Share of gross bilateral ODA	
Top 5 recipients	23%
Top 10 recipients	35%
Top 20 recipients	48%





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France

In 2008, France's net ODA was USD 10.91 billion, representing an increase of 2.4% in real terms from 2007. Its ODA as a proportion of GNI rose from 0.38% in 2007 to 0.39% in 2008.

Reform for implementing the aid effectiveness agenda

On 5 June 2009, the Inter-ministerial Committee on International Co-operation and Development (CICID) issued a series of recommendations on implementing French Co-operation's international aid effectiveness commitments. For example, it will improve the sectoral and geographical concentration of its aid; the latter by distinguishing between four groups of countries on the basis of types of partnerships and methods of intervention. It will also pursue a better division of labour through delegated co-operation arrangements with France's EU partners. It also recommends that France join the International Aid Transparency Initiative (IATI). And finally, the French Action Plan for Aid Effectiveness will be updated to reflect the Accra commitments and those at the European level (adoption in May 2007 of the EU Code of Conduct on the Division of Labour Among Donors). A series of three regional conferences in 2009 will help to clarify the priorities for action to improve aid effectiveness by drawing on field experience (in Africa and Asia).The Multiannual Programming Act, adopted in 2008 and covering 2009-11, includes provisions for improving the medium-term predictability of France's initiatives.

Challenges in implementing the aid effectiveness agenda

- Ensuring that development activities are accountable to parliament and the public. The CICID has decided to prepare indicators and an annual monitoring table to measure more effectively the resources and impacts of French aid. France participates in measuring the performance of multilateral organisations, which represents 41% of French net ODA in 2008. It also participates in the Multilateral Organisation Performance Assessment Network (MOPAN). France is also preparing a public communication plan and designing initiatives to promote greater involvement by civil society. Finally, it plans to formalise a capacity-building strategy.

FRANCE

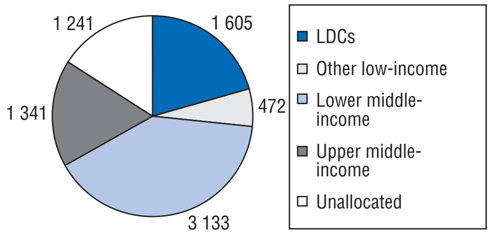
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	9 884	10 908	10.4%
Constant (2007 USD m)	9 884	10 122	2.4%
In euro (million)	7 220	7 562	4.7%
ODA/GNI	0.38%	0.39%	
Bilateral share	63%	59%	

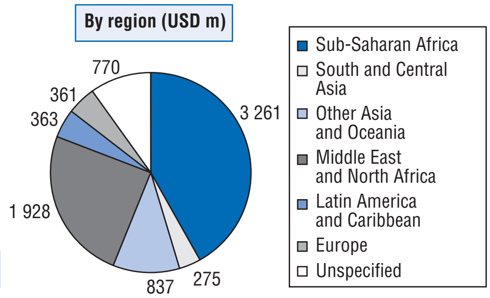
Top ten recipients of gross ODA (USD million)	
1 Iraq	537
2 Cameroon	500
3 Mayotte	445
4 Morocco	369
5 Tunisia	240
6 China	236
7 Turkey	235
8 Congo, Rep.	216
9 Senegal	211
10 Lebanon	209
Memo: Share of gross bilateral ODA	
Top 5 recipients	27%
Top 10 recipients	41%
Top 20 recipients	60%

By income group (USD m)

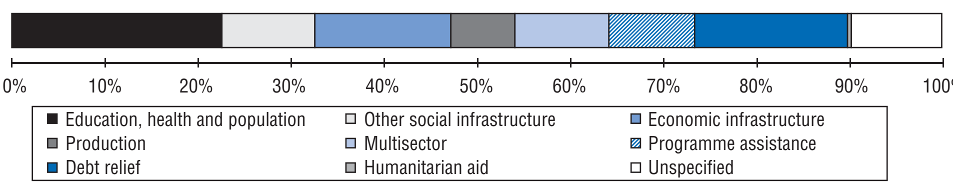
Clockwise from top



By region (USD m)



By sector



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Germany

In 2008, Germany's net ODA was USD 13.98 billion, an increase of 6.3% in real terms from 2007. The increase was mainly due to a rise in Germany's bilateral co-operation and larger contributions to the EC. ODA as a proportion of GNI rose from 0.37% in 2007 to 0.38% in 2008.

Reform for implementing the aid effectiveness agenda

Germany's reform agenda, originally adopted by the Federal Ministry for Economic Co-operation and Development (BMZ) in 2005, was updated in March 2009 by an action plan to implement the Accra Agenda for Action. This will ensure that German co-operation makes more systematic use of partner country structures and procedures in areas such as public financial management, procurement, and monitoring and evaluation. Germany will ease partner countries' policy planning by delivering timely information on the scope and form of its development co-operation. Germany is one of the signatories of the International Aid Transparency Initiative launched at the Accra High Level Forum, and emphasises national and mutual accountability mechanisms.

German development co-operation will support reforms for peacebuilding and statebuilding jointly with other donors, within the scope of existing strategies. It will intensify its dialogue with non-traditional donors on implementing the AAA. More triangular and South-South co-operation will broaden the range of promising approaches for sustainable development. The German reform process is supported by incentives at all levels of the development co-operation system and through regular monitoring of the action plan. Germany will also continue to help move forward the complementarity and division of labour agenda promoted in the AAA.

Challenges in implementing the aid effectiveness agenda

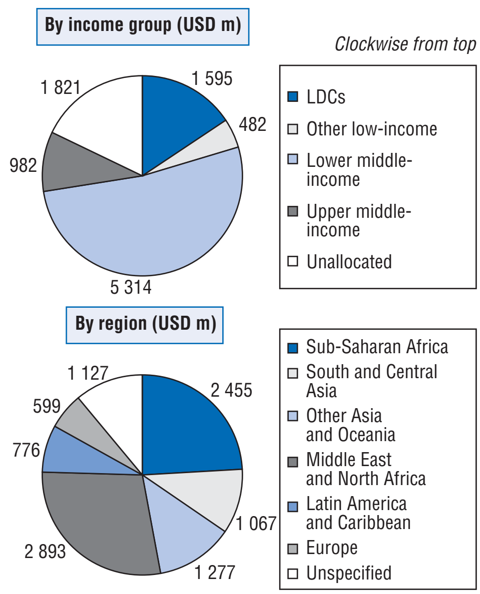
- Promoting a uniform response to the AAA across other government ministries and aid implementing agencies is a particular challenge for BMZ. The action plan to implement the AAA outlines a number of approaches to enhance understanding of the aid effectiveness agenda among these different actors and to assure their full involvement in implementing it.

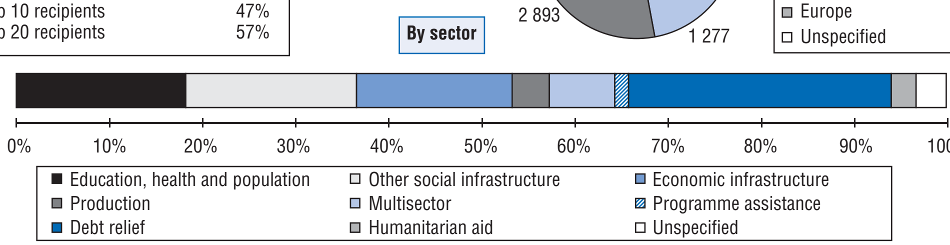
GERMANY

Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	12 291	13 981	13.8%
Constant (2007 USD m)	12 291	13 060	6.3%
In euro (million)	8 978	9 693	8.0%
ODA/GNI	0.37%	0.38%	
Bilateral share	65%	65%	

Top ten recipients of gross ODA (USD million)	
1 Iraq	1 975
2 Cameroon	669
3 China	552
4 India	289
5 Afghanistan	256
6 Indonesia	246
7 Liberia	234
8 Botswana	221
9 Egypt	207
10 Morocco	177
Memo: Share of gross bilateral ODA	
Top 5 recipients	37%
Top 10 recipients	47%
Top 20 recipients	57%





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Greece

In 2008, Greece's net ODA was USD 703 million, representing an increase of 28.8% in real terms from 2007. The increase was due in part to a rise in contributions to the World Bank International Development Association (IDA). ODA as a proportion of GNI rose from 0.16% in 2007 to 0.21% in 2008.

Reform for implementing the aid effectiveness agenda

Greece is taking steps in all aspects of its policy to implement the Accra Agenda for Action. Its 100% grant-based policy allows no conditionality to be attached to disbursements, ensures anticorruption measures are effective, and emphasises that all programmes must be consistent with the internationally-agreed commitments on gender equality, respect for human rights and environmental sustainability. Furthermore, in order to promote country ownership, all programmes – including capacity development programmes – are demand-driven. Greece has extended coverage of the 2001 DAC Recommendations on Untying Aid to non LDC HIPCs (OECD, 2008b) and is considering increasing the coverage further. Country systems are being used, for example in Sri Lanka's Programme of Reconstruction and the Hellenic Plan for the Economic Reconstruction of the Balkans. Greece has increased the opportunities for partnerships with other bilateral and multilateral donors, always applying the alignment principle. Since 2008, Greece has increased by 50% aid reaching sub-Saharan Africa and countries in fragile situations. In order to ensure transparency, Greece provides a comprehensive annual report to parliament and the DAC, ensuring the provision of data in a correct and timely manner.

Challenges in implementing the aid effectiveness agenda

- Ensuring greater involvement by diplomatic missions in development co-operation despite Greece's centralised development co-operation system.
- Identifying the remaining obstacles to an expansion of the use of country systems. Greece plans to do this by giving priority to procurement and auditing and taking other appropriate measures to overcome these obstacles.

GREECE

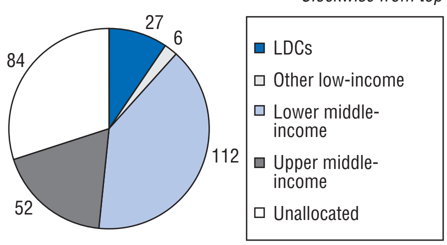
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	501	703	40.4%
Constant (2007 USD m)	501	645	28.8%
In euro (million)	366	488	33.3%
ODA/GNI	0.16%	0.21%	
Bilateral share	50%	44%	

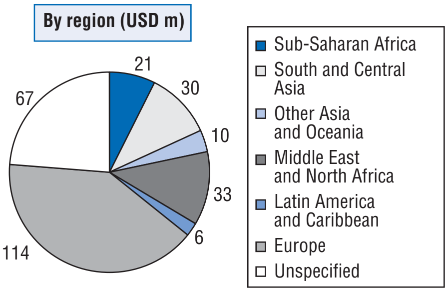
Top ten recipients of gross ODA (USD million)	
1 Albania	51
2 Serbia	36
3 Afghanistan	14
4 Bosnia and Herzegovina	10
5 Egypt	10
6 Turkey	6
7 Palestinian Adm. Areas	5
8 Syria	4
9 Lebanon	4
10 Armenia	4
Memo: Share of gross bilateral ODA	
Top 5 recipients	43%
Top 10 recipients	51%
Top 20 recipients	62%

By income group (USD m)

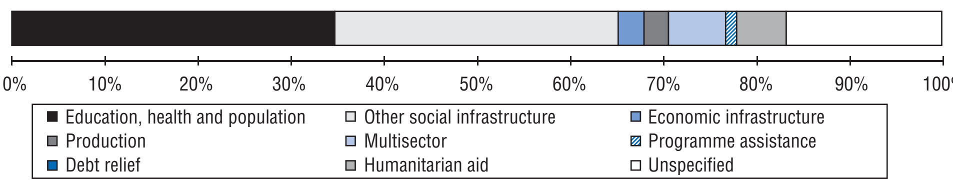
Clockwise from top



By region (USD m)



By sector



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Ireland

In 2008, Ireland's net ODA was USD 1.33 billion, an increase of 6.7% in real terms from 2007. ODA as a proportion of GNI rose from 0.55% in 2007 to 0.59% in 2008.

Reform for implementing the aid effectiveness agenda

The recently approved *Management Review of Irish Aid* includes recommendations for strengthening institutional capacity for effective delivery, accountability and oversight. This will help Irish Aid implement the Accra Agenda for Action (AAA). Ireland's plan for implementing the AAA includes concrete actions for every section of the organisation. A new training strategy focuses on the skills needed to operate effectively in the new aid environment. Ireland's results-based country strategy paper guidelines and mid-term review methodology are fully aligned with the effectiveness commitments. Funding appraisals now require partners to plan, implement and review their interventions in line with the AAA. Ireland has signed up to the International Aid Transparency Initiative and is working with other donors, partner countries and civil society to improve the quality and timeliness of information on development assistance.

Challenges in implementing the aid effectiveness agenda

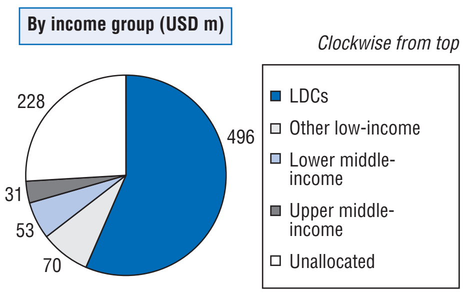
- Simplifying the aid effectiveness language and communicating clearly how this new way of working will lead to a sustainable improvement in the lives of the poor. Communicating joint results and Ireland's contribution to progress on the MDGs also requires further attention. Embedding a communications focus within country strategies, linked to results, could provide incentives to implement the AAA.
- Ensuring the aid effectiveness agenda includes multilateral engagement and support to civil society. This will be addressed by Ireland's Accra Implementation Plan. Implementing the Accra commitments in fragile states is a particular challenge.
- Ensuring that commitments made on the division of labour at country level are backed by appropriate human resource policies is central to operating in a post-Accra world.

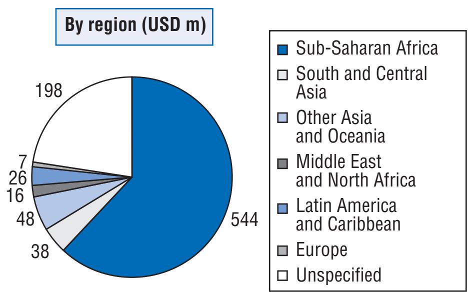
IRELAND

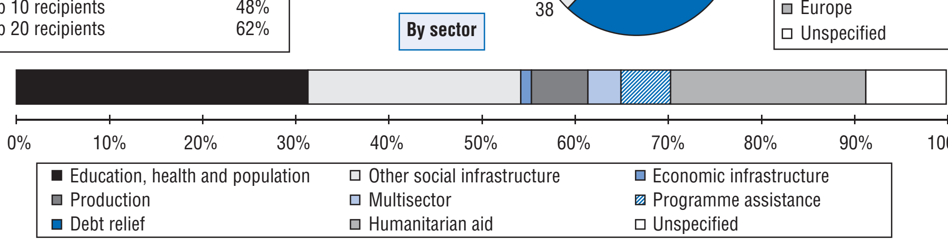
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	1 192	1 328	11.4%
Constant (2007 USD m)	1 192	1 272	6.7%
In euro (million)	871	921	5.7%
ODA/GNI	0.55%	0.59%	
Bilateral share	69%	70%	

Top ten recipients of gross ODA (USD million)	
1 Uganda	73
2 Mozambique	71
3 Ethiopia	66
4 Tanzania	59
5 Zambia	40
6 Viet Nam	29
7 Sudan	25
8 South Africa	24
9 Lesotho	20
10 Sierra Leone	17
Memo: Share of gross bilateral ODA	
Top 5 recipients	35%
Top 10 recipients	48%
Top 20 recipients	62%







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Box 8.3. DAC peer review of Ireland, 24 March 2009

Examiners: Italy and New Zealand

Positive progress in implementing the aid effectiveness agenda

Ireland's ODA grew impressively between 2003 and 2008. Ireland spent USD 1.3 billion net ODA in 2008, a 90% increase over 2003 in real terms. Ireland's aid grew from 0.39% of gross national income (GNI) in 2003 to 0.58% in 2008 during a period of exceptional national economic growth. In 2007, the country ranked 6th among the DAC members in terms of ODA as a share of GNI. In 2009, however, as a result of the global economic crisis, the government reduced Ireland's budget for overseas development by EUR 95 million (an estimated USD 141 million).

Ireland has also been a champion in making aid more effective and commitment to poverty reduction is the overarching goal of Irish aid. The programme concentrates on a limited number of very poor African countries. Ireland is balancing efforts to meet the best international development standards while dealing with the impact of the global economic crisis. Ireland is a predictable and flexible donor, and its attention to local priorities is appreciated by the developing country partners with whom it works. Its approach to Irish NGOs and multilateral partners is strategic and targeted. It provides humanitarian assistance in accordance with internationally agreed principles. Irish Aid, which is fully integrated into the Department of Foreign Affairs, is a strong, cutting edge development co-operation programme.

Public engagement with the aid programme is strong in Ireland. Irish Aid maintains a high level of public support by combining activities to increase awareness of global development issues with activities to promote its own work. The DAC also commended Irish Aid for its comprehensive development education strategy backed by a dedicated budget.

Challenges and recommendations

- Continue working towards meeting its 0.7% ODA/GNI target in 2012.
- Monitor carefully the long-term impact on the aid programme of Irish Aid's move out of Dublin.
- Adopt a strategic approach for communicating development results to maintain the high level of public support.
- Translate political commitment to policy coherence for development into an integrated policy framework that draws consensus from the highest levels of government and from parliament. Institutionalise reporting to parliament on policy coherence for development, and create institutional capacity to analyse policies for their impact on developing countries to facilitate this process. Ensure that the Inter-Departmental Committee on Development has sufficient political backing and institutional support to effectively address any inconsistencies and potential policy conflicts between government departments that might adversely affect developing countries.
- Ireland is a leading player in implementing the aid effectiveness principles. Irish Aid should engage peers, civil society and partner country governments in implementing the Accra Agenda for Action and continue working collectively at country level to strengthen partner countries' monitoring and results frameworks.

Italy

In 2008, Italy's net ODA was USD 4.86 billion, an increase of 11.8% in real terms from 2007. The increase was mainly due to greater debt relief. ODA as a proportion of GNI rose from 0.19% in 2007 to 0.22% in 2008.

Reform for implementing the aid effectiveness agenda

Italy is strongly committed to implementing the Paris Declaration and the Accra Agenda for Action. It has approved an Aid Effectiveness Action Plan (AEAP) following consultation with CSOs. This contains 12 priority actions, including identifying priority countries, simplifying procedures, untying aid and strengthening communication and evaluation capacities. Working groups have been established to implement the plan and will monitor progress at headquarters and at country level using specific markers.

Three-year country planning exercises are underway and will incorporate the basic criteria of aid effectiveness. These address aid flows; strengthening alignment; determining sector priorities based on shared donors' analysis and fostering consultation with civil society; use of country systems and common arrangements; and identifying ways and means to support local public financial management and statistical systems. They also provide important inputs for implementing the EU *Code of Conduct on the Division of Labour,* on which Italy will soon be audited by the European Commission.

Challenges in implementing the aid effectiveness agenda

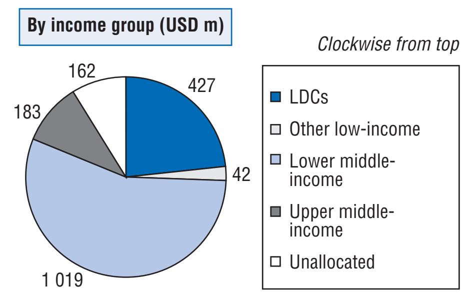
- A new policy instrument approved at a high political level would get commitment from all the relevant administrations involved in development co-operation and ensure coherence of national development activities. A reflection exercise on this is currently underway within the Italian Ministry of Foreign Affairs.
- Increasing the capacity of human resources will help to implement the AEAP. Greater decentralisation is needed, especially of decision-making processes.
- Updating the rigid and constraining law on which Italian co-operation is based will ensure a more modern and flexible aid programme.

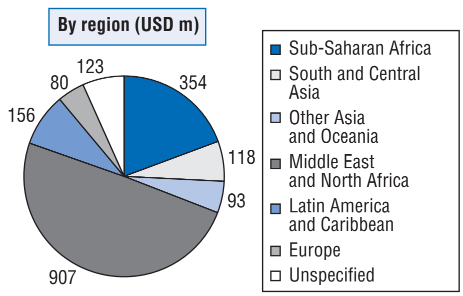
ITALY

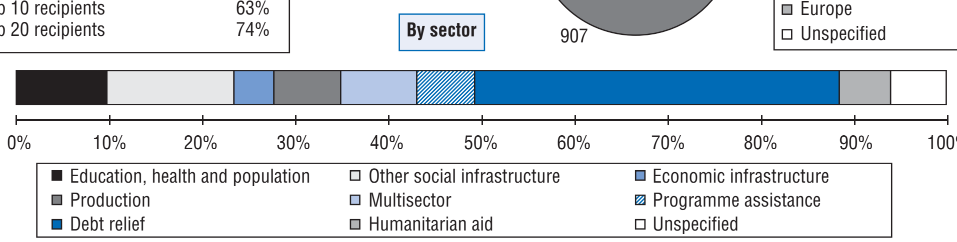
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	3 971	4 861	22.4%
Constant (2007 USD m)	3 971	4 440	11.8%
In euro (million)	2 901	3 370	16.2%
ODA/GNI	0.19%	0.22%	
Bilateral share	32%	38%	

Top ten recipients of gross ODA (USD million)	
1 Iraq	663
2 Afghanistan	89
3 Ethiopia	71
4 Lebanon	66
5 China	66
6 Morocco	56
7 Palestinian Adm. Areas	45
8 Mozambique	39
9 Albania	32
10 Sierra Leone	31
Memo: Share of gross bilateral ODA	
Top 5 recipients	52%
Top 10 recipients	63%
Top 20 recipients	74%







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Box 8.4. **DAC peer review of Italy, 24 November 2009**

Examiners: France and Greece

In 2008, Italy's ODA/GNI ratio was 0.22%, only 19th amongst the 23 DAC members and 8th in terms of aid volume.

The Development Assistance Committee of the OECD noted that Italian Co-operation is facing major challenges. The first is an urgent need to reform official development co-operation, but no political consensus on how to proceed. The second is that Italy will fail to meet its international commitment to increase official development assistance to 0.51% of its gross national income by 2010, and is unlikely to meet the 0.7% target by 2015.

The DAC called upon Italy to demonstrate the strong political leadership needed to reform and fund a reliable and results oriented aid programme.

Despite the challenges remaining, the DAC noted some improvement in Italian aid management since 2008. It welcomed Italy's intention to focus on 35 priority countries, the greater authority given to Italy's embassies and technical offices to deliver and to contribute to formulating programmes and deliver aid and the Steering Committee on Development Co-operation's high level policy direction.

The DAC agreed that Italy still needs a strategy for its development co-operation that is shared by all stakeholders. It also needs to ensure that all relevant government departments and regional and local authorities work towards common objectives. The DAC recommended that Italy build systems to promote coherence between development co-operation and other policies; reform human resource management for the core cadre of development experts; and regularly undertake monitoring and independent evaluation. In addition, the limited political debate and public awareness about Italian Co-operation show there is an urgent need for the Italian authorities, together with civil society, to build popular support for development and public pressure for reforming Italian Co-operation.

Other main findings from the peer review included:

- Italy should approve new legislation on development co-operation as a matter of priority.
- To rebuild credibility of its intentions to meet its aid commitments, Italy should outline, in a binding manner, how and by when it will reach these targets.
- The Italian Ministry of Foreign Affairs and Ministry of Economy and Finance should develop a joint strategy for multilateral assistance, outlining clearly the objectives of Italian aid especially for priority multilateral organisations – and consider concentrating its multilateral contributions further.
- Italy can make aid management improvements by preparing and publishing multi-annual country programmes, establishing formal, results-oriented and transparent mechanisms for allocating resources to country programmes and training staff in results-based management.
- Italy should ensure it has the necessary human and financial resources to implement the Action Plan on Aid Effectiveness and to promote behaviour change across Italian Co-operation so that aid is delivered according to the new guidelines prepared under the plan.

Japan

In 2008, Japan's net ODA was USD 9.58 billion, an increase of 10.7% in real terms from 2007. The increase was mainly due to a rise in contributions to international financial institutions. ODA as a proportion of GNI rose from 0.17% in 2007 to 0.19% in 2008.

Reform for implementing the aid effectiveness agenda

As a nucleus for policy planning and overall policy co-ordination of Japan's ODA, the Ministry of Foreign Affairs was restructured in July 2009 in order to further strengthen its policy planning function and country-based approach. The establishment of a new Japan International Cooperation Agency (JICA) in 2008 allows effective and swift management of co-operation programmes as a whole. In April 2009, the target disbursements for each region were announced for the first time and rolling plans have been published for each country, starting in summer 2009.

Various measures to strengthen the functioning of field missions include dispatching "co-ordinators for economic co-operation" to embassies in Africa, building capacity of country-based ODA Task Forces and staff members, and enhancing headquarters' support for embassies and JICA country offices. Japan values service delivery by line ministries of partner countries, as well as their role in policy planning and financial management. Essential for achieving self-reliance, capacity development is incorporated into every aspect of Japan's co-operation, enhanced by the development of a *Capacity Assessment Handbook*, and *Technical Cooperation Guidelines* which integrate a capacity development perspective; as well as staff training at JICA. Since 2009, Japan, with other donors, has been helping to reinforce developing countries' efforts to achieve effective development through the Capacity Development for Development Effectiveness Programme in the Asia and Pacific Region.

Challenges in implementing the aid effectiveness agenda

- Obtaining strong public support for development co-operation is a challenge for Japan. This is increasingly important at a time when the Japanese people are facing economic difficulties following the world-wide financial and economic crisis. Japan recognises that continuous efforts in the domain of development effectiveness and public relations, such as development education, are key in obtaining public support.

JAPAN

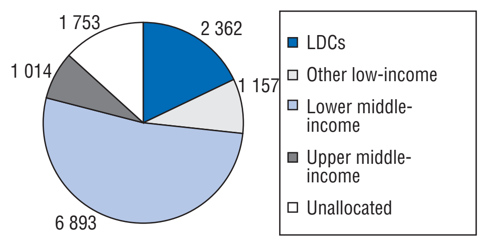
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	7 679	9 579	24.7%
Constant (2007 USD m)	7 679	8 502	10.7%
In Yen (billion)	905	991	9.6%
ODA/GNI	0.17%	0.19%	
Bilateral share	75%	71%	

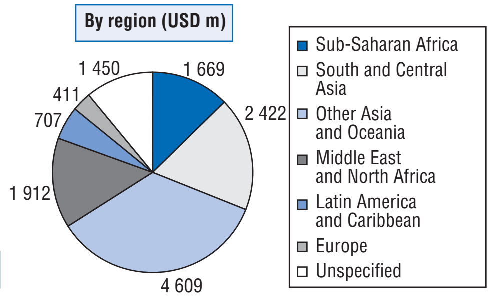
Top ten recipients of gross ODA (USD million)	
1 Iraq	1 402
2 China	1 196
3 Indonesia	1 191
4 India	949
5 Viet Nam	780
6 Philippines	599
7 Bangladesh	540
8 Tanzania	396
9 Turkey	354
10 Sri Lanka	288
Memo: Share of gross bilateral ODA	
Top 5 recipients	42%
Top 10 recipients	58%
Top 20 recipients	69%

By income group (USD m)

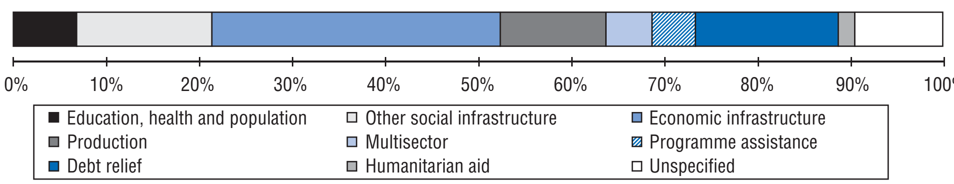
Clockwise from top



By region (USD m)



By sector



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Luxembourg

In 2008, Luxembourg's net ODA was USD 415 million, an increase of 3.3% in real terms from 2007. ODA as a proportion of GNI rose from 0.92% in 2007 to 0.97% in 2008.

Reform for implementing the aid effectiveness agenda

In 2009, Luxembourg prepared work plans for 2010 for each of its decentralised regional offices following a participatory effort involving Luxembourg's Co-operation and Lux-Development. Together they continue to focus on efforts to achieve the Paris and Accra objectives (such as reducing parallel implementation units, and using public financial management and procurement systems). They also focus on improving co-ordination and complementarity between the Foreign Affairs Ministry's decentralised offices and Lux-Development and provide for other measures adapted to the context of the different missions and to the needs of partner countries. The Chamber of Deputies and the Interministerial Committee on Development Co-operation are also regularly informed of progress towards aid effectiveness and development policy coherence.

Luxembourg has begun to implement the recommendations of the 2008 DAC peer review. For example, ten sectoral strategies were developed in 2009 and will be discussed with partner countries and civil society, bearing in mind aid effectiveness objectives in each case. Luxembourg started to carry out joint co-operation activities with other donors in 2009.

Challenges in implementing the aid effectiveness agenda

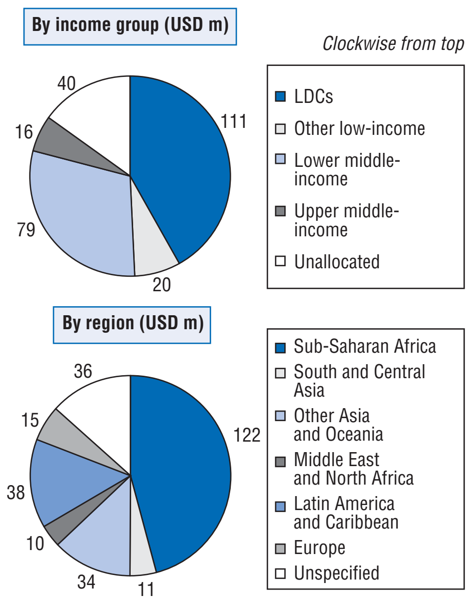
- Ensuring that partner countries are involved in implementing the national plan for the implementation of the Paris Declaration and the Accra Agenda for Action, and that Luxembourg respects its commitments under the EU Code of Conduct on Complementarity and the Division of Labour in Development Policy.
- Moving from the former project approach to a programme approach. This raises technical challenges, in particular in reducing parallel implementation units, providing in-career training for staff and developing capacity in partner countries.

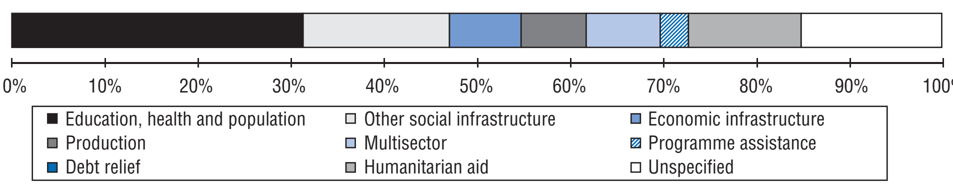
LUXEMBOURG

Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	376	415	10.5%
Constant (2007 USD m)	376	388	3.3%
In euro (million)	274	288	4.9%
ODA/GNI	0.92%	0.97%	
Bilateral share	67%	67%	

Top ten recipients of gross ODA (USD million)	
1 Senegal	19
2 Mali	19
3 Cape Verde	18
4 Viet Nam	16
5 Nicaragua	15
6 Burkina Faso	14
7 Laos	13
8 Niger	11
9 El Salvador	10
10 Serbia	7
Memo: Share of gross bilateral ODA	
Top 5 recipients	32%
Top 10 recipients	53%
Top 20 recipients	70%





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Netherlands

In 2008, the Netherland's net ODA was USD 6.99 billion, an increase of 4.8% in real terms from 2007. ODA as a proportion of GNI fell from 0.81% in 2007 to 0.80% in 2008.

Reform for implementing the aid effectiveness agenda

The Netherlands is committed to meeting all its Paris and Accra promises, especially using country systems, predictability, (mutual) accountability and transparency, results orientation, division of labour and aid effectiveness in fragile situations. The Netherlands' Action Plan for Paris and Accra (NAPA) shifts the country into a higher gear: a major component involves a stocktaking and priority-setting exercise with embassies in 30 partner countries. This will have an impact on work at country level and will inform headquarters of the most immediate and effective actions to be taken based on concrete experience from the field.

Challenges to implementing the aid effectiveness agenda

- Meeting the ambitious agreements donors made in Accra and Paris will be difficult without additional efforts, according to a progress report prepared for the Accra Conference. The Netherlands' budget for development co-operation is set at 0.8% of GNI. This means that the financial crisis poses a major problem for aid flows. Also, the domestic call for zero tolerance of corruption or democracy violations may conflict with the commitment to predictability.
- Getting clearance from headquarters on division of labour among field offices can be difficult for all donors – probably due to corporate policy priorities. The risk is that some important donors, including the Netherlands, will withdraw from some sectors, thereby reducing the number of progressive donors involved before ensuring good sector coverage.
- Encouraging an interest in ownership by partner governments and leaders can be difficult in a number of partner countries, where the Paris/Accra agenda seems to be largely a donor concern.

NETHERLANDS

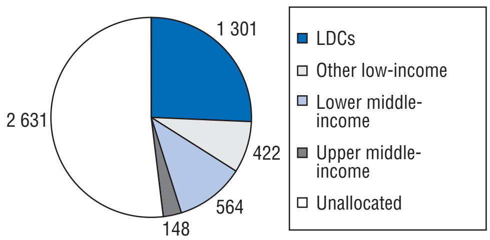
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	6 224	6 993	12.3%
Constant (2007 USD m)	6 224	6 522	4.8%
In euro (million)	4 547	4 848	6.6%
ODA/GNI	0.81%	0.80%	
Bilateral share	75%	74%	

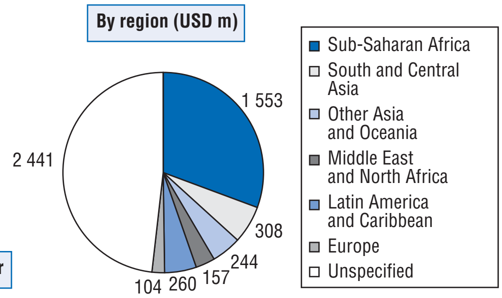
Top ten recipients of gross ODA (USD million)	
1 Sudan	180
2 Nigeria	173
3 Indonesia	146
4 Ghana	131
5 Tanzania	122
6 Afghanistan	100
7 Suriname	96
8 Mozambique	93
9 Bangladesh	92
10 Ethiopia	82
Memo: Share of gross bilateral ODA	
Top 5 recipients	15%
Top 10 recipients	24%
Top 20 recipients	35%

By income group (USD m)

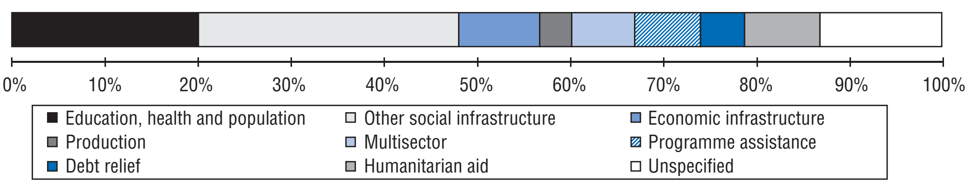
Clockwise from top



By region (USD m)



By sector



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New Zealand

In 2008, New Zealand's net ODA was USD 348 million, an increase of 11.5% in real terms from 2007. The increase was mostly due to a rise in bilateral aid. ODA as a proportion of GNI rose from 0.27% in 2007 to 0.30% in 2008.

Reform for implementing the aid effectiveness agenda

The New Zealand Agency for International Development (NZAID) has a new mandate and policy framework (as of April 2009). These reinforce its commitment to providing effective aid by advancing both the Paris Declaration and the Accra Agenda for Action. A special focus is on improving aid effectiveness in the Pacific region. New Zealand has endorsed the Cairns Compact on Strengthening Development Coordination in the Pacific, whose key objective is to co-ordinate development better to make real progress against the MDGs. Principles include drawing on international best practice as outlined in the Paris Declaration and AAA. In taking forward the Cairns Compact, development partners will be able to draw on the insights offered by earlier aid effectiveness workshops hosted by the Pacific Islands Forum Secretariat, for which New Zealand provided substantive support. Development partners are encouraged to provide the Forum Secretariat, based in Suva, with an annual report on their efforts to implement the compact, including reducing aid fragmentation, easing the burden of aid administration, and improving aid effectiveness.

NZAID is now focusing on improving internal systems to better track progress towards the targets agreed at Accra: improving electronic management systems to support decentralised staff in partner countries; strengthening management for, and better measurement of, development results; and helping to simplify the international aid architecture.

Challenges in implementing the aid effectiveness agenda

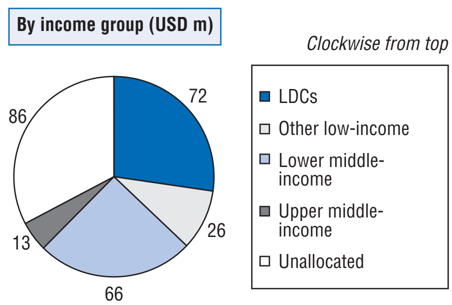
- A strong focus on the Pacific region poses a number of special challenges in taking forward the AAA. With fewer donors present, and with many small island developing country partnerships to cover, NZAID and other donors have to manage a wide range of small projects and programmes, spread over a comparatively large number of small or micro states. New Zealand will work with Australia to strengthen donor co-operation through joint sector programmes, combined assessments and monitoring. In one country, responsibility for delivery of assistance will be delegated to another donor.

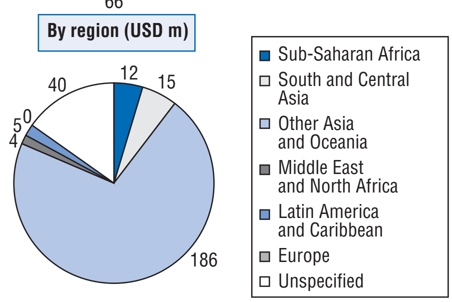
NEW ZEALAND

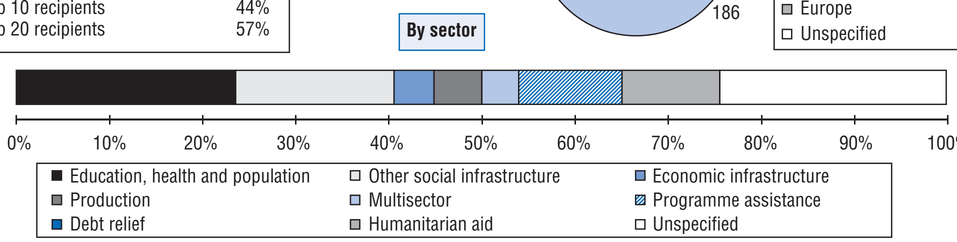
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	320	348	8.8%
Constant (2007 USD m)	320	357	11.5%
In NZL dollars (million)	435	503	15.6%
ODA/GNI	0.27%	0.30%	
Bilateral share	77%	80%	

Top ten recipients of gross ODA (USD million)	
1 Solomon Islands	20
2 Tokelau	17
3 Papua New Guinea	15
4 Niue	14
5 Indonesia	13
6 Tonga	9
7 Vanuatu	9
8 Viet Nam	7
9 Samoa	7
10 Afghanistan	6
Memo: Share of gross bilateral ODA	
Top 5 recipients	30%
Top 10 recipients	44%
Top 20 recipients	57%







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Norway

In 2008, Norway's net ODA fell by 2.5% in real terms from 2007 levels to USD 3.96 billion. ODA as a proportion of GNI fell from 0.95% in 2007 to 0.88% in 2008.

Reform for implementing the aid effectiveness agenda

Norway implements the aid effectiveness agenda through dialogue with partner countries and, increasingly, interaction with multilateral partners and global funds. The main actors in Norway's development assistance system – the Ministry of Foreign Affairs (MFA), the Norwegian Agency for Development Co-operation (NORAD) and the embassies in Norway's partner countries – are committed to actively exploring ways of meeting the AAA commitments. Institutional reforms initiated in 2004 have now been consolidated, and the embassies play a particularly important role in implementing effective aid. The MFA recently distributed a strategy note calling for strengthened follow up on the AAA by all actors.

In February 2009, the MFA submitted a new development white paper to parliament entitled *Climate, Conflict and Capital*. The policy seeks to reduce aid fragmentation by improving the complementarily of donor's efforts, and to focus on Norway's comparative advantages. All embassies responsible for development co-operation are streamlining their project portfolios, guided by a project within the MFA. This project started in 2008 with a review of the portfolios of the five largest embassies in Africa. In 2009, this has been followed up through guidance missions to embassies in Hanoi, Kabul and Luanda. At the global level, Norway is implementing new initiatives in strategic areas such as climate change, forestry (initiatives to reduce emissions by reducing tropical deforestation – REDD) and oil-for-development. Global funds receive an increasing share of Norwegian development assistance.

Challenges in implementing the aid effectiveness agenda

- Maintaining a coherent response within a decentralised development co-operation structure is a particular challenge for Norway.

NORWAY

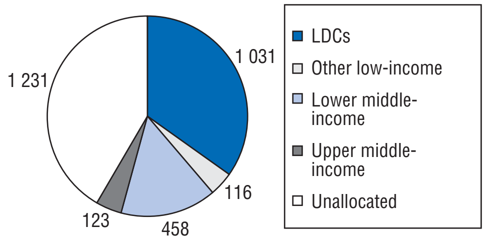
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	3 728	3 963	6.3%
Constant (2007 USD m)	3 728	3 635	-2.5%
In Norwegian kroner (million)	21 840	22 621	3.6%
ODA/GNI	0.95%	0.88%	
Bilateral share	77%	77%	

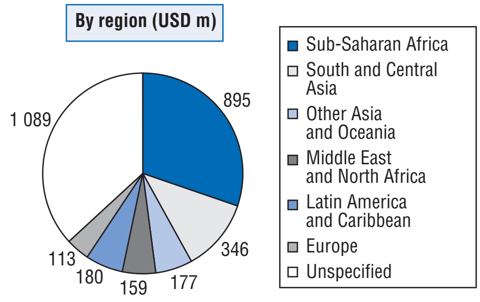
Top ten recipients of gross ODA (USD million)	
1 Tanzania	121
2 Sudan	120
3 Afghanistan	112
4 Palestinian Adm. Areas	111
5 Mozambique	88
6 Zambia	74
7 Uganda	72
8 Malawi	60
9 Nepal	53
10 Philippines	49
Memo: Share of gross bilateral ODA	
Top 5 recipients	19%
Top 10 recipients	29%
Top 20 recipients	41%

By income group (USD m)

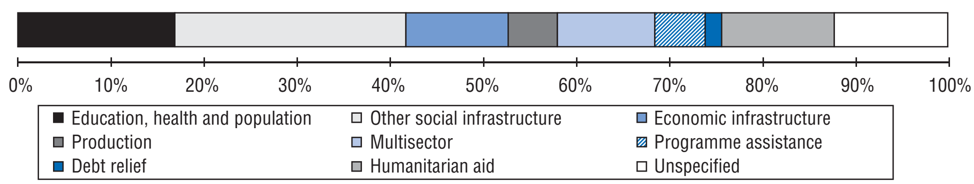
Clockwise from top



By region (USD m)



By sector



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Portugal

In 2008, Portugal's net ODA was USD 620 million, an increase of 22.4% in real terms from 2007. The increase was mainly due to a rise in bilateral aid, notably to Africa. ODA as a proportion of GNI rose from 0.22% in 2007 to 0.27% in 2008.

Reform for implementing the aid effectiveness agenda

Portugal is making greater use of partner countries' public financial management systems, including in national procurement procedures. It avoids parallel implementation units. Since some of Portugal's partners are fragile states, where certain conditions cannot be met, Portugal channels aid towards institutional capacity building. Portuguese co-operation programmes with individual partner governments run over a three to four-year period so they can be aligned with partner governments' poverty reduction strategies, or similar frameworks. Portugal will plan these programmes in advance to allow partner governments to integrate aid flows into their budget cycle. Work is underway to make these plans as exhaustive as possible, which means capturing all aid flows. This "aid on budget" process (Chapter 3) has already begun in Mozambique and Timor-Leste. Portugal also records disbursements by country on a regular basis in order to provide detailed and timely information to partner government aid recording systems. Following the endorsement of the AAA, Portugal has already updated its Aid Effectiveness Plan.

Challenges in implementing the aid effectiveness agenda

- Ensuring co-ordination and complementarity among line ministries, universities, NGOs, the private sector and the development co-operation agency.
- Engaging public opinion on these issues.
- Conducting division of labour exercises, either in country or across countries, as well as shifting from project support to new approaches, such as general budget support, in countries with fragile institutions.
- Reinforcing the technical staff in Portuguese field delegations, not only in number, but also in capacity, through training on aid effectiveness issues, for example.

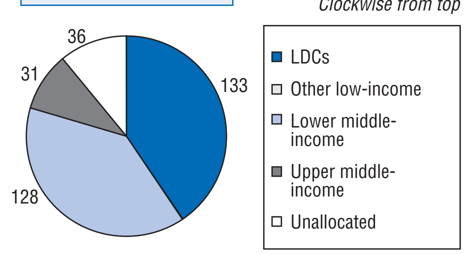
PORTUGAL

Gross bilateral ODA, 2007-08 average, unless otherwise shown

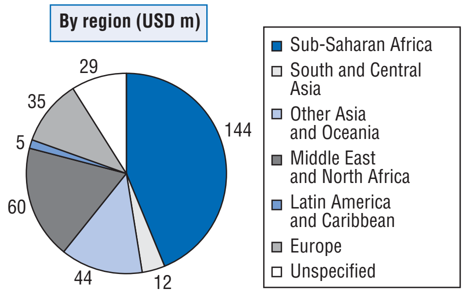
Net ODA	2007	2008	Change 2007/08
Current (USD m)	471	620	31.8%
Constant (2007 USD m)	471	576	22.4%
In euro (million)	344	430	25.1%
ODA/GNI	0.22%	0.27%	
Bilateral share	57%	60%	

Top ten recipients of gross ODA (USD million)	
1 Cape Verde	59
2 Morocco	48
3 Timor-Leste	43
4 Mozambique	24
5 Angola	19
6 Bosnia and Herzegovina	17
7 Guinea-Bissau	17
8 Serbia	16
9 Sao Tome and Principe	13
10 Afghanistan	12
Memo: Share of gross bilateral ODA	
Top 5 recipients	59%
Top 10 recipients	82%
Top 20 recipients	88%

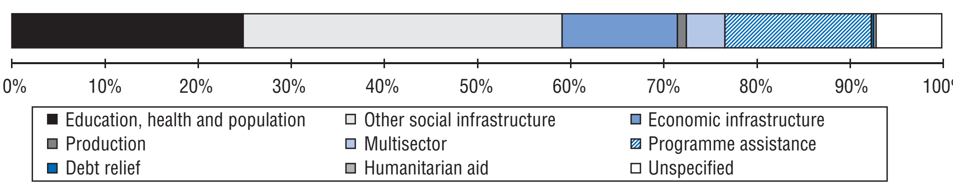
By income group (USD m)



By region (USD m)



By sector



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Spain

In 2008, Spain's net ODA was USD 6.87 billion, an increase of 22.6% in real terms from 2007. The increase was due to a rise in bilateral aid, notably to Africa. ODA as a proportion of GNI rose from 0.37% in 2007 to 0.45% in 2008.

Reform for implementing the aid effectiveness agenda

The *Third Spanish Cooperation Master Plan* for 2009-12 emphasises the aid effectiveness principles. The Spanish International Cooperation Law is currently being revised from an aid effectiveness perspective to facilitate the implementation of the AAA commitments. The reform of the Spanish Implementing Agency (AECID) will enable it to deliver more effective aid. Planning and programming methods are being revised and updated and Spain's approach to development results with its partner countries is being redefined.

Spain's Country Strategy Papers will be developed into results-based co-operation frameworks for every partner country. These frameworks set the basis for a rolling three-to-five-year forward expenditure and implementation plan. They will be aligned with the national budget cycle to allow for initiatives led by the partner country, more extensive use of country systems, predictability and mutual accountability. The methodology for multilateral aid is also being revised in order to comply with the AAA.

Challenges in implementing the aid effectiveness agenda

Applying the Paris Declaration principles and fulfilling the AAA will require a deep change in the co-operation system's way of working. Spain considers that the main challenges to be addressed are the following:

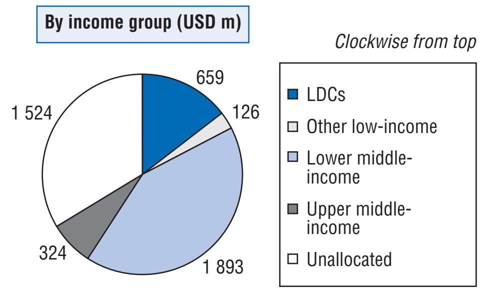
- Legal and administrative restrictions, and excessively centralised decision-making processes.
- A communication gap between headquarters and field offices, and inertia.
- Lack of appropriate training and skills in aid effectiveness (*e.g.* policy dialogue, partnerships for development approach, managing for development results) and an inadequate staff incentive system to implement the agenda.
- The need to include all Spanish development actors under a common framework to work towards development results.

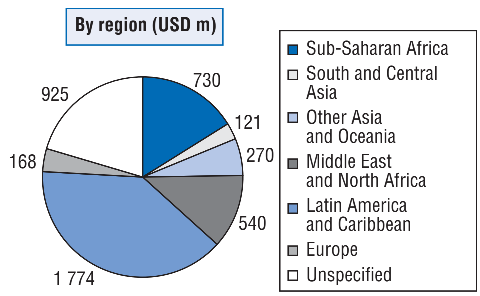
SPAIN

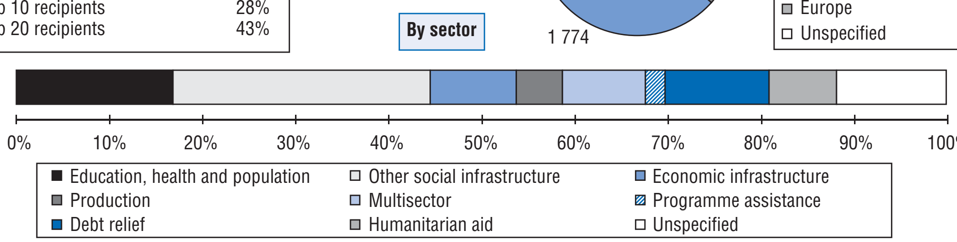
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	5 140	6 857	33.6%
Constant (2007 USD m)	5 140	6 304	22.6%
In euro (million)	3 755	4 761	26.8%
ODA/GNI	0.37%	0.45%	
Bilateral share	65%	70%	

Top ten recipients of gross ODA (USD million)	
1 Guatemala	254
2 Honduras	186
3 Nicaragua	150
4 Peru	127
5 Morocco	124
6 China	91
7 Senegal	90
8 Palestinian Adm. Areas	88
9 Bolivia	87
10 Ecuador	84
Memo: Share of gross bilateral ODA	
Top 5 recipients	19%
Top 10 recipients	28%
Top 20 recipients	43%







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Sweden

In 2008, Sweden's net ODA was USD 4.73 billion, an increase of 3.9% in real terms from 2007. ODA as a proportion of GNI rose from 0.93% in 2007 to 0.98% in 2008.

Reform for implementing the aid effectiveness agenda

The Swedish International Development Co-operation Agency (Sida), and the Ministry of Foreign Affairs (MFA) launched a joint action plan for aid effectiveness in July 2009. The plan encompasses seven objectives for effective Swedish development co-operation, with special attention given to the use of country and organisational systems, programme-based approaches and results orientation. The action plan also specifies how Sweden can strengthen co-operation on aid effectiveness in global fora as well as in relation to multilateral organisations. Baseline data will be collected for Sweden's 33 priority countries and specific objectives on aid effectiveness will be set. During this process, the main obstacles for moving forward and country-specific measures will be identified in order to accelerate progress. The action plan will be followed up in semestral meetings between Sida and the MFA.

The MFA is reformulating guidelines on co-operation strategies, including the implementation of the aid effectiveness principles in different contexts and aid modalities. Sida is updating its systems for ensuring that staff choose programme based approaches and use country systems as a first option.

Challenges in implementing the aid effectiveness agenda

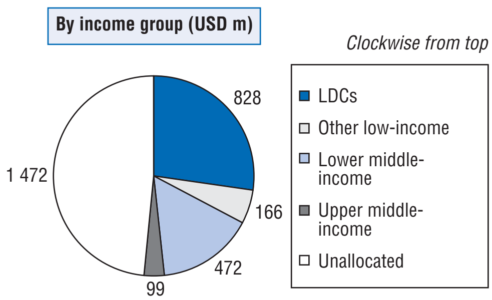
- The extent of change required, combined with lack of practical experience in applying aid effectiveness principles, makes the process slow despite clear political commitment. Implementing the aid effectiveness agenda requires a change of mindset, for the practitioner as well as among the public. Change takes time and requires information, additional incentives, and a complete change of rules and regulations. In this sense, the challenge is to facilitate a broad understanding of what the aid effectiveness agenda implies and to introduce suitable systems and procedures at an institutional level.

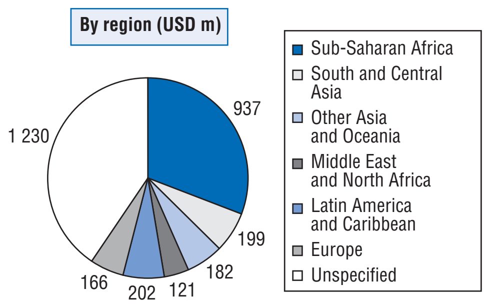
SWEDEN

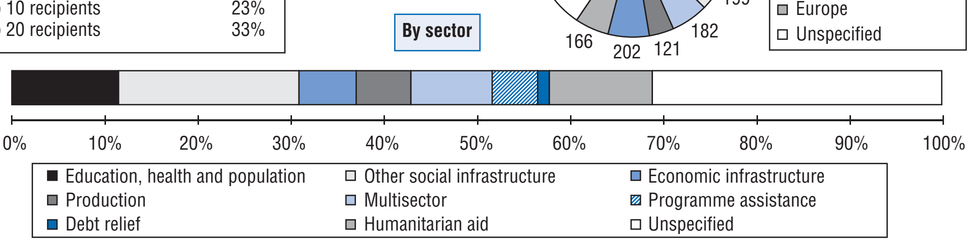
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	4 339	4 732	9.1%
Constant (2007 USD m)	4 339	4 510	3.9%
In Swedish kronor (million)	29 320	31 607	7.8%
ODA/GNI	0.93%	0.98%	
Bilateral share	68%	66%	

Top ten recipients of gross ODA (USD million)	
1 Tanzania	117
2 Mozambique	112
3 Sudan	67
4 Afghanistan	65
5 Palestinian Adm. Areas	63
6 Uganda	60
7 Kenya	56
8 Zambia	53
9 Congo, Dem. Rep.	51
10 Ethiopia	46
Memo: Share of gross bilateral ODA	
Top 5 recipients	14%
Top 10 recipients	23%
Top 20 recipients	33%







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Box 8.5. DAC peer review of Sweden, 9 June 2009

Examiners: Japan and the United States

Positive progress in implementing the aid effectiveness agenda

Sweden spent USD 4.73 billion on ODA in 2008. This amounted to 0.98% of its gross national income and made Sweden the most generous of all DAC donor countries by that measure, and the tenth largest in volume terms. In 2009, Sweden budgeted to spend a full 1% of its GNI on development co-operation. The DAC applauded this commitment in a time of global recession. It also noted, however, that because Sweden's ODA budget is linked to its GNI it may shrink in 2009/10 and Sweden would need to manage any budget cuts carefully.

The DAC highlighted that Sweden's 2009 EU presidency offered an important opportunity to shore up support within the international community for development co-operation. In particular, the international community looked to Sweden to take the lead in following up on the report of the Commission on Climate Change and Development.

The DAC recognised that Sweden has initiated important reforms to bolster the quality of its bilateral aid. These include efforts to make its development efforts more supportive of partner country priorities, to increase strategic focus, to co-ordinate better with other donors and to manage for development results.

Multilateral agencies see Sweden as a reliable and engaged donor and, as recommended in the last peer review, Sweden has now developed a multilateral strategy. The committee commended this and encouraged Sweden to use it to increase the strategic focus of its engagement with multilateral organisations. Partnerships with civil society organisations are also robust, particularly within Sweden, where they play an important role in public communication and interest, and form a central pillar of Swedish development co-operation. The DAC also welcomed Sweden's efforts to start to reduce the "forest of policies" identified in the last peer review.

Although Sweden is ahead of many other donors with its strong legislative basis for policy coherence for development, it has found coherence difficult to implement in practice. To address this, the government developed a more promising practical approach in 2008. Finally, Sweden has played a strong leadership role in the good humanitarian donorship initiative and in providing humanitarian funding on time and on the basis of need.

Challenges and recommendations

- Swedish development co-operation is finding it a challenge to manage so many change processes simultaneously. The direction, pace and rationale for the reforms must be communicated effectively to staff and stakeholders to obtain buy-in and avoid misunderstandings.
- There is a need for independent scrutiny to monitor and evaluate cross-government coherence for development.
- As Sweden reduces the number of countries in which it works, it should keep its focus on reducing poverty, in line with its Policy for Global Development and its commitment to the Millennium Development Goals.
- The DAC strongly welcomed Sweden's new emphasis on development results. It acknowledged that it takes time to embed a culture of results-based management and emphasised the importance of practical staff training and support.
- In line with the Paris Declaration, the DAC encouraged Sweden to increase the proportion of its technical co-operation which is co-ordinated and aligned with partner country strategies.
- Sweden should consolidate its position as a good humanitarian donor by updating its humanitarian policy, by better integrating cross-cutting policies and priorities and by finalising its plan for allocating its funding appropriately for learning in the humanitarian sector.

Switzerland

In 2008, Switzerland's net ODA was USD 2.04 billion, an increase of 7.6% in real terms from 2007. The increase was mainly due to a rise in bilateral aid. ODA as a proportion of GNI rose from 0.38% in 2007 to 0.42% in 2008.

Reform for implementing the aid effectiveness agenda

Switzerland defined its priorities for implementing the AAA commitments in a policy statement adopted in 2009. They include democratic ownership, the use of country systems, aid predictability and programme-based approaches. Predictability and transparency of aid flows will be enhanced by improving processes and instruments. To this effect, Switzerland has joined the International Aid Transparency Initiative. Switzerland has launched a country-by-country stocktaking exercise of its use of country systems. This will help to systematise their use where they are sufficiently robust. To enhance programme-based approaches, Switzerland plans to review its experience and provide policy guidance and training to country offices, including on their definition, objectives and conditions. Switzerland intends to further devolve management responsibilities to country offices to increase country-specific implementation of the AAA.

Challenges in implementing the aid effectiveness agenda

- Switzerland has had a tradition of promoting capacity development and multi-stakeholder approaches locally, providing a strong *in situ* presence and support through field staff. However, a key challenge includes a more systematic use of instruments such as general budget support and programme-based approaches. Issues of attribution *versus* contribution, visibility and specificity of Swiss ODA have also been raised among the public, government and parliament.
- A second challenge lies in defining a suitable approach for applying some of the aid effectiveness principles, such as use of country systems in situations where recipient governments do not follow minimal standards of accountability and transparency. Switzerland intends to promote processes that lead from fragility and illegitimacy to good governance, democratic ownership and citizenship.

SWITZERLAND

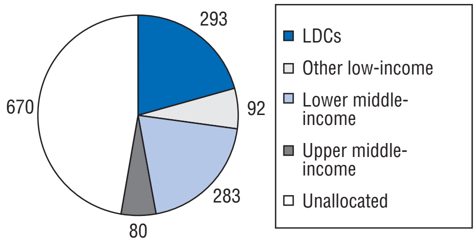
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	1 685	2 038	20.9%
Constant (2007 USD m)	1 685	1 813	7.6%
In Swiss francs (million)	2 022	2 234	10.5%
ODA/GNI	0.38%	0.42%	
Bilateral share	75%	76%	

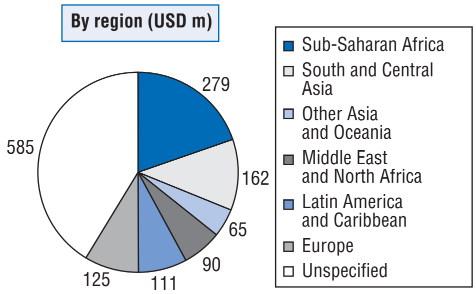
Top ten recipients of gross ODA (USD million)	
1 Serbia	52
2 Iraq	47
3 Tanzania	26
4 Mozambique	24
5 Viet Nam	23
6 Nepal	21
7 Burkina Faso	21
8 Bangladesh	19
9 Nicaragua	19
10 Afghanistan	18
Memo: Share of gross bilateral ODA	
Top 5 recipients	12%
Top 10 recipients	19%
Top 20 recipients	30%

By income group (USD m)

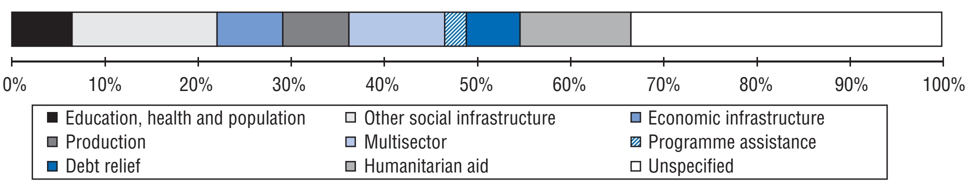
Clockwise from top



By region (USD m)



By sector



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Box 8.6. DAC peer review of Switzerland, 14 October 2009

Examiners: Belgium and the Netherlands

Positive progress in implementing the aid effectiveness agenda

Switzerland spent USD 2.02 billion of official development assistance in 2008, an increase of more than 6% over the previous year. This amount represents 0.42% of its gross national income (GNI), meaning that Switzerland has already surpassed its Monterrey commitment to contribute 0.4% of its GNI to ODA by 2010. The peer review recommended that Switzerland adopt a 0.5% target for its aid – as is being considered by the Federal Council on the request of parliament – and that it keeps in mind the 0.7% UN target.

Switzerland has a long tradition of international assistance. Its humanitarian aid is recognised for its holistic approach, solidly grounded in international humanitarian law and supported by rapid, flexible, co-ordinated and well-targeted action. Its engagement with multilateral partners also provides lessons in good practice: Switzerland is considered an exemplary donor by the multilateral organisations because much of its multilateral funding is paid as core contributions and multi-year grants. Switzerland also contributes to international thinking on governance and development in fragile situations. It puts a strong emphasis on the world's poorest countries (65% of its bilateral ODA). Nevertheless, Swiss aid is currently dispersed among too many countries and sectors, although it is now striving to strengthen its geographic and sector focus. In doing so, Switzerland is encouraged to consider the international division of labour called for in Accra and to identify its most effective niche.

Some 80% of Swiss aid is managed jointly by the ministries of economic and foreign affairs. The peer review welcomed the steps Switzerland has taken to reinforce its strategic approach to development co-operation. A unified vision, supported by strong co-ordination between the two ministries will be essential to ensure cohesion of the aid programme despite the institutional split. Current institutional reforms will delegate more authority to the field offices, thereby making development co-operation more effective.

Switzerland has made progress in ensuring better coherence of non-aid policies with its development goals. It has brought areas such as trade, taxation and the restitution of stolen assets into line with its development commitments. However, it must build on these isolated examples and institutionalise coherence across all policies. The review proposed that Switzerland identify or establish a mechanism with the capacity to arbitrate conflicting policies.

Challenges and recommendations

- Re-emphasise poverty reduction, including equity and sustainability, as the overarching goal of Swiss development co-operation. Focusing on well-defined thematic areas would also be an advantage. Switzerland must also strengthen efforts to communicate the impacts of aid to maintain strong public and political support.
- Create transparent criteria for engaging in partnerships, clear links between financial allocations and performance, and standard guidance for country offices for interacting with NGOs. Switzerland must develop a more strategic, transparent and standardised approach to NGOs, research institutions and other partners in headquarters and in the field.
- Do more to set standards, monitor outcomes and assess the impact of its development co-operation. A challenge stemming from the recent reorganisation is maintaining appropriate thematic expertise in Switzerland's agency for development co-operation. The new thematic networks require clearly defined objectives and enough weight and resources to compensate for the loss of thematic sections.
- Switzerland faces challenges in implementing some of the aid effectiveness agenda, particularly in fragile states. Switzerland should develop and implement consistent plans for the Swiss Agency for Development and Co-operation (SDC) and the State Secretariat for Economic Affairs (SECO) to implement the Accra Agenda for Action, with clear indicators and targets to guide country offices.

United Kingdom

In 2008, the United Kingdom's net ODA was USD 11.5 billion, an increase of 25.0% in real terms from 2007. The increase reflects a general scaling up of aid by the United Kingdom. ODA as a proportion of GNI rose from 0.35% in 2007 to 0.43% in 2008.

Reform for implementing the aid effectiveness agenda

The UK Department for International Development (DFID) is committed to meeting the Accra Agenda for Action objectives and has already met 7 of the 10 relevant Paris Declaration targets. DFID's 2009 White Paper underscores the United Kingdom's political commitment to aid effectiveness. DFID has a duty towards the UK Parliament and the public more broadly to ensure public funds are spent in the most effective way. DFID recently published an action plan to ensure its Paris and Accra commitments are met. It identifies three areas of priority: *i)* improving the predictability of aid, to enable partner governments to plan better; *ii)* improving the transparency of aid and ensuring all government-to-government aid is shown on partner country budgets; and *iii)* increasing mutual accountability at country level. The action plan specifies steps needed at corporate or regional/country office level to address these three areas and other AAA commitments. For example, DFID is working with 16 other donors to improve the transparency of aid through the International Aid Transparency Initiative launched at the Accra High Level Forum. In August DFID also launched a searchable database to make information on the projects it funds more easily available.

Challenges in implementing the aid effectiveness agenda

- Maintaining a continued effort to demonstrate that DFID's AAA commitments are delivering the best results possible for poor women and men. This will be crucial for sustaining support for the development agenda in the United Kingdom.
- Tackling technical bottlenecks affecting how aid effectiveness commitments are implemented. For example, DFID is improving its reporting on aid effectiveness commitments and has incorporated targets on aid effectiveness into its corporate performance management framework. More needs to be done to raise awareness of these targets amongst staff.

UNITED KINGDOM

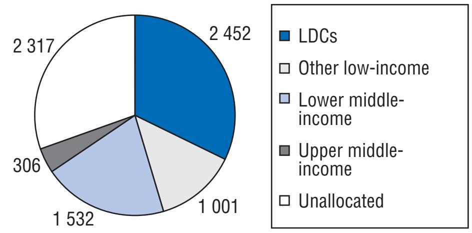
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	9 849	11 500	16.8%
Constant (2007 USD m)	9 849	12 315	25.0%
In pounds sterling (million)	4 921	6 356	29.2%
ODA/GNI	0.35%	0.43%	
Bilateral share	57%	64%	

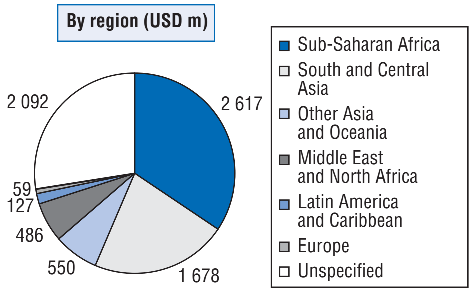
Top ten recipients of gross ODA (USD million)	
1 India	700
2 Iraq	350
3 Afghanistan	296
4 Nigeria	275
5 Ethiopia	273
6 Bangladesh	249
7 Tanzania	243
8 Pakistan	229
9 Sudan	203
10 China	201
Memo: Share of gross bilateral ODA	
Top 5 recipients	25%
Top 10 recipients	40%
Top 20 recipients	57%

By income group (USD m)

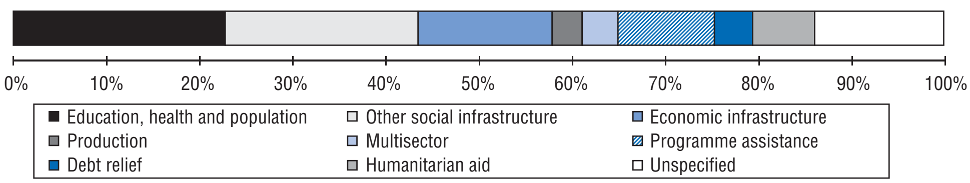
Clockwise from top



By region (USD m)



By sector



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United States

In 2008, the United States' net ODA was USD 26.84 billion, an increase of 20.5% in real terms from 2007. The increase reflects a rise of US aid to all developing countries, particularly to Sub-Saharan Africa and the group of least developed countries. ODA as a proportion of GNI rose from 0.16% in 2007 to 0.19% in 2008.

Reform for implementing the aid effectiveness agenda

2009 has seen accelerated positive change in the United States on aid and development effectiveness. The Obama Administration has taken steps to improve the coherence of US policy and practice in development assistance by forming the International Development and Humanitarian Assistance Inter-Agency Policy Committee (IPC) and directing the National Security Council and Council of Economic Advisors to propose a government-wide development policy and strategy. The Department of State has stated a preference for partnerships and multilateral approaches in development and diplomacy. The US Congress has introduced several legislative proposals for aid reform to increase transparency and accountability and improve coherence. The United States Agency for International Development (USAID) is developing guidance on predictability, untying, use of country systems and use of project implementation units. The Millennium Challenge Corporation (MCC) has published working papers on country ownership and results.

The United States has strong foundations in transparency and domestic accountability. All US Assistance Agreements, and the standard conditions, are available to the public. In most cases, they are published on the Internet, with limited exceptions. In the case of the MCC, partner countries which implement MCC programmes provide annual disbursement request projections on a quarterly basis. The MCC provides quarterly disbursement and project status reports on its website.

Challenges in implementing the aid effectiveness agenda

- Aligning US ODA with developing country strategies can sometimes be difficult given that both the Administration and Congress direct specific uses for ODA.
- Using partner country financial management and procurement systems is discouraged by stringent US domestic accountability requirements.
- Untying aid is challenging: slightly under one-third of US assistance was still tied in 2007.

UNITED STATES

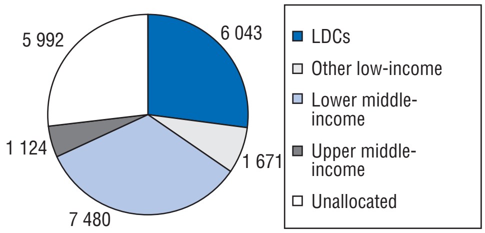
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	21 787	26 842	23.2%
Constant (2007 USD m)	21 787	26 254	20.5%
ODA/GNI	0.16%	0.19%	
Bilateral share	87%	89%	

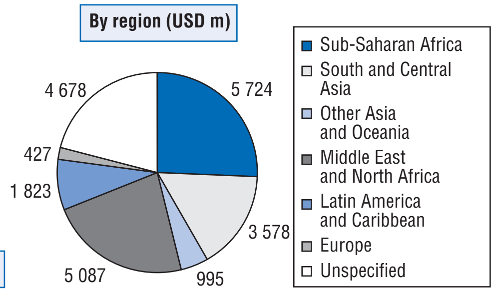
Top ten recipients of gross ODA (USD million)	
1 Iraq	3 246
2 Afghanistan	1 816
3 Sudan	779
4 Egypt	684
5 Ethiopia	592
6 Colombia	520
7 Pakistan	398
8 Kenya	383
9 Palestinian Adm. Areas	351
10 Uganda	327
Memo: Share of gross bilateral ODA	
Top 5 recipients	32%
Top 10 recipients	41%
Top 20 recipients	52%

By income group (USD m)

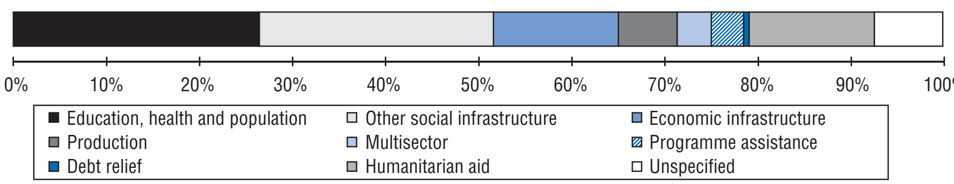
Clockwise from top



By region (USD m)



By sector



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Mid-term review summaries

Mid-term reviews have been conducted at the request of DAC members on a voluntary basis since 2003. They are being piloted until the end of 2009, at which point the DAC will decide whether they should become a more regular process. As part of this pilot, **Canada, Denmark, Finland, the Netherlands and Spain** volunteered to have a mid-term review in 2009 (Box 8.7). These reviews proved useful for tracking changes, results and impact; for bringing momentum to members' efforts to implement the recommendations; and for sharing experiences with other DAC members more often than every four to five years.

Box 8.7. **Mid-term reviews**

The purpose of these mid-term reviews is to focus on the implementation of the DAC recommendations; they also offer opportunities to discuss the international and national developments since the last peer review and their impact on the aid programme. One major issue has been the global economic crisis and its severe impact on developing countries. The reviewed members have made commendable efforts to maintain their aid budgets despite pressure to reduce public spending. They set a good example for other donors to stick to their ODA commitments. **Spain, Denmark** and **Finland** plan to at least maintain the nominal level of their ODA volume in 2010; the **Netherlands**' objective is to maintain its 0.8% ODA/GNI ratio; and **Canada** is on course to double its overall ODA by 2011 from 2001/02 levels. The economic crisis also calls for new efforts and approaches to help mitigate its impacts. The higher priority given to private sector-driven growth by **Denmark** and the **Netherlands** is welcome.

Overall, these reviews revealed a dynamic desire to adjust policies to the new international challenges, to make reforms and to look for innovation in each specific context. On the policy side, **Finland** and the **Netherlands** developed their new development policy priorities in 2007; **Canada's** parliament passed the *Official Development Assistance Accountability Act* in 2008; **Spain's** parliament adopted its *Third Master Plan* (2009-2012) which reaches beyond the Ministry of Foreign Affairs, and **Denmark** is starting to prepare a new overarching strategy for its development co-operation which should be made public in mid-2010. In terms of reforms, the **Netherlands** launched a modernisation agenda for Dutch development co-operation in November 2008, **Denmark** restructured its Ministry for Foreign Affairs (MFA) in early 2009, and **Spain** is currently considering a reform of its financial instruments to adapt to the needs of modern development co-operation. Encouraging more integrated approaches – in particular implementing whole-of-government approaches in fragile states and increasing the effectiveness of aid – is a key new initiative of the five reviewed members. The reviews also illustrate how global public goods, especially security, climate change and energy, are being increasingly integrated into development co-operation policies and programmes.

All the members reviewed are progressing well with most of the DAC recommendations. They have a wealth of good practice and lessons to share with other donors. These include:

- **Canada's** whole of government approaches in fragile states.
- **Denmark's** evaluation of the Ministry of Foreign Affairs' decentralisation exercise and the creation of an internal ombudsman to facilitate dialogue with local staff.
- **Finland**'s reinforced approach to policy coherence for development, including a new requirement that all ministries report to parliament on their development activities, rather than only the MFA.
- The **Netherlands'** streamlining of priority countries and sectors; and strong dialogue with new and non-traditional players in development co-operation to broaden the support base.
- **Spain's** new multilateral strategy with a focus on four agencies, core funding, the use of existing performance assessment frameworks and – for the first time – a report to parliament on Spain's multilateral aid.

Members also want to exchange experiences. For instance, the **Netherlands** is eager to co-operate with other donors on methods to systematically monitor and track the impact of policy coherence for development. And **Finland** would be keen to learn from other donors who have experience in bringing a stronger economic focus into development co-operation.

Division of labour is high on the development co-operation agenda of the reviewed members. They are looking for further geographic and sector concentration. Spain intends to make geographic division of labour a key issue during its EU presidency in 2010. Some member states have achieved good results by reducing the number of priority countries. Yet, implementing sector concentration in the field remains challenging for some of them. Other challenges faced by all the reviewed members to a certain extent include maintaining high public and political support for aid, with calls for reinforced efforts to communicate results; and maintaining the right staff skills mix and capacity levels despite cuts in full-time employees as part of general civil service cutbacks.

Notes on other OECD donors

Czech Republic

In 2008, Czech net ODA amounted to USD 249 million, an increase of 16.3% in real terms from 2007. The ODA/GNI ratio rose from 0.11% in 2007 to 0.12% in 2008.

The increase in Czech ODA is primarily due to a steadily growing Czech contribution to the EU's development budget and to post-conflict reconstruction in Afghanistan. All assistance is provided as grants.

The Czech Republic implements bilateral aid programmes in eight priority countries (Angola, Bosnia and Herzegovina, Moldova, Mongolia, Serbia, Viet Nam, Yemen and Zambia) and seeks to focus attention on crisis situations such as in Georgia and the Palestinian Administered Areas.

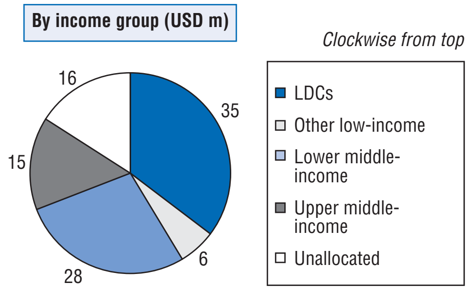
The transformation of the Czech ODA institutional set-up continued in 2008, with the establishment of the Czech Development Agency. In June 2009 a draft law on international development co-operation and humanitarian aid was approved by cabinet ministers and submitted to the Czech Parliament. Furthermore, the Ministry of Foreign Affairs has started preparing a new Czech ODA strategy for 2011-15.

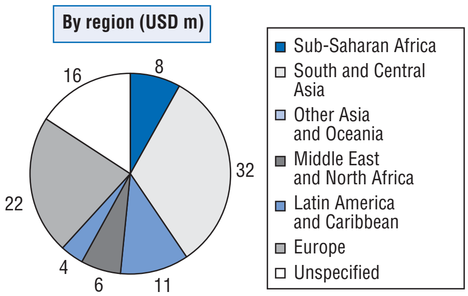
CZECH REPUBLIC

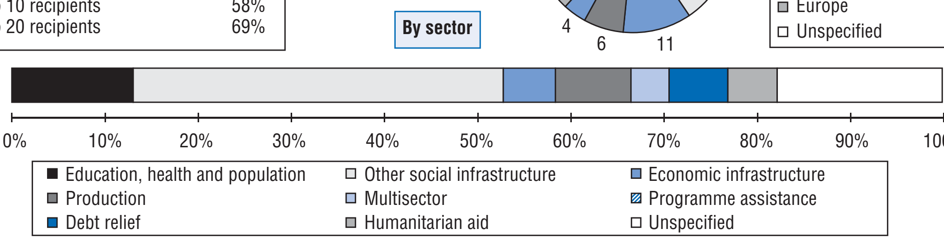
Gross bilateral ODA, 2007-08 average, unless otherwise shown

Net ODA	2007	2008	Change 2007/08
Current (USD m)	179	249	39.3%
Constant (2007 USD m)	179	208	16.3%
In koruny (million)	3 629	4 323	19.1%
ODA/GNI	0.11%	0.12%	
Bilateral share	45%	47%	

Top ten recipients of gross ODA (USD million)	
1 Afghanistan	26
2 Serbia	9
3 Mongolia	5
4 Viet Nam	3
5 Bosnia-Herzegovina	3
6 Palestinian Adm. Areas	3
7 Ukraine	3
8 Moldova	3
9 Angola	2
10 Georgia	2
Memo: Share of gross bilateral ODA	
Top 5 recipients	47%
Top 10 recipients	58%
Top 20 recipients	69%







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Hungary

Hungary's net ODA was USD 107 million in 2008, a decrease of 6.7% in real terms from 2007. However, the ODA/GNI ratio remained stable at 0.08%. The slight decrease in ODA was due to the absence of debt forgiveness operations in 2008.

In 2008, Hungary focused its bilateral assistance (14% of total ODA), on the Western Balkans and Commonwealth of Independent States (CIS) countries. Its partners included Bosnia and Herzegovina, Former Yugoslav Republic of Macedonia, the Kyrgyz Republic, Moldova, Montenegro, Serbia and Ukraine. Hungary also provided assistance to Cambodia, the Palestinian Administered Areas, Viet Nam and Yemen and continued its assistance to Afghanistan and Iraq.

In light of its perceived comparative advantage in political and economic transformation, Hungary focuses its aid on these sectors. Other priority sectors for Hungary include agriculture, water management and education. It also offers broad co-operation in the domains of public health and migration.

A draft law which includes the principles of the Paris Declaration and the Accra Agenda for Action is being prepared. This will enable long-term political commitment for international development.

Iceland

In 2008, Iceland's net ODA remained stable at USD 48 million. This represented 0.47% of GNI, compared with 0.27% in 2007. The unprecedented rise in ODA as a percentage of GNI is principally attributed to the depreciation of the Icelandic krona against the US dollar, and the drop in GNI as a result of the economic crisis. Bilateral aid was USD 36.06 million in 2008, while the remaining 25% of Iceland's total ODA was comprised of multilateral contributions.

Despite the current economic situation, development co-operation remains a key pillar of Icelandic foreign policy and the government is committed to achieving the MDGs and other internationally-agreed development goals.

On 1 October 2008, a new act came into force which provides the framework for Iceland's international ODA, providing comprehensive legislation for all aspects of Iceland's development co-operation.

The Icelandic International Development Agency, an autonomous agency attached to the Ministry of Foreign Affairs, disbursed approximately 45% of Iceland's ODA in 2008. It operates in six countries: Malawi, Mozambique, Namibia, Nicaragua, Sri Lanka and Uganda.

The Iceland Crisis Response Unit of the Ministry for Foreign Affairs provides support to peace building missions. In 2008, its main focus was on Afghanistan, Bosnia, Lebanon, Liberia, the Palestinian Administered Areas and Sudan.

Korea

In 2008, Korean ODA rose to USD 802 million, a 32.9% increase in real terms from 2007. The ODA/GNI ratio also increased from 0.07% in 2007 to 0.09% in 2008.

Bilateral ODA rose from USD 491 million in 2007 to USD 539 million in 2008. Both grant and non-grant flows increased in volume, although the growth rate for non-grants was considerably higher (49%) than for grants (19%). Regarding multilateral aid, contributions to the Regional Development Banks more than doubled in 2008 over the previous year.

In 2008, 52% of Korea's net bilateral ODA went to Asia. Africa's share in net bilateral aid has been increasing in recent years, from 3% in 2002 to 19% in 2008. In 2006 and 2007, Iraq was the largest recipient country of Korean ODA; however, its share of net bilateral ODA sharply fell from 15% in 2006 and 11% in 2007 to 2% in 2008. In 2008, ten countries received 43% of Korea's bilateral ODA, the largest recipients being Angola, Cambodia and Viet Nam.

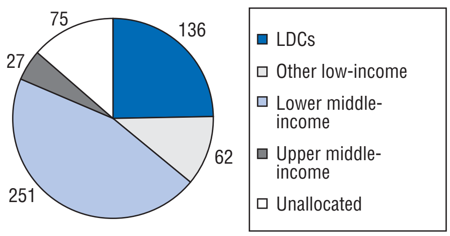
KOREA

Gross bilateral ODA, 2007-08 average, unless otherwise shown

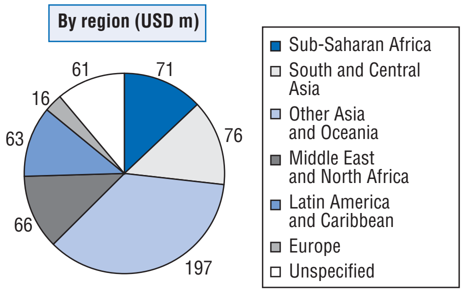
Net ODA	2007	2008	Change 2007/08
Current (USD m)	696	802	15.3%
Constant (2007 USD m)	696	925	32.9%
In Won (billion)	647	891	37.7%
ODA/GNI	0.07%	0.09%	
Bilateral share	70%	67%	

Top ten recipients of gross ODA (USD million)	
1 Viet Nam	44
2 Cambodia	35
3 Sri Lanka	33
4 Iraq	32
5 Philippines	28
6 Indonesia	27
7 Angola	22
8 China	17
9 Mongolia	15
10 Laos	15
Memo: Share of gross bilateral ODA	
Top 5 recipients	31%
Top 10 recipients	48%
Top 20 recipients	63%

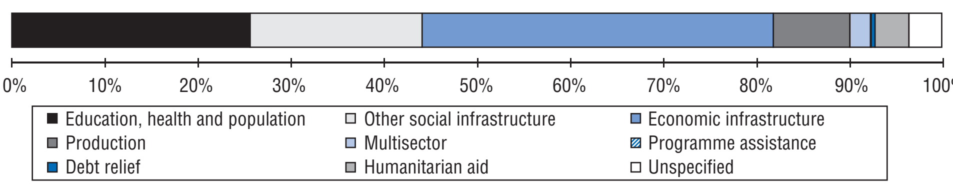
By income group (USD m)



By region (USD m)



By sector



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The government of Korea continues to scale up its ODA volume; in 2008, it set a target of an ODA/GNI ratio of 0.15% by 2012 and 0.25% by 2015.*

Mexico

Mexico is currently not in a position to report its ODA data to the DAC. However, with the support of the DAC, the United Nations Development Programme, the Mexican Central Bank and the National Institute of Geography and Statistics, Mexico has recently established a National System of Information on International Co-operation for tracking aid flows. This initiative will allow public institutions to register aid activities on-line and will facilitate Mexico's ODA reporting to the DAC in the future.

Mexico's development assistance is directed mostly at Latin America and the Caribbean and takes the form of technical and scientific co-operation. In 2008, activities focused on Central American countries, notably the Dominican Republic, El Salvador, Guatemala, Haiti and Honduras. Education, agriculture, health and the environment were priority sectors for Mexican technical co-operation.

Poland

In 2008, Polish net ODA was USD 372 million, a decrease of 12.3% in real terms over 2007. The ODA/GNI ratio also fell from 0.10% in 2007 to 0.08% in 2008. Bilateral aid stood at USD 84 million, or 23% of Polish development aid.

As a member of the European Union, Poland channels the bulk of its aid through the EC development budget. This accounted for USD 274 million in 2008, nearly 95% of its multilateral aid.

Bilateral assistance included preferential credit disbursements to Angola, China and Montenegro; scholarship programmes, social and health care for refugees during the first 12 months of their residence in Poland; and humanitarian assistance. Polish assistance also included world-wide implementation of numerous infrastructure, training and advisory projects. Priority recipients of Polish aid were Afghanistan, Angola, Belarus, Georgia, Moldova, Palestinian Administered Areas, Tanzania and Ukraine.

The Polish strategy for development co-operation is in line with prevailing international trends and encourages close co-operation with the donor community, particularly the European Union and the OECD. Polish development assistance focuses on enhancing and promoting democracy and good governance, human rights, sustainable development and building civil society.

Slovak Republic

Net ODA from the Slovak Republic was USD 92 million in 2008. The ODA/GNI ratio rose from 0.09% in 2007 to 0.1% in 2008, while ODA volume increased by 14.4% in real terms. Forty-four per cent of Slovak aid was bilateral, while multilateral contributions accounted for 56% of total ODA flows, including a contribution of USD 47 million to the EC.

In April 2009, the government approved a new annual programme for 2009 which provided USD 11.1 million for new projects. This included USD 4 million for bilateral aid to programme countries (Afghanistan, Kenya, Serbia) and USD 4.8 million to priority countries: Albania, Bosnia and Herzegovina, Belarus, Ethiopia, Former Yugoslav Republic of Macedonia, Georgia, Kazakhstan, Kyrgyz Republic, Moldova, Mongolia, Sudan, Tajikistan, Ukraine, Uzbekistan, and Viet Nam.

Slovak ODA supports the MDGs by focusing on social infrastructure, including health care and education, sustainable economic development and environment, and developing democratic institutions.

Turkey

Turkish ODA flows amounted to USD 780 million in 2008, an increase of 15.7% in real terms from 2007. The proportion of ODA in Turkey's GNI also rose from 0.09% in 2007 to 0.11% in 2008.

In 2008, bilateral assistance rose by 21% to reach USD 736 million and accounted for over 94% of total ODA flows. The bulk of bilateral ODA was delivered in the form of project and programme aid and technical assistance, as well as in assistance to refugees coming to Turkey.

The main bilateral beneficiaries were Afghanistan (USD 142 million), Pakistan (USD 84.3 million), Kazakhstan (USD 61.6 million), Kyrgyz Republic (USD 53 million), Iraq (47.7 million) and Azerbaijan (33.9 million). The bulk of Turkish multilateral aid went to the UN agencies.

The Turkish International Cooperation and Development Agency (TIKA) is the principal body responsible for the administration of Turkish aid. TIKA is an autonomous technical co-operation organisation under the Prime Ministry. It contributes to institutional development and the improvement of human resources in partner countries through technical co-operation in various fields, especially education, health, economic infrastructure and services.

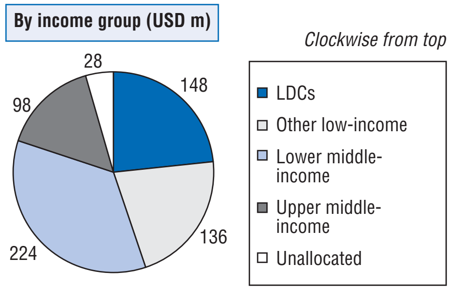
* The Republic of Korea acceded to membership of the DAC on 1 January 2010 making it the 24th member.

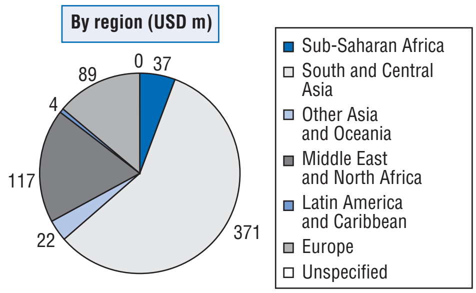
TURKEY

Gross bilateral ODA, 2007-08 average, unless otherwise shown

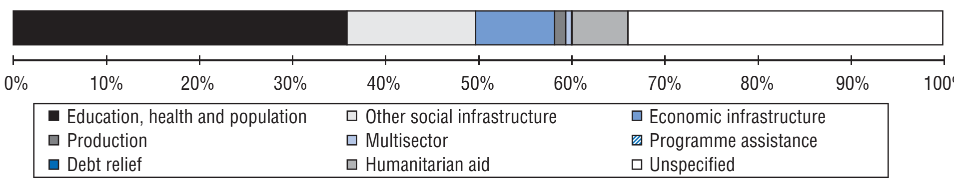
Net ODA	2007	2008	Change 2007/08
Current (USD m)	602	780	29.6%
Constant (2007 USD m)	602	697	15.7%
In Liras (million)	783	1 021	30.4%
ODA/GNI	0.09%	0.11%	
Bilateral share	90%	94%	

Top ten recipients of gross ODA (USD million)	
1 Afghanistan	107
2 Kyrgyz Republic	61
3 Pakistan	59
4 Kazakhstan	52
5 Iraq	47
6 Azerbaijan	35
7 Lebanon	21
8 Palestinian Adm. Areas	17
9 Serbia	16
10 Bosnia-Herzegovina	16
Memo: Share of gross bilateral ODA	
Top 5 recipients	51%
Top 10 recipients	68%
Top 20 recipients	85%





By sector



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Notes on non-OECD providers of development assistance

While the DAC brings together the major OECD aid donors, countries beyond the OECD's membership have long played an important role in development co-operation. In many cases, their recent development knowledge and experience as recipients of ODA have allowed them to develop unique and effective relationships with partner countries.

For the DAC, engaging with these providers of development assistance is of high and growing priority (Chapter 1). The DAC is convinced that global development challenges can only be addressed in partnership with all the important stakeholders. The DAC hopes to deepen mutual understanding of the evolving priorities of international development co-operation through regular and sustained dialogue, and to promote an exchange of good practice between all assistance providers (such as the Policy Dialogue on Development Co-operation held in Mexico City on 28-29 September 2009; see *www.oecd.org/dac/mexicodialogue*).

2008 also saw the establishment of a new Task Team on South-South Co-operation, a Southern-led platform hosted by the DAC's Working Party on Aid Effectiveness. The Task Team brings together partner countries, middle-income countries, donors, civil society, academia and regional and multilateral agencies. Together, these stakeholders are examining how the aid effectiveness principles may apply to and be enriched by South-South co-operation.

As the authoritative source on development co-operation statistics, the DAC is working to develop a picture of global aid flows that includes information on all providers of development assistance. The DAC hopes that all countries with significant development co-operation activities will begin contributing basic information in the near future. This will allow them to receive recognition for their important efforts and will foster more informed decision making among donors and partner countries alike. Several non-OECD countries already report their ODA statistics to the DAC (see Tables 25 and 33 of the Statistical Annex).

While ODA flows reported from non-OECD members were a small proportion of total ODA flows in 2008, these flows continue rising, and the financial and economic crisis did not have a major impact in 2008. According to some estimates, total South-South co-operation could surpass USD 15 billion by 2010.

Several Middle Eastern economies have been providing development assistance since the 1960s or 1970s and have sophisticated mechanisms for co-ordinating and harmonising their efforts, notably through the Arab Co-ordination Group. At the Joint Meeting of Arab Co-ordination Group Institutions and the DAC, held in Kuwait on 10 May 2009, participants emphasised their common values and shared goals for international development co-operation. They agreed to meet every two years for a high-level policy dialogue event and to organise a technical meeting to identify opportunities for practical collaboration in specific countries and sectors.

Kuwait, Saudi Arabia and the United Arab Emirates – three of the Gulf region's largest donors – report their ODA data to the DAC. Most of their aid is distributed bilaterally. Saudi Arabia has reported the most significant increase in aid, more than doubling its figure from USD 2 billion in 2007 to USD 5.6 billion in 2008. Most of this aid was disbursed in the form of grants and loans by the Saudi Fund for Development, and was directed at health infrastructure, roads and agriculture. In 2008, the Kuwait Fund for Arab Economic Development provided financial and technical assistance of USD 283 million in net ODA terms, up from USD 110 million in 2007. In recent years, its assistance has focused on transport, energy and agriculture. The United Arab Emirates reported a sharp decrease in total net ODA, from USD 429 million in 2007 to USD 88 million in 2008.

European Union members who are not members of the OECD have continued increasing their development aid budgets. Given their limited capacity to implement bilateral aid programmes, these countries channel most of their aid through multilateral organisations, notably the European Commission and the UN system. Romania, reporting for the first time, disbursed USD 123 million in 2008. Estonia (USD 22 million), Latvia (USD 22 million), Lithuania (USD 48 million) and Slovenia (USD 68 million) also reported their net ODA to the DAC. Despite the impact of the crisis on these countries' economies, these figures represent increases in ODA since 2007, when Estonia and Latvia each reported USD 16 million and Slovenia reported USD 54 million (Lithuania's net aid remained constant).

Other non-DAC donors reporting their ODA data to the DAC in 2008 include Thailand (USD 178 million, a major increase from USD 67 million in 2007), Israel (USD 138 million, up from USD 111 million in 2007), Chinese Taipei (USD 435 million, down from USD 514 million in 2007) and Liechtenstein (USD 23 million, up from USD 20 million in 2007). More than 90% of Thai ODA is provided as bilateral concessional loans, flowing mostly to its neighbours – Cambodia, Laos, Myanmar and Viet Nam. Chinese Taipei's development assistance is implemented primarily through the International Co-operation and Development Fund.

Although no other economies reported their aid flows to the DAC in 2008, several have increasingly important development co-operation programmes, including Brazil, China, India, Russia and South Africa.

The bulk of Brazil's development co-operation involves financial and technical co-operation and, according to estimates by Brazilian officials, amounted to USD 437 million in 2007, up from USD 365 million in 2006. More than 90% is delivered through multilateral channels. Financial co-operation falls under the joint responsibility of the ministries of planning and finance. Technical co-operation is co-ordinated through the Brazilian Agency for Co-operation (ABC), which has declared that USD 28 million was spent on technical co-operation in 2008. This financed 236 technical co-operation projects in 46 countries. African partner countries are attracting an increasing proportion of ABC-funded projects, which focus on health and agriculture, as well as education, e-government, environment, professional training, renewable energy and urban development.

China does not publish official data on development assistance, but some studies (*e.g.* by Chinese research institutions) have estimated China's aid budget at around USD 1.4 billion for 2007. These figures have not been confirmed by the Chinese government. At the UN High-Level Meeting on the Millennium Development Goals on 25 September 2008, Chinese Premier Wen Jiabao declared that China had provided USD 27.1 billion in development assistance since 1950, including USD 11.9 billion in the form of grants. Moreover, by June 2008, China had forgiven USD 3.2 billion of debt for 49 heavily indebted poor and least-developed countries in Asia and Africa. At the Fourth Ministerial Conference of the Forum on China-Africa Cooperation (FOCAC) in November 2009, Chinese Premier Wen Jiabao announced eight new measures to enhance China's co-operation with Africa in the areas of climate change, science and technology, agriculture, medical care and health, human resources development and education, cultural exchanges, trade preferences and financial capacity support. The latter includes USD 10 billion in concessional loans to African countries, a special loan of USD 1 billion for small and medium-sized businesses in Africa, and additional debt forgiveness.

According to the annual report of the Indian Ministry of External Affairs, the country's aid and loan programme amounted to USD 609.5 million in the 2008/09 fiscal year, up from USD 392.6 million in 2007/08. India's aid is primarily administered by the Department of Economic Affairs of the Ministry of Finance, which also oversees the lending programme of the Export Import Bank. Technical assistance is administered by the Technical and Economic Co-operation Division of the Ministry of External Affairs. India channels most of its development assistance budget to neighbouring countries, including Bhutan (which accounted for almost half of total assistance in 2008/09), Bangladesh, Nepal, Sri Lanka, Myanmar and the Maldives.

The Russian Federation estimated its annual ODA budget to be USD 210 million in 2007, continuing the steady increase from roughly USD 50 million in 2004. Much of this aid is provided through multilateral channels, including the World Bank and International Monetary Fund, the UN system, major global initiatives and special purpose funds. The country plans further increases and, in June 2007, the Concept of Russia's Participation in International Development Assistance gained presidential approval. At a conference on Russia's aid in May 2008, the Deputy Minister of Finance, Dmitry Pankin, indicated that further increases (to about USD 400-500 million) were planned. It remains unclear how the financial crisis will affect these plans. Russia has declared that it intends to begin reporting aid to the DAC once it has the necessary capacity to do so.

South Africa's development co-operation is on the rise and is channelled mainly through the African Renaissance and International Co-operation Fund. The fund has grown from under USD 7 million in 2003 to almost 40 million in 2008/09; total development assistance from South Africa has been estimated at USD 61 million for 2006/07, based on reports from the Department of Foreign Affairs. The African National Congress Policy Conference in 2007 confirmed that the focus of such assistance continues to be regional. It is estimated that around 70% of South African aid is channelled to countries in the Southern African Development Community.

In addition to their bilateral aid efforts, non-OECD member countries also use the multilateral system. Table 8.2 shows countries' contributions to selected multilateral organisations, including United Nations organisations, the World Bank and regional development banks.

Table 8.2. **Selected non-OECD member countries' contributions to multilateral organisations in 2008**

Reported in USD thousands

Agency	Argentina	Brazil	Chile	China	India	Indonesia	Kuwait	Mexico	Russia	Saudi Arabia	South Africa	United Arab Emirates	Venezuela
UNDP	595	550	679	3 817	4 553	411	570		774	4 000	1 564	324	488
UNICEF	10	3 012	77	1 290	2 800	100	200		1 000	2 500	25	13 938	
UNRWA		200	15	80	20	10	2 500	5		40	148	5 337	
WFP	100	1 441		9 576	17 130	2 000		50	15 000	503 753	315	50	750
UNHCR	30		100	652	10		2 000	102	2 000	112	146	54	5
UNFPA[1]	5		5	900	222	36	50		300	300	23		10
UNIFEM	10	25	2	30	20	100	20	60		100		50	
IFAD[2]		2 639		5 000		3 000	2 800	1 000		3 500		650	7 500
GFATM				2 000			1 000		78 405	6 000	146		
IADB[3]	10 859	10 859	2 982					6 980					
AfDB[4]				40 613			3 384				3 633		
AsDB[5]				7 500									
WB/IDA[6]		42 051					9 650	3 449	19 515	16 666	5 513		2 069
Total	**11 609**	**60 776**	**3 860**	**71 457**	**24 756**	**5 657**	**22 174**	**11 647**	**116 994**	**536 971**	**11 513**	**20 403**	**10 822**

1. Figures represent payments made in 2007.
2. Figures represent cash payments or promissory note encashments received.
3. IADB-8: Eighth General Increase in IADB's resources.
4. AfDB-11: Eleventh replenishment, average annual contribution.
5. AsDB-9: Ninth replenishment, average annual contribution.
6. IDA-14: Fourteenth replenishment, average annual contribution.

Source: Multilateral institutions' websites.

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ANNEX

Paris Declaration on Aid Effectiveness and the Accra Agenda for Action

Paris Declaration on Aid Effectiveness

Ownership, Harmonisation, Alignment, Results and Mutual Accountability

I. Statement of Resolve

1. We, Ministers of developed and developing countries responsible for promoting development and Heads of multilateral and bilateral development institutions, meeting in Paris on 2 March 2005, resolve to take far-reaching and monitorable actions to reform the ways we deliver and manage aid as we look ahead to the UN five-year review of the Millennium Declaration and the Millennium Development Goals (MDGs) later this year. As in Monterrey, we recognise that while the volumes of aid and other development resources must increase to achieve these goals, aid effectiveness must increase significantly as well to support partner country efforts to strengthen governance and improve development performance. This will be all the more important if existing and new bilateral and multilateral initiatives lead to significant further increases in aid.

2. At this High-Level Forum on Aid Effectiveness, we followed up on the Declaration adopted at the High-Level Forum on Harmonisation in Rome (February 2003) and the core principles put forward at the Marrakech Roundtable on Managing for Development Results (February 2004) because we believe they will increase the impact aid has in reducing poverty and inequality, increasing growth, building capacity and accelerating achievement of the MDGs.

Scale up for more effective aid

3. We reaffirm the commitments made at Rome to harmonise and align aid delivery. We are encouraged that many donors and partner countries are making aid effectiveness a high priority, and we reaffirm our commitment to accelerate progress in implementation, especially in the following areas:

i) Strengthening partner countries' national development strategies and associated operational frameworks (*e.g.,* planning, budget, and performance assessment frameworks).

ii) Increasing alignment of aid with partner countries' priorities, systems and procedures and helping to strengthen their capacities.

iii) Enhancing donors' and partner countries' respective accountability to their citizens and parliaments for their development policies, strategies and performance.

iv) Eliminating duplication of efforts and rationalising donor activities to make them as cost-effective as possible.

v) Reforming and simplifying donor policies and procedures to encourage collaborative behaviour and progressive alignment with partner countries' priorities, systems and procedures.

vi) Defining measures and standards of performance and accountability of partner country systems in public financial management, procurement, fiduciary safeguards and environmental assessments, in line with broadly accepted good practices and their quick and widespread application.

4. We commit ourselves to taking concrete and effective action to address the remaining challenges, including:

i) Weaknesses in partner countries' institutional capacities to develop and implement results-driven national development strategies.

ii) Failure to provide more predictable and multi-year commitments on aid flows to committed partner countries.

iii) Insufficient delegation of authority to donors' field staff, and inadequate attention to incentives for effective development partnerships between donors and partner countries.

iv) Insufficient integration of global programmes and initiatives into partner countries' broader development agendas, including in critical areas such as HIV/AIDS.

v) Corruption and lack of transparency, which erode public support, impede effective resource mobilisation and location and divert resources away from activities that are vital for poverty reduction and sustainable economic development. Where corruption exists, it inhibits donors from relying on partner country systems.

5. We acknowledge that enhancing the effectiveness of aid is feasible and necessary across all aid modalities. In determining the most effective modalities of aid delivery, we will be guided by development strategies and priorities established by partner countries. Individually and collectively, we will choose and design appropriate and complementary modalities so as to maximise their combined effectiveness.

6. In following up the Declaration, we will intensify our efforts to provide and use development assistance, including the increased flows as promised at Monterrey, in ways that rationalise the often excessive fragmentation of donor activities at the country and sector levels.

Adapt and apply to differing country situations

7. Enhancing the effectiveness of aid is also necessary in challenging and complex situations, such as the tsunami disaster that struck countries of the Indian Ocean rim on 26 December 2004. In such situations, worldwide humanitarian and development assistance must be harmonised within the growth and poverty reduction agendas of partner countries. In fragile states, as we support state-building and delivery of basic services, we will ensure that the principles of harmonisation, alignment and managing for results are adapted to environments of weak governance and capacity. Overall, we will give increased attention to such complex situations as we work toward greater aid effectiveness.

Specify indicators, timetable and targets

8. We accept that the reforms suggested in this Declaration will require continued high-level political support, peer pressure and co-ordinated actions at the global, regional and country levels. We commit to accelerate the pace of change by implementing, in a spirit of mutual accountability, the Partnership Commitments presented in Section II and

to measure progress against 12 specific indicators that we have agreed today and that are set out in Section III of this Declaration.

9. As a further spur to progress, we will set targets for the year 2010. These targets, which will involve action by both donors and partner countries, are designed to track and encourage progress at the global level among the countries and agencies that have agreed to this Declaration. They are not intended to prejudge or substitute for any targets that individual partner countries may wish to set. We have agreed today to set five preliminary targets against indicators as shown in Section III. We agree to review these preliminary targets and to adopt targets against the remaining indicators as shown in Section III before the UNGA Summit in September 2005; and we ask the partnership of donors and partner countries hosted by the DAC to prepare for this urgently.[1] Meanwhile, we welcome initiatives by partner countries and donors to establish their own targets for improved aid effectiveness within the framework of the agreed Partnership Commitments and Indicators of Progress. For example, a number of partner countries have presented action plans, and a large number of donors have announced important new commitments. We invite all participants who wish to provide information on such initiatives to submit it by 4 April 2005 for subsequent publication.

Monitor and evaluate implementation

10. Because demonstrating real progress at country level is critical, under the leadership of the partner country we will periodically assess, qualitatively as well as quantitatively, our mutual progress at country level in implementing agreed commitments on aid effectiveness. In doing so, we will make use of appropriate country level mechanisms.

11. At the international level, we call on the partnership of donors and partner countries hosted by the DAC to broaden partner country participation and, by the end of 2005, to propose arrangements for the medium term monitoring of the commitments in this Declaration. In the meantime, we ask the partnership to co-ordinate the international monitoring of the Indicators of Progress included in Section III; to refine targets as necessary; to provide appropriate guidance to establish baselines; and to enable consistent aggregation of information across a range of countries to be summed up in a periodic report. We will also use existing peer review mechanisms and regional reviews to support progress in this agenda. We will, in addition, explore independent cross-country monitoring and evaluation processes – which should be applied without imposing additional burdens on partners – to provide a more comprehensive understanding of how increased aid effectiveness contributes to meeting development objectives.

12. Consistent with the focus on implementation, we plan to meet again in 2008 in a developing country and conduct two rounds of monitoring before then to review progress in implementing this Declaration.

II. Partnership Commitments

13. Developed in a spirit of mutual accountability, these Partnership Commitments are based on the lessons of experience. We recognise that commitments need to be interpreted in the light of the specific situation of each partner country.

Ownership

Partner countries exercise effective leadership over their development policies, and strategies and co-ordinate development actions.

14. **Partner countries** commit to:

- Exercise leadership in developing and implementing their national development strategies[2] through broad consultative processes.
- Translate these national development strategies into prioritised results-oriented operational programmes as expressed in medium-term expenditure frameworks and annual budgets (**Indicator 1**).
- Take the lead in co-ordinating aid at all levels in conjunction with other development resources in dialogue with donors and encouraging the participation of civil society and the private sector.

15. **Donors** commit to:

- Respect partner country leadership and help strengthen their capacity to exercise it.

Alignment

Donors base their overall support on partner countries' national development strategies, institutions and procedures.

Donors align with partners' strategies

16. **Donors** commit to:

- Base their overall support – country strategies, policy dialogues and development co-operation programmes – on partners' national development strategies and periodic reviews of progress in implementing these strategies[3] (**Indicator 3**).
- Draw conditions, whenever possible, from a partner's national development strategy or its annual review of progress in implementing this strategy. Other conditions would be included only when a sound justification exists and would be undertaken transparently and in close consultation with other donors and stake holders.
- Link funding to a single framework of conditions and/or a manageable set of indicators derived from the national development strategy. This does not mean that all donors have identical conditions, but that each donor's conditions should be derived from a common streamlined framework aimed at achieving lasting results.

Donors use strengthened country systems

17. Using a country's own institutions and systems, where these provide assurance that aid will be used for agreed purposes, increases aid effectiveness by strengthening the partner country's sustainable capacity to develop, implement and account for its policies to its citizens and parliament. Country systems and procedures typically include, but are not restricted to, national arrangements and procedures for public financial management, accounting, auditing, procurement, results frameworks and monitoring.

18. Diagnostic reviews are an important – and growing – source of information to governments and donors on the state of country systems in partner countries. Partner countries and donors have a shared interest in being able to monitor progress over time in improving country systems. They are assisted by performance assessment frameworks, and an associated set of reform measures, that build on the information set out in diagnostic reviews and related analytical work.

19. **Partner countries** and **donors** jointly commit to:

- Work together to establish mutually agreed frameworks that provide reliable assessments of performance, transparency and accountability of country systems (**Indicator 2**).
- Integrate diagnostic reviews and performance assessment frameworks within country-led strategies for capacity development.

20. **Partner countries** commit to:

- Carry out diagnostic reviews that provide reliable assessments of country systems and procedures.
- On the basis of such diagnostic reviews, undertake reforms that may be necessary to ensure that national systems, institutions and procedures for managing aid and other development resources are effective, accountable and transparent.
- Undertake reforms, such as public management reform, that may be necessary to launch and fuel sustainable capacity development processes.

21. **Donors** commit to:

- Use country systems and procedures to the maximum extent possible. Where use of country systems is not feasible, establish additional safeguards and measures in ways that strengthen rather than undermine country systems and procedures (**Indicator 5**).
- Avoid, to the maximum extent possible, creating dedicated structures for day-to-day management and implementation of aid-financed projects and programmes (**Indicator 6**).
- Adopt harmonised performance assessment frameworks for country systems so as to avoid presenting partner countries with an excessive number of potentially conflicting targets.

Partner countries strengthen development capacity with support from donors

22. The capacity to plan, manage, implement, and account for results of policies and programmes, is critical for achieving development objectives – from analysis and dialogue through implementation, monitoring and evaluation. Capacity development is the responsibility of partner countries with donors playing a support role. It needs not only to be based on sound technical analysis, but also to be responsive to the broader social, political and economic environment, including the need to strengthen human resources.

23. **Partner countries** commit to:

- Integrate specific capacity strengthening objectives in national development strategies and pursue their implementation through country-led capacity development strategies where needed.

24. **Donors** commit to:

- Align their analytic and financial support with partners' capacity development objectives and strategies, make effective use of existing capacities and harmonise support for capacity development accordingly (**Indicator 4**).

Strengthen public financial management capacity

25. **Partner countries** commit to:

- Intensify efforts to mobilise domestic resources, strengthen fiscal sustainability, and create an enabling environment for public and private investments.
- Publish timely, transparent and reliable reporting on budget execution.
- Take leadership of the public financial management reform process.

26. **Donors** commit to:

- Provide reliable indicative commitments of aid over a multi-year framework and disburse aid in a timely and predictable fashion according to agreed schedules (**Indicator 7**).
- Rely to the maximum extent possible on transparent partner government budget and accounting mechanisms (**Indicator 5**).

27. **Partner countries** and **donors** jointly commit to:

- Implement harmonised diagnostic reviews and performance assessment frameworks in public financial management.

Strengthen national procurement systems

28. **Partner countries** and **donors** jointly commit to:

- Use mutually agreed standards and processes[4] to carry out diagnostics, develop sustainable reforms and monitor implementation.
- Commit sufficient resources to support and sustain medium and long-term procurement reforms and capacity development.
- Share feedback at the country level on recommended approaches so they can be improved over time.

29. **Partner countries** commit to take leadership and implement the procurement reform process.

30. **Donors** commit to:

- Progressively rely on partner country systems for procurement when the country has implemented mutually agreed standards and processes (**Indicator 5**).
- Adopt harmonised approaches when national systems do not meet mutually agreed levels of performance or donors do not use them.

Untie aid: getting better value for money

31. Untying aid generally increases aid effectiveness by reducing transaction costs for partner countries and improving country ownership and alignment. DAC Donors will continue to make progress on untying as encouraged by the 2001 DAC Recommendation on Untying Official Development Assistance to the Least Developed Countries (**Indicator 8**).

Harmonisation

Donors' actions are more harmonised, transparent and collectively effective.

Donors implement common arrangements and simplify procedures

32. **Donors** commit to:

- Implement the donor action plans that they have developed as part of the follow-up to the Rome High-Level Forum.
- Implement, where feasible, common arrangements at country level for planning, funding (*e.g.* joint financial arrangements), disbursement, monitoring, evaluating and reporting to government on donor activities and aid flows. Increased use of programme-based aid modalities can contribute to this effort (**Indicator 9**).
- Work together to reduce the number of separate, duplicative, missions to the field and diagnostic reviews (**Indicator 10**); and promote joint training to share lessons learnt and build a community of practice.

Complementarity: more effective division of labour

33. Excessive fragmentation of aid at global, country or sector level impairs aid effectiveness. A pragmatic approach to the division of labour and burden sharing increases complementarity and can reduce transaction costs.

34. **Partner countries** commit to:

- Provide clear views on donors' comparative advantage and on how to achieve donor complementarity at country or sector level.

35. **Donors** commit to:

- Make full use of their respective comparative advantage at sector or country level by delegating, where appropriate, authority to lead donors for the execution of programmes, activities and tasks.
- Work together to harmonise separate procedures.

Incentives for collaborative behaviour

36. **Donors** and **partner countries** jointly commit to:

- Reform procedures and strengthen incentives – including for recruitment, appraisal and training – for management and staff to work towards harmonisation, alignment and results.

Delivering effective aid in fragile states[5]

37. The long-term vision for international engagement in fragile states is to build legitimate, effective and resilient state and other country institutions. While the guiding principles of effective aid apply equally to fragile states, they need to be adapted to environments of weak ownership and capacity and to immediate needs for basic service delivery.

38. **Partner countries** commit to:

- Make progress towards building institutions and establishing governance structures that deliver effective governance, public safety, security, and equitable access to basic social services for their citizens.

- Engage in dialogue with donors on developing simple planning tools, such as the transitional results matrix, where national development strategies are not yet in place.
- Encourage broad participation of a range of national actors in setting development priorities.

39. **Donors** commit to:

- Harmonise their activities. Harmonisation is all the more crucial in the absence of strong government leadership. It should focus on upstream analysis, joint assessments, joint strategies, co-ordination of political engagement; and practical initiatives such as the establishment of joint donor offices.
- Align to the maximum extent possible behind central government-led strategies or, if that is not possible, donors should make maximum use of country, regional, sector or non-government systems.
- Avoid activities that undermine national institution building, such as bypassing national budget processes or setting high salaries for local staff.
- Use an appropriate mix of aid instruments, including support for recurrent financing, particularly for countries in promising but high-risk transitions.

Promoting a harmonised approach to environmental assessments

40. Donors have achieved considerable progress in harmonisation around environmental impact assessment (EIA) including relevant health and social issues at the project level. This progress needs to be deepened, including on addressing implications of global environmental issues such as climate change, desertification and loss of biodiversity.

41. **Donors** and **partner countries** jointly commit to:

- Strengthen the application of EIAs and deepen common procedures for projects, including consultations with stake holders; and develop and apply common approaches for "strategic environmental assessment" at the sector and national levels.
- Continue to develop the specialised technical and policy capacity necessary for environmental analysis and for enforcement of legislation.

42. Similar harmonisation efforts are also needed on other cross-cutting issues, such as gender equality and other thematic issues including those financed by dedicated funds.

Managing for Results

Managing resources and improving decision-making for results

43. Managing for results means managing and implementing aid in a way that focuses on the desired results and uses information to improve decision-making.

44. **Partner countries** commit to:

- Strengthen the linkages between national development strategies and annual and multi-annual budget processes.
- Endeavour to establish results-oriented reporting and assessment frameworks that monitor progress against key dimensions of the national and sector development strategies; and that these frameworks should track a manageable number of indicators for which data are cost-effectively available (**Indicator 11**).

45. **Donors** commit to:

- Link country programming and resources to results and align them with effective partner country performance assessment frameworks, refraining from requesting the introduction of performance indicators that are not consistent with partners' national development strategies.
- Work with partner countries to rely, as far as possible, on partner countries' results-oriented reporting and monitoring frameworks.
- Harmonise their monitoring and reporting requirements, and, until they can rely more extensively on partner countries' statistical, monitoring and evaluation systems, with partner countries to the maximum extent possible on joint formats for periodic reporting.

46. **Partner countries** and **donors** jointly commit to:

- Work together in a participatory approach to strengthen country capacities and demand for results-based management.

Mutual Accountability

Donors and partners are accountable for development results

47. A major priority for partner countries and donors is to enhance mutual accountability and transparency in the use of development resources. This also helps strengthen public support for national policies and development assistance.

48. Partner countries commit to:

- Strengthen as appropriate the parliamentary role in national development strategies and/or budgets.
- Reinforce participatory approaches by systematically involving a broad range of development partners when formulating and assessing progress in implementing national development strategies.

49. **Donors** commit to:

- Provide timely, transparent and comprehensive information on aid flows so as to enable partner authorities to present comprehensive budget reports to their legislatures and citizens.

50. **Partner countries** and **donors** commit to:

- Jointly assess through existing and increasingly objective country level mechanisms mutual progress in implementing agreed commitments on aid effectiveness, including the Partnership Commitments (**Indicator 12**).

III. Indicators of Progress

To be measured nationally and monitored internationally

Indicators	Ownership	Target for 2010	
1	*Partners have operational development strategies* – Number of countries with national development strategies (including poverty reduction strategies) that have clear strategic priorities linked to a medium-term expenditure framework and reflected in annual budgets.	**At least 75% of partner countries** have operational development strategies.	
	Alignment	Target for 2010	
2	*Reliable country systems* – Number of partner countries that have procurement and public financial management systems that either: *a)* adhere to broadly accepted good practices or *b)* have a reform programme in place to achieve these.	*a)* **Public financial management** (PFM) – Half of partner countries move up at least one measure (*i.e.* 0.5 points) on the PFM/CPIA (Country Policy and Institutional Assessment) scale of performance. *b)* **Procurement** – One-third of partner countries move up at least one measure (*i.e.* from D to C, C to B, or B to A) on the four-point scale used to assess performance for this indicator.	
3	*Aid flows are aligned on national priorities* – Percent of aid flows to the government sector that is reported on partners' national budgets.	**Halve the gap** – Halve the proportion of aid flows to government sector not reported on government's budget(s) (with at least 85% reported on budget).	
4	*Strengthen capacity by co-ordinated support* – Percent of donor capacity-development support provided through co-ordinated programmes consistent with partners' national development strategies.	**50% of technical co-operation flows** are implemented through co-ordinated programmes consistent with national development strategies.	
5a	*Use of country public financial management systems* – Percent of donors and of aid flows that use public financial management systems in partner countries, which either: *a)* adhere to broadly accepted good practices or *b)* have a reform programme in place to achieve these.	Percentage of donors	
		Target	Score[1]
		All donors use partner countries' PFM systems.	5+
		90% of donors use partner countries' PFM systems.	3.5 to 4.5
		Percentage of aid flows	
		Target	Score[1]
		A two-thirds reduction in the per cent of aid to the public sector not using partner countries' PFM systems.	5+
		A one-third reduction in the per cent of aid to the public sector not using partner countries' PFM systems.	3.5 to 4.5
5b	*Use of country procurement systems* – Percent of donors and of aid flows that use partner country procurement systems which either: *a)* adhere to broadly accepted good practices or *b)* have a reform programme in place to achieve these.	Percentage of donors	
		Target	Score[1]
		All donors use partner countries' procurement systems.	A
		90% of donors use partner countries' procurement systems.	B
		Percentage of aid flows	
		Target	Score[1]
		A two-thirds reduction in the per cent of aid to the public sector not using a partner.	A
		A one-third reduction in the per cent of aid to the public sector not using partner countries' procurement systems.	B

Indicators	Alignment	Target for 2010
6	*Strengthen capacity by avoiding parallel implementation structures* – Number of parallel project implementation units (PIUs) per country.	**Reduce by two-thirds** the stock of parallel project implementation units (PIUs).
7	*Aid is more predictable* – Percent of aid disbursements released according to agreed schedules in annual or multi-year frameworks.	**Halve the gap** – Halve the proportion of aid not disbursed within the fiscal year for which it was scheduled.
8	*Aid is untied* – Percent of bilateral aid that is untied.	**Continue progress over time**.
	Harmonisation	Target for 2010
9	*Use common arrangements or procedures* – Percent of aid provided as programme-based approaches.	**66% of aid flows** are provided in the context of programme-based approaches.
10	*Encourage shared analysis* – Percent of: *a)* field missions and/or *b)* country analytic work, including diagnostic reviews that are joint.	*a)* **40% of donor missions** to the field are joint. *b)* **66% of country analytic work** is joint.
	Managing for results	Target for 2010
11	*Results-oriented frameworks* – Number of countries with transparent and monitorable performance assessment frameworks to assess progress against: *a)* the national development strategies and *b)* sector programmes.	**Reduce the gap by one-third** – Reduce the proportion of countries without transparent and monitorable performance assessment frameworks by one-third.
	Mutual accountability	Target for 2010
12	*Mutual accountability* – Number of partner countries that undertake mutual assessments of progress in implementing agreed commitments on aid effectiveness, including those in this Declaration.	**All partner countries** have mutual assessment reviews in place.

Important Note: In accordance with paragraph 9 of the Declaration, the partnership of donors and partner countries hosted by the DAC (Working Party on Aid Effectiveness) comprising OECD DAC members, partner countries and multilateral institutions, met twice, on 30-31 May 2005 and on 7-8 July 2005 to adopt, and review where appropriate, the targets for the twelve Indicators of Progress. At these meetings, an agreement was reached on the targets presented under Section III of the present Declaration. This agreement is subject to reservations by one donor on *a)* the methodology for assessing the quality of locally managed procurement systems (relating to targets 2b and 5b); and *b)* the acceptable quality of public financial management reform programmes (relating to target 5a.ii). Further discussions are underway to address these issues. The targets, including the reservation, have been notified to the Chairs of the High-Level Plenary Meeting of the 59th General Assembly of the United Nations in a letter of 9 September 2005 by Mr. Richard Manning, Chair of the OECD DAC at the time.

1. *Note on Indicator 5:* Scores for Indicator 5 are determined by the methodology used to measure quality of procurement and public financial management systems under Indicator 2 above.

Appendix A

Methodological notes on the Indicators of Progress

The Indicators of Progress provides a framework in which to make operational the responsibilities and accountabilities that are framed in the Paris Declaration on Aid Effectiveness. This framework draws selectively from the Partnership Commitments presented in Section II of this Declaration.

Purpose – The Indicators of Progress provide a framework in which to make operational the responsibilities and accountabilities that are framed in the Paris Declaration on Aid Effectiveness. They measure principally collective behaviour at the country level.

Country level *vs.* global level – The indicators are to be measured at the country level in close collaboration between partner countries and donors. Values of country level indicators can then be statistically aggregated at the regional or global level. This global aggregation would be done both for the country panel mentioned below, for purposes of statistical comparability, and more broadly for all partner countries for which relevant data are available.

Donor/Partner country performance – The indicators of progress also provide a benchmark against which individual donor agencies or partner countries can measure their performance at the country, regional, or global level. In measuring individual donor performance, the indicators should be applied with flexibility in the recognition that donors have different institutional mandates.

Targets – The targets are set at the global level. Progress against these targets is to be measured by aggregating data measured at the country level. In addition to global targets, partner countries and donors in a given country might agree on country-level targets.

Baseline – A baseline will be established for 2005 in a panel of self-selected countries. The partnership of donors and partner countries hosted by the DAC (Working Party on Aid Effectiveness) is asked to establish this panel.

Definitions and criteria – The partnership of donors and partner countries hosted by the DAC (Working Party on Aid Effectiveness) is asked to provide specific guidance on definitions, scope of application, criteria and methodologies to assure that results can be aggregated across countries and across time.

Note on Indicator 9 – Programme-based approaches are defined in Volume 2 of *Harmonising Donor Practices for Effective Aid Delivery* (OECD, 2005) in Box 3.1 as a way of engaging in development cooperation based on the principles of co-ordinated support for a locally owned programme of development, such as a national development strategy, a sector programme, a thematic programme or a programme of a specific organisation. Programme based approaches share the following features: *a)* leadership by the host country or organisation; *b)* a single comprehensive programme and budget framework; *c)* a formalised process for donor co-ordination and harmonisation of donor procedures for reporting, budgeting, financial management and procurement; *d)* Efforts to increase the use of local systems for programme design and implementation, financial management, monitoring and evaluation. For the purpose of Indicator 9, performance will be measured separately across the aid modalities that contribute to programme-based approaches.

Appendix B – *List of participating countries and organisations*

Participating countries

Albania	Australia	Austria	Bangladesh
Belgium	Benin	Bolivia	Botswana
[Brazil][1]	Burkina Faso	Burundi	Cambodia
Cameroon	Canada	China	Congo D.R.
Czech Republic	Denmark	Dominican Republic	Egypt
Ethiopia	European Commission	Fiji	Finland
France	Gambia, The	Germany	Ghana
Greece	Guatemala	Guinea	Honduras
Iceland	Indonesia	Ireland	Italy
Jamaica	Japan	Jordan	Kenya
Korea	Kuwait	Kyrgyz Republic	Lao PDR
Luxembourg	Madagascar	Malawi	Malaysia
Mali	Mauritania	Mexico	Mongolia
Morocco	Mozambique	Nepal	Netherlands
New Zealand	Nicaragua	Niger	Norway
Pakistan	Papua New Guinea	Philippines	Poland
Portugal	Romania	Russian Federation	Rwanda
Saudi Arabia	Senegal	Serbia and Montenegro	Slovak Republic
Solomon Islands	South Africa	Spain	Sri Lanka
Sweden	Switzerland	Tajikistan	Tanzania
Thailand	Timor-Leste	Tunisia	Turkey
Uganda	United Kingdom	United States of America	Vanuatu
Vietnam	Yemen	Zambia	

1. To be confirmed.

More countries than listed here have endorsed the Paris Declaration. For a full and up-to-date list, please consult *www.oecd.org/dac/effectiveness/parisdeclaration/members*.

Participating organisations

African Development Bank	Arab Bank for Economic Development in Africa
Asian Development Bank	Commonwealth Secretariat
Consultative Group to Assist the Poorest	Council of Europe Development Bank
Economic Commission for Africa	Education for All Fast Track Initiative
European Bank for Reconstruction and Development	European Investment Bank
Global Fund to Fight Aids, Tuberculosis and Malaria	G24
Inter-American Development Bank	International Fund for Agricultural Development
International Monetary Fund	International Organisation of the Francophonie
Islamic Development Bank	Millennium Campaign
New Partnership for Africa's Development	Nordic Development Fund
Organisation for Economic Co-operation and Development	Organisation of Eastern Caribbean States
OPEC Fund for International Development	Pacific Islands Forum Secretariat
United Nations Development Group	World Bank

Civil society organisations

Africa Humanitarian Action
AFRODAD
Bill and Melinda Gates Foundations
Canadian Council for International Cooperation
Comité Catholique contre la Faim et pour le Développement
Coopération Internationale pour le Développement et la Solidarité
Comisión Económica (Nicaragua)
ENDA Tiers Monde
EURODAD
International Union for Conservation of Nature and Natural Resources
Japan NGO Center for International Cooperation
Reality of Aid Network
Tanzania Social and Economic Trust
UK Aid Network

Notes

1. In accordance with paragraph 9 of the Declaration, the partnership of donors and partner countries hosted by the DAC (Working Party on Aid Effectiveness) comprising OECD/DAC members, partner countries and multilateral institutions, met twice, on 30-31 May 2005 and on 7-8 July 2005 to adopt, and review where appropriate, the targets for the twelve Indicators of Progress. At these meetings an agreement was reached on the targets presented under Section III of the present Declaration. This agreement is subject to reservations by one donor on *a)* the methodology for assessing the quality of locally-managed procurement systems (relating to targets 2b and 5b) and *b)* the acceptable quality of public financial management reform programmes (relating to target 5a.ii). Further discussions are under way to address these issues. The targets, including the reservation, have been notified to the Chairs of the High-level Plenary Meeting of the 59th General Assembly of the United Nations in a letter of 9 September 2005 by Mr. Richard Manning, Chair of the OECD DAC at the time.
2. The term "national development strategies" includes poverty reduction and similar over arching strategies as well as sector and thematic strategies.
3. This includes for example the Annual Progress Review of the Poverty Reduction Strategies (APR).
4. Such as the processes developed by the joint OECD-DAC – World Bank Round Table on Strengthening Procurement Capacities in Developing Countries.
5. The following section draws on the draft Principles for Good International Engagement in Fragile States, which emerged from the Senior Level Forum on Development Effectiveness in Fragile States (London, January 2005).

Accra Agenda for Action

Ministers of developing and donor countries responsible for promoting development and Heads of multilateral and bilateral development institutions endorsed the following statement in Accra, Ghana, on 4 September 2008 to accelerate and deepen implementation of the Paris Declaration on Aid Effectiveness (2 March 2005).

This is a moment of opportunity

1. We are committed to eradicating poverty and promoting peace and prosperity by building stronger, more effective partnerships that enable developing countries to realise their development goals.

2. There has been progress. Fifteen years ago, two out of five people lived in extreme poverty; today, that figure has been reduced to one in four. However, 1.4 billion people – most of them women and girls – still live in extreme poverty,[1] and access to safe drinking water and health care remains a major issue in many parts of the world. In addition, new global challenges – rising food and fuel prices and climate change – threaten the advances against poverty many countries have made.

3. We need to achieve much more if all countries are to meet the Millennium Development Goals (MDGs). Aid is only one part of the development picture. Democracy, economic growth, social progress, and care for the environment are the prime engines of development in all countries. Addressing inequalities of income and opportunity within countries and between states is essential to global progress. Gender equality, respect for human rights, and environmental sustainability are cornerstones for achieving enduring impact on the lives and potential of poor women, men, and children. It is vital that all our policies address these issues in a more systematic and coherent way.

4. In 2008, three international conferences will help us accelerate the pace of change: the Accra High Level Forum on Aid Effectiveness, the United Nations High Level Event on the MDGs in New York, and the Financing for Development follow-up meeting in Doha. Today at Accra, we are leading the way, united in a common objective: to unlock the full potential of aid in achieving lasting development results.

We are making progress, but not enough

5. Learning from our past successes and failures in development co-operation and building on the 2003 Rome Declaration on Harmonisation, in March 2005 we adopted an ambitious set of reforms: the Paris Declaration on Aid Effectiveness. In the Paris Declaration, we agreed to develop a genuine partnership, with developing countries clearly in charge of their own development processes. We also agreed to hold each other accountable for achieving concrete development results. Three and one-half years later, we are reconvening in Accra to review progress and address the challenges that now face us.

6. Evidence shows we are making progress, but not enough. A recent evaluation shows that the Paris Declaration has created powerful momentum to change the way developing countries and donors work together on the ground. According to the 2008 Monitoring Survey, a large number of developing countries have improved their management of public funds. Donors, in turn, are increasingly improving their co-ordination at country level. Yet the pace of progress is too slow. Without further reform and faster action we will not meet our 2010 commitments and targets for improving the quality of aid.

We will take action to accelerate progress

7. Evidence shows that we will need to address three major challenges to accelerate progress on aid effectiveness:

8. **Country ownership is key.** Developing country governments will take stronger leadership of their own development policies, and will engage with their parliaments and citizens in shaping those policies. Donors will support them by respecting countries' priorities, investing in their human resources and institutions, making greater use of their systems to deliver aid, and increasing the predictability of aid flows.

9. **Building more effective and inclusive partnerships.** In recent years, more development actors – middle-income countries, global funds, the private sector, civil society organisations – have been increasing their contributions and bringing valuable experience to the table. This also creates management and co-ordination challenges. Together, all development actors will work in more inclusive partnerships so that all our efforts have greater impact on reducing poverty.

10. **Achieving development results – and openly accounting for them – must be at the heart of all we do.** More than ever, citizens and taxpayers of all countries expect to see the tangible results of development efforts. We will demonstrate that our actions translate into positive impacts on people's lives. We will be accountable to each other and to our respective parliaments and governing bodies for these outcomes.

11. Without addressing these obstacles to faster progress, we will fall short of our commitments and miss opportunities to improve the livelihoods of the most vulnerable people in the world. Therefore, we are reaffirming the commitments we made in the Paris Declaration and, in this Accra Agenda for Action, are agreeing on concrete and monitorable actions to accelerate progress to meet those commitments by 2010. We commit to continuing efforts in monitoring and evaluation that will assess whether we have achieved the commitments we agreed in the Paris Declaration and the Accra Agenda for Action, and to what extent aid effectiveness is improving and generating greater development impact.

Strengthening country ownership over development

12. Developing countries determine and implement their development policies to achieve their own economic, social and environmental goals. We agreed in the Paris Declaration that this would be our first priority. Today, we are taking additional steps to turn this resolution into a reality.

We will broaden country-level policy dialogue on development

13. We will engage in open and inclusive dialogue on development policies. We acknowledge the critical role and responsibility of parliaments in ensuring country

ownership of development processes. To further this objective we will take the following actions:

a) Developing country governments will work more closely with parliaments and local authorities in preparing, implementing and monitoring national development policies and plans. They will also engage with civil society organisations (CSOs).

b) Donors will support efforts to increase the capacity of all development actors – parliaments, central and local governments, CSOs, research institutes, media and the private sector – to take an active role in dialogue on development policy and on the role of aid in contributing to countries' development objectives.

c) Developing countries and donors will ensure that their respective development policies and programmes are designed and implemented in ways consistent with their agreed international commitments on gender equality, human rights, disability and environmental sustainability.

Developing countries will strengthen their capacity to lead and manage development

14. Without robust capacity – strong institutions, systems, and local expertise – developing countries cannot fully own and manage their development processes. We agreed in the Paris Declaration that capacity development is the responsibility of developing countries, with donors playing a supportive role, and that technical co-operation is one means among others to develop capacity. Together, developing countries and donors will take the following actions to strengthen capacity development:

a) Developing countries will systematically identify areas where there is a need to strengthen the capacity to perform and deliver services at all levels – national, sub-national, sectoral, and thematic – and design strategies to address them. Donors will strengthen their own capacity and skills to be more responsive to developing countries' needs.

b) Donors' support for capacity development will be demand-driven and designed to support country ownership.

c) To this end, developing countries and donors will: *i)* jointly select and manage technical co-operation; and *ii)* promote the provision of technical co-operation by local and regional resources, including through South-South co-operation.

d) Developing countries and donors will work together at all levels to promote operational changes that make capacity development support more effective.

We will strengthen and use developing country systems to the maximum extent possible

15. Successful development depends to a large extent on a government's capacity to implement its policies and manage public resources through its own institutions and systems. In the Paris Declaration, developing countries committed to strengthen their systems[2] and donors committed to use those systems to the maximum extent possible. Evidence shows, however, that developing countries and donors are not on track to meet these commitments. Progress in improving the quality of country systems varies considerably among countries; and even when there are good-quality country systems, donors often do not use them. Yet it is recognised that using country systems promotes

their development. To strengthen and increase the use of country systems, we will take the following actions:

a) Donors agree to use country systems as the first option for aid programmes in support of activities managed by the public sector.

b) Should donors choose to use another option and rely on aid delivery mechanisms outside country systems (including parallel project implementation units), they will transparently state the rationale for this and will review their positions at regular intervals. Where use of country systems is not feasible, donors will establish additional safeguards and measures in ways that strengthen rather than undermine country systems and procedures.

c) Developing countries and donors will jointly assess the quality of country systems in a country-led process using mutually agreed diagnostic tools. Where country systems require further strengthening, developing countries will lead in defining reform programmes and priorities. Donors will support these reforms and provide capacity development assistance.

d) Donors will immediately start working on and sharing transparent plans for undertaking their Paris commitments on using country systems in all forms of development assistance; provide staff guidance on how these systems can be used; and ensure that internal incentives encourage their use. They will finalise these plans as a matter of urgency.

e) Donors recollect and reaffirm their Paris Declaration commitment to provide 66% of aid as programme-based approaches. In addition, donors will aim to channel 50% or more of government-to-government assistance through country fiduciary systems, including by increasing the percentage of assistance provided through programme-based approaches.

Building more effective and inclusive partnerships for development

16. Aid is about building partnerships for development. Such partnerships are most effective when they fully harness the energy, skills and experience of all development actors-bilateral and multilateral donors, global funds, civil society organisations and the private sector. To support developing countries' efforts to build for the future, we resolve to create partnerships that will include all these actors.

We will reduce costly fragmentation of aid

17. The effectiveness of aid is reduced when there are too many duplicating initiatives, especially at country and sector levels. We will reduce the fragmentation of aid by improving the complementarity of donors' efforts and the division of labour among donors, including through improved allocation of resources within sectors, within countries, and across countries. To this end:

a) Developing countries will lead in determining the optimal roles of donors in supporting their development efforts at national, regional and sectoral levels. Donors will respect developing countries' priorities, ensuring that new arrangements on the division of labour will not result in individual developing countries receiving less aid.

b) Donors and developing countries will work together with the Working Party on Aid Effectiveness to complete good practice principles on country-led division of labour. To that end, they will elaborate plans to ensure the maximum co-ordination of development co-operation. We will evaluate progress in implementation starting in 2009.

c) We will start dialogue on international division of labour across countries by June 2009.

d) We will work to address the issue of countries that receive insufficient aid.

We will increase aid's value for money

18. Since the Paris Declaration was agreed in 2005, OECD-DAC donors have made progress in untying their aid. A number of donors have already fully untied their aid, and we encourage others to do so. We will pursue, and accelerate, these efforts by taking the following actions:

a) OECD DAC donors will extend coverage of the 2001 DAC Recommendation on Untying Aid to Non-LDC HIPCs[3] and will improve their reporting on the 2001 DAC Recommendation.

b) Donors will elaborate individual plans to further untie their aid to the maximum extent.

c) Donors will promote the use of local and regional procurement by ensuring that their procurement procedures are transparent and allow local and regional firms to compete. We will build on examples of good practice to help improve local firms' capacity to compete successfully for aid-funded procurement.

d) We will respect our international agreements on corporate social responsibility.

We welcome and will work with all development actors

19. The contributions of all development actors are more effective when developing countries are in a position to manage and co-ordinate them. We welcome the role of new contributors and will improve the way all development actors work together by taking the following actions:

a) We encourage all development actors, including those engaged in South-South co-operation, to use the Paris Declaration principles as a point of reference in providing development co-operation.

b) We acknowledge the contributions made by all development actors, and in particular the role of middle-income countries as both providers and recipients of aid. We recognise the importance and particularities of South-South co-operation and acknowledge that we can learn from the experience of developing countries. We encourage further development of triangular co-operation.

c) Global funds and programmes make an important contribution to development. The programmes they fund are most effective in conjunction with complementary efforts to improve the policy environment and to strengthen the institutions in the sectors in which they operate. We call upon all global funds to support country ownership, to align and harmonise their assistance proactively, and to make good use of mutual accountability frameworks, while continuing their emphasis on achieving results. As new global challenges emerge, donors will ensure that existing channels for aid delivery are used and, if necessary, strengthened before creating separate new channels that risk further fragmentation and complicate co-ordination at country level.

d) We encourage developing countries to mobilise, manage and evaluate their international co-operation initiatives for the benefit of other developing countries.

e) South-South co-operation on development aims to observe the principle of non-interference in internal affairs, equality among developing partners and respect for their independence, national sovereignty, cultural diversity and identity and local content. It plays an important role in international development co-operation and is a valuable complement to North-South co-operation.

We will deepen our engagement with civil society organisations

20. We will deepen our engagement with civil society organisations (CSOs) as independent development actors in their own right whose efforts complement those of governments and the private sector. We share an interest in ensuring that CSO contributions to development reach their full potential. To this end:

a) We invite CSOs to reflect on how they can apply the Paris principles of aid effectiveness from a CSO perspective.

b) We welcome the CSOs' proposal to engage with them in a CSO-led multistakeholder process to promote CSO development effectiveness. As part of that process, we will seek to *i)* improve co-ordination of CSO efforts with government programmes; *ii)* enhance CSO accountability for results; and *iii)* improve information on CSO activities.

c) We will work with CSOs to provide an enabling environment that maximises their contributions to development.

We will adapt aid policies for countries in fragile situations

21. In the Paris Declaration, we agreed that aid effectiveness principles apply equally to development co-operation in situations of fragility, including countries emerging from conflict, but that these principles need to be adapted to environments of weak ownership or capacity. Since then, Principles for Good International Engagement in Fragile States and Situations have been agreed. To further improve aid effectiveness in these environments, we will take the following actions:

a) Donors will conduct joint assessments of governance and capacity and examine the causes of conflict, fragility and insecurity, engaging developing country authorities and other relevant stake holders to the maximum extent possible.

b) At country level, donors and developing countries will work and agree on a set of realistic peace- and statebuilding objectives that address the root causes of conflict and fragility and help ensure the protection and participation of women. This process will be informed by international dialogue between partners and donors on these objectives as prerequisites for development.

c) Donors will provide demand-driven, tailored and co-ordinated capacity-development support for core state functions and for early and sustained recovery. They will work with developing countries to design interim measures that are appropriately sequenced and that lead to sustainable local institutions.

d) Donors will work on flexible, rapid and long-term funding modalities, on a pooled basis where appropriate, to *i)* bridge humanitarian, recovery and longer-term development phases; and *ii)* support stabilisation, inclusive peace building, and the building of capable, accountable and responsive states. In collaboration with developing countries, donors will foster partnerships with the UN System, international financial institutions and other donors.

e) At country level and on a voluntary basis, donors and developing countries will monitor implementation of the Principles for Good International Engagement in Fragile States and Situations, and will share results as part of progress reports on implementing the Paris Declaration.

Delivering and accounting for development results

22. We will be judged by the impacts that our collective efforts have on the lives of poor people. We recognise that greater transparency and accountability for the use of development resources – domestic as well as external – are powerful drivers of progress.

We will focus on delivering results

23. We will improve our management for results by taking the following actions:

a) Developing countries will strengthen the quality of policy design, implementation and assessment by improving information systems, including, as appropriate, disaggregating data by sex, region and socioeconomic status.

b) Developing countries and donors will work to develop cost-effective results management instruments to assess the impact of development policies and adjust them as necessary. We will better co-ordinate and link the various sources of information, including national statistical systems, budgeting, planning, monitoring and country-led evaluations of policy performance.

c) Donors will align their monitoring with country information systems. They will support, and invest in strengthening, developing countries' national statistical capacity and information systems, including those for managing aid.

d) We will strengthen incentives to improve aid effectiveness. We will systematically review and address legal or administrative impediments to implementing international commitments on aid effectiveness. Donors will pay more attention to delegating sufficient authority to country offices and to changing organisational and staff incentives to promote behaviour in line with aid effectiveness principles.

We will be more accountable and transparent to our publics for results

24. Transparency and accountability are essential elements for development results. They lie at the heart of the Paris Declaration, in which we agreed that countries and donors would become more accountable to each other and to their citizens. We will pursue these efforts by taking the following actions:

a) We will make aid more transparent. Developing countries will facilitate parliamentary oversight by implementing greater transparency in public financial management, including public disclosure of revenues, budgets, expenditures, procurement and audits. Donors will publicly disclose regular, detailed and timely information on volume, allocation and, when available, results of development expenditure to enable more accurate budget, accounting and audit by developing countries.

b) We will step up our efforts to ensure that – as agreed in the Paris Declaration – mutual assessment reviews are in place by 2010 in all countries that have endorsed the Declaration. These reviews will be based on country results reporting and information systems complemented with available donor data and credible independent evidence. They will draw on emerging good practice with stronger parliamentary scrutiny and citizen engagement. With them we will hold each other accountable for mutually agreed results in keeping with country development and aid policies.

c) To complement mutual assessment reviews at country level and drive better performance, developing countries and donors will jointly review and strengthen existing international accountability mechanisms, including peer review with participation of developing countries. We will review proposals for strengthening the mechanisms by end 2009.

d) Effective and efficient use of development financing requires both donors and partner countries to do their utmost to fight corruption. Donors and developing countries will respect the principles to which they have agreed, including those under the UN Convention against Corruption. Developing countries will address corruption by improving systems of investigation, legal redress, accountability and transparency in the use of public funds. Donors will take steps in their own countries to combat corruption by individuals or corporations and to track, freeze, and recover illegally acquired assets.

We will continue to change the nature of conditionality to support ownership

25. To strengthen country ownership and improve the predictability of aid flows, donors agreed in the Paris Declaration that, whenever possible, they would draw their conditions from developing countries' own development policies. We reaffirm our commitment to this principle and will continue to change the nature of conditionality by taking the following actions:

a) Donors will work with developing countries to agree on a limited set of mutually agreed conditions based on national development strategies. We will jointly assess donor and developing country performance in meeting commitments.

b) Beginning now, donors and developing countries will regularly make public all conditions linked to disbursements.

c) Developing countries and donors will work together at the international level to review, document and disseminate good practices on conditionality with a view to reinforcing country ownership and other Paris Declaration principles by increasing emphasis on harmonised, results-based conditionality. They will be receptive to contributions from civil society.

We will increase the medium-term predictability of aid

26. In the Paris Declaration, we agreed that greater predictability in the provision of aid flows is needed to enable developing countries to effectively plan and manage their development programmes over the short and medium term. As a matter of priority, we will take the following actions to improve the predictability of aid:

a) Developing countries will strengthen budget planning processes for managing domestic and external resources and will improve the linkages between expenditures and results over the medium term.

b) Beginning now, donors will provide full and timely information on annual commitments and actual disbursements so that developing countries are in a position to accurately record all aid flows in their budget estimates and their accounting systems.

c) Beginning now, donors will provide developing countries with regular and timely information on their rolling three- to five-year forward expenditure and/or implementation plans, with at least indicative resource allocations that developing countries can integrate in their medium-term planning and macroeconomic frameworks. Donors will address any constraints to providing such information.

d) Developing countries and donors will work together at the international level on ways of further improving the medium-term predictability of aid, including by developing tools to measure it.

Looking forward

27. The reforms we agree on today in Accra will require continued high-level political support, peer pressure, and co-ordinated action at global, regional, and country levels. To achieve these reforms, we renew our commitment to the principles and targets established in the Paris Declaration, and will continue to assess progress in implementing them.

28. The commitments we agree today will need to be adapted to different country circumstances – including in middle-income countries, small states and countries in situations of fragility. To this end, we encourage developing countries to design – with active support from donors – country-based action plans that set out time-bound and monitorable proposals to implement the Paris Declaration and the Accra Agenda for Action.

29. We agree that, by 2010, each of us should meet the commitments we made on aid effectiveness in Paris and today in Accra, and to reach beyond these commitments where we can. We agree to reflect and draw upon the many valuable ideas and initiatives that have been presented at this High Level Forum. We agree that challenges such as climate change and rising food and fuel prices underline the importance of applying aid effectiveness principles. In response to the food crisis, we will develop and implement the global partnership on agriculture and food swiftly, efficiently and flexibly.

30. We ask the Working Party on Aid Effectiveness to continue monitoring progress on implementing the Paris Declaration and the Accra Agenda for Action and to report back to the Fourth High Level Forum on Aid Effectiveness in 2011. We recognise that additional work will be required to improve the methodology and indicators of progress of aid effectiveness. In 2011, we will undertake the third round of monitoring that will tell us whether we have achieved the targets for 2010 agreed in Paris in 2005.[4] To carry forward this work, we will need to develop institutionalised processes for the joint and equal partnership of developing countries and the engagement of stakeholders.

31. We recognise that aid effectiveness is an integral part of the broader financing for development agenda. To achieve development outcomes and the MDGs we need to meet our commitments on both aid quality and aid volumes. We ask the Secretary General of the United Nations to transmit the conclusions of the Third High Level Forum on Aid Effectiveness to the High Level Event on the MDGs in New York later this month and the Financing for Development Review meeting in Doha in November 2008. We welcome the contribution that the ECOSOC Development Co-operation Forum is making to the international dialogue and to mutual accountability on aid issues. We call upon the UN development system to further support the capacities of developing countries for effective management of development assistance.

32. Today, more than ever, we resolve to work together to help countries across the world build the successful future all of us want to see – a future based on a shared commitment to overcome poverty, a future in which no countries will depend on aid.

Notes

1. These figures are based on a World Bank study that found the poverty line to be USD 1.25 a day in 2005 prices.
2. These include, but are not limited to, systems for public financial management, procurement, audit, monitoring and evaluation, and social and environmental assessment.
3. The 2001 DAC recommendation on untying ODA to the least developed countries (LDCs) covers 31 so-called heavily indebted poor countries (HIPCs). The OECD DAC at its 2008 High Level Meeting agreed to extend the 2001 Recommendation to cover the remaining eight countries that are part of the HIPC initiative: Bolivia, Cameroon, Côte d'Ivoire, Ghana, Guyana, Honduras, Nicaragua and Republic of Congo.
4. We will have that information available for the Fourth High Level Forum on Aid Effectiveness in 2011, along with comprehensive second phase evaluations of the implementation of the Paris Declaration and the Accra Agenda for Action as of 2010. Attention will also be paid to improving and developing communications on aid effectiveness for long-term development success and broad-based public support.

Statistical Annex

Geographical distribution of ODA

Aid by non-DAC donors

Key reference indicators for DAC countries

For more information on DAC statistics, please refer to our

WORLDWIDE WEBSITE

www.oecd.org/dac

See "Statistics"

Notes: This report incorporates data submitted up to 20 November 2009. All data in this publication refer to calendar years, unless otherwise stated. The data presented in this report reflect the DAC List as it was in 2008 (for a complete list of countries, please refer to the end of this volume).

Signs used

( ) Secretariat estimate in whole or in part

0 or 0.00 Nil or negligible

– or . . Not available

n.a. Not applicable

p Provisional

Slight discrepancies in totals are due to rounding.

More detailed information on the source and destination of aid and resource flows is contained in the statistical report on the *Geographical Distribution of Financial Flows to Developing Countries 2004-08* and the CD-ROM *International Development Statistics*.

Table 1 StatLink http://dx.doi.org/10.1787/788325853201

DAC members' net official development assistance in 2008

	2008		2007		Percent change
	ODA	ODA/GNI	ODA	ODA/GNI	2007 to 2008
	USD million current	%	USD million current	%	in real terms[a]
Australia	2 954	0.32	2 669	0.32	6.2
Austria	1 714	0.43	1 808	0.50	-12.4
Belgium	2 386	0.48	1 951	0.43	13.7
Canada	4 785	0.32	4 080	0.29	13.6
Denmark	2 803	0.82	2 562	0.81	0.4
Finland	1 166	0.44	981	0.39	9.2
France	10 908	0.39	9 884	0.38	2.4
Germany	13 981	0.38	12 291	0.37	6.3
Greece	703	0.21	501	0.16	28.8
Ireland	1 328	0.59	1 192	0.55	6.7
Italy	4 861	0.22	3 971	0.19	11.8
Japan	9 579	0.19	7 679	0.17	10.7
Luxembourg	415	0.97	376	0.92	3.3
Netherlands	6 993	0.80	6 224	0.81	4.8
New Zealand	348	0.30	320	0.27	11.5
Norway	3 963	0.88	3 728	0.95	-2.5
Portugal	620	0.27	471	0.22	22.4
Spain	6 867	0.45	5 140	0.37	22.6
Sweden	4 732	0.98	4 339	0.93	3.9
Switzerland	2 038	0.42	1 685	0.38	7.6
United Kingdom	11 500	0.43	9 849	0.35	25.0
United States	26 842	0.19	21 787	0.16	20.5
TOTAL DAC	**121 483**	**0.31**	**103 485**	**0.28**	**11.7**
Average Country Effort		0.48		0.45	
Memo Items:					
EC	14 757		11 634		17.5
DAC-EU countries	70 974	0.43	61 538	0.39	9.9
G7 countries	82 455	0.26	69 539	0.23	14.1
Non-G7 countries	39 029	0.54	33 946	0.52	6.9

a) Taking account of both inflation and exchange rate movements.

StatLink http://dx.doi.org/10.1787/788271575535

Table 1a

Share of debt relief grants in DAC members' net official development assistance

	2008 ODA USD million current	of which: Debt relief grants	Percent change 2007 to 2008 [a] Without debt relief grants
Australia	2 954	256	8.9
Austria	1 714	733	2.6
Belgium	2 386	101	20.3
Canada	4 785	133	10.9
Denmark	2 803	96	1.9
Finland	1 166	2	9.0
France	10 908	901	10.6
Germany	13 981	2 593	12.9
Greece	703	-	28.8
Ireland	1 328	-	6.7
Italy	4 861	890	6.6
Japan	9 579	1 738	14.0
Luxembourg	415	-	3.3
Netherlands	6 993	124	9.9
New Zealand	348	-	11.5
Norway	3 963	42	-1.9
Portugal	620	1	22.4
Spain	6 867	341	22.3
Sweden	4 732	-	5.8
Switzerland	2 038	99	6.4
United Kingdom	11 500	549	19.9
United States	26 842	215	19.8
TOTAL DAC	**121 483**	**8 814**	**13.7**
Memo Items:			
EC	14 757	128	16.5
DAC-EU countries	70 974	6 331	12.9
G7 countries	82 455	7 018	15.7
Non-G7 countries	39 029	1 795	9.7

a) Taking account of both inflation and exchange rate movements.

StatLink http://dx.doi.org/10.1787/787370251355

Figure 1

DAC members' net official development assistance in 2008

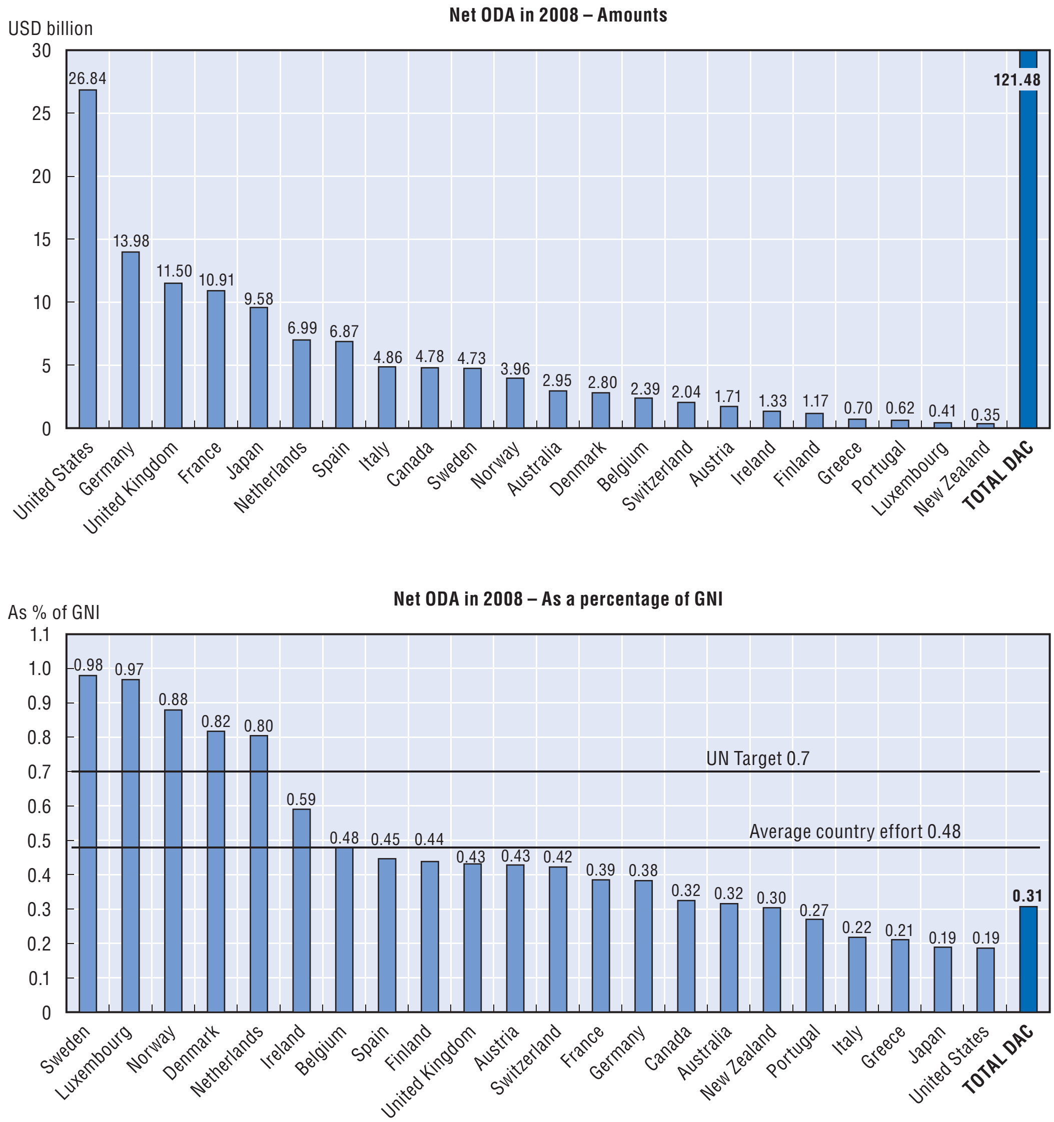

Table 2 StatLink http://dx.doi.org/10.1787/788346600020

Total net flows from DAC countries by type of flow

Net disbursements at current prices and exchange rates

	USD million						
	1992-1993 average	1997-1998 average	2004	2005	2006	2007	2008
I. Official Development Assistance (a)	58 318	50 276	79 432	107 078	104 368	103 485	121 483
1. Bilateral grants and grant-like flows	34 133	31 888	57 246	83 432	79 432	75 318	87 839
of which: Technical co-operation	13 480	12 972	18 672	20 732	22 242	14 778	17 050
Developmental food aid (b)	1 723	1 000	1 169	887	956	1 051	1 417
Humanitarian aid (b)	1 865	1 665	5 193	7 121	6 724	6 279	8 819
Debt forgiveness	2 849	3 067	7 134	24 999	18 600	9 624	11 057
Administrative costs	2 503	2 766	4 032	4 115	4 250	4 618	5 368
2. Bilateral loans	6 756	1 914	-2 942	-1 008	-2 531	-2 437	-1 384
3. Contributions to multilateral institutions	18 364	16 474	25 127	24 653	27 467	30 604	35 029
of which: UN (c)	4 515	4 153	5 129	5 469	5 245	5 806	5 759
EU institutions (c)	4 207	4 931	8 906	9 258	9 931	11 714	13 039
IDA (c)	5 636	4 109	5 690	4 827	6 787	5 609	8 081
Regional development banks (c)	2 450	1 723	2 274	2 096	2 466	2 361	3 092
II. Other Official Flows	8 567	9 877	-5 601	1 430	-10 728	-6 438	-1 782
1. Bilateral	7 646	8 847	-5 349	2 262	-10 551	-6 962	-2 538
2. Multilateral	922	1 030	- 252	- 832	- 177	524	756
III. Private Flows at market terms	49 803	118 247	75 262	179 559	196 010	312 475	121 224
1. Direct investment	33 309	79 911	76 901	100 622	129 174	180 293	178 140
2. Bilateral portfolio investment	20 540	39 501	-3 544	73 335	60 910	128 759	-53 504
3. Multilateral portfolio investment	-2 297	-4 093	-4 657	40	2 789	-9 737	-9 983
4. Export credits	-1 749	2 928	6 561	5 563	3 137	13 161	6 572
IV. Net grants by NGOs	5 848	5 400	11 320	14 712	14 648	17 866	23 655
TOTAL NET FLOWS	**122 539**	**183 799**	**160 412**	**302 779**	**304 298**	**427 389**	**264 581**
Total net flows at 2007 prices and exchange rates (d)	**166 064**	**248 056**	**181 519**	**333 263**	**328 736**	**427 389**	**251 868**

a) Excluding debt forgiveness of non-ODA claims in 1992. See Technical Notes on Definitions and Measurement.
b) Emergency food aid included with developmental food aid up to and including 1995.
c) Grants and capital subscriptions, does not include concessional lending to multilateral agencies.
d) Deflated by the total DAC deflator.

Source of private flows: DAC members' reporting to the annual DAC questionnaire on total official and private flows.

StatLink http://dx.doi.org/10.1787/788346600020

Table 2

Total net flows from DAC countries by type of flow *(cont.)*

Net disbursements at current prices and exchange rates

	Per cent of total						
	1992-1993 average	1997-1998 average	2004	2005	2006	2007	2008
I. Official Development Assistance (a)	48	27	50	35	34	24	46
1. Bilateral grants and grant-like flows	28	17	36	28	26	18	33
of which: Technical co-operation	11	7	12	7	7	3	6
Developmental food aid (b)	1	1	1	0	0	0	1
Humanitarian aid (b)	2	1	3	2	2	1	3
Debt forgiveness	2	2	4	8	6	2	4
Administrative costs	2	2	3	1	1	1	2
2. Bilateral loans	6	1	-2	-0	-1	-1	-1
3. Contributions to multilateral institutions	15	9	16	8	9	7	13
of which: UN (c)	4	2	3	2	2	1	2
EC (c)	3	3	6	3	3	3	5
IDA (c)	5	2	4	2	2	1	3
Regional development banks (c)	2	1	1	1	1	1	1
II. Other Official Flows	7	5	-3	0	-4	-2	-1
1. Bilateral	6	5	-3	1	-3	-2	-1
2. Multilateral	1	1	-0	-0	-0	0	0
III. Private Flows at market terms	41	64	47	59	64	73	46
1. Direct investment	27	43	48	33	42	42	67
2. Bilateral portfolio investment	17	21	-2	24	20	30	-20
3. Multilateral portfolio investment	-2	-2	-3	0	1	-2	-4
4. Export credits	-1	2	4	2	1	3	2
IV. Net grants by NGOs	5	3	7	5	5	4	9
TOTAL NET FLOWS	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Table 3

StatLink http://dx.doi.org/10.1787/788371218305

Total net flows by DAC country

Net disbursements at current prices and exchange rates

	USD million						
	1992-1993 average [a]	1997-1998 average	2004	2005	2006	2007	2008
Australia	3 123	- 825	2 466	5 366	9 120	10 307	3 997
Austria	580	1 329	1 352	4 837	3 455	20 405	11 302
Belgium	1 460	-1 456	816	3 142	5 308	3 818	4 425
Canada	4 720	9 881	5 986	13 373	14 233	17 161	24 068
Denmark	1 501	1 867	2 634	2 215	2 686	4 807	5 150
Finland	553	1 041	1 338	1 642	1 413	2 149	- 222
France	10 867	11 191	12 599	15 744	22 329	43 126	40 641
Germany	12 143	21 110	15 251	30 683	25 992	36 739	33 395
Greece	..	187	328	709	2 896	3 391	1 166
Ireland	142	328	3 851	5 298	5 237	5 840	6 101
Italy	4 299	10 643	3 239	4 103	5 512	4 422	5 581
Japan	16 016	23 705	11 368	23 238	26 179	30 315	31 783
Luxembourg	48	109	242	265	299	384	426
Netherlands	4 472	10 718	14 106	22 781	28 616	18 142	-14 022
New Zealand	111	168	271	401	338	404	433
Norway	1 328	1 815	2 785	4 630	4 304	6 371	3 963
Portugal	325	1 676	676	1 109	666	2 215	1 528
Spain	1 481	9 626	12 762	6 801	11 146	21 662	30 087
Sweden	2 758	2 469	2 954	3 545	4 175	6 911	5 896
Switzerland	3 362	613	1 406	8 103	12 555	13 281	12 923
United Kingdom	8 322	15 897	31 702	31 269	26 941	45 676	41 878
United States	45 864	61 706	32 283	113 526	90 897	129 862	14 084
TOTAL DAC	**122 539**	**183 799**	**160 412**	**302 779**	**304 298**	**427 389**	**264 581**
of which:							
DAC-EU countries	48 951	86 735	103 848	134 143	146 670	219 687	173 331

a) Including debt forgiveness of non-ODA claims in 1992, except for total DAC. See Technical Notes on Definitions and Measurement.

StatLink http://dx.doi.org/10.1787/788371218305

Table 3

Total net flows by DAC country
(cont.)

Net disbursements at current prices and exchange rates

Per cent of GNI 1992-1993 average [a]	1997-1998 average	2004	2005	2006	2007	2008	
1.13	-0.22	0.41	0.79	1.27	1.25	0.43	Australia
0.32	0.64	0.46	1.60	1.08	5.62	2.82	Austria
0.68	-0.59	0.23	0.84	1.34	0.83	0.89	Belgium
0.87	1.68	0.62	1.20	1.14	1.22	1.63	Canada
1.13	1.10	1.10	0.85	0.96	1.51	1.50	Denmark
0.62	0.85	0.72	0.84	0.67	0.86	-0.08	Finland
0.85	0.76	0.61	0.74	0.99	1.66	1.44	France
0.61	0.99	0.56	1.10	0.89	1.10	0.91	Germany
..	0.16	0.16	0.32	1.18	1.10	0.35	Greece
0.34	0.52	2.47	3.09	2.77	2.70	2.71	Ireland
0.40	0.92	0.19	0.23	0.30	0.21	0.25	Italy
0.40	0.57	0.24	0.50	0.58	0.67	0.63	Japan
0.34	0.63	0.81	0.82	0.91	0.94	0.99	Luxembourg
1.42	2.87	2.46	3.65	4.23	2.35	-1.61	Netherlands
0.29	0.31	0.30	0.40	0.35	0.34	0.38	New Zealand
1.27	1.19	1.11	1.56	1.29	1.62	0.88	Norway
0.38	1.61	0.41	0.62	0.36	1.03	0.67	Portugal
0.28	1.77	1.25	0.61	0.92	1.55	1.96	Spain
1.32	1.13	0.84	0.99	1.08	1.49	1.22	Sweden
1.36	0.23	0.36	1.99	2.98	3.02	2.68	Switzerland
0.84	1.17	1.45	1.37	1.11	1.61	1.57	United Kingdom
0.73	0.73	0.28	0.92	0.69	0.93	0.10	United States
0.66	**0.82**	**0.52**	**0.93**	**0.89**	**1.14**	**0.67**	**TOTAL DAC**
							of which:
0.68	1.05	0.85	1.05	1.08	1.40	1.04	DAC-EU countries

Table 4 StatLink http://dx.doi.org/10.1787/788373074348

Net official development assistance by DAC country

Net disbursements at current prices and exchange rates

	USD million						
	1992-1993 average [a]	1997-1998 average	2004	2005	2006	2007	2008
Australia	984	1 011	1 460	1 680	2 123	2 669	2 954
Austria	205	477	678	1 573	1 498	1 808	1 714
Belgium	840	823	1 463	1 963	1 977	1 951	2 386
Canada	2 457	1 876	2 599	3 756	3 683	4 080	4 785
Denmark	1 366	1 670	2 037	2 109	2 236	2 562	2 803
Finland	499	388	680	902	834	981	1 166
France	8 093	6 024	8 473	10 026	10 601	9 884	10 908
Germany	7 269	5 719	7 534	10 082	10 435	12 291	13 981
Greece	..	176	321	384	424	501	703
Ireland	76	193	607	719	1 022	1 192	1 328
Italy	3 583	1 772	2 462	5 091	3 641	3 971	4 861
Japan	11 205	9 999	8 922	13 126	11 136	7 679	9 579
Luxembourg	44	103	236	256	291	376	415
Netherlands	2 639	2 994	4 204	5 115	5 452	6 224	6 993
New Zealand	97	142	212	274	259	320	348
Norway	1 144	1 314	2 199	2 786	2 954	3 728	3 963
Portugal	264	255	1 031	377	396	471	620
Spain	1 411	1 305	2 437	3 018	3 814	5 140	6 867
Sweden	2 114	1 652	2 722	3 362	3 955	4 339	4 732
Switzerland	966	904	1 545	1 772	1 646	1 685	2 038
United Kingdom	3 082	3 648	7 905	10 772	12 459	9 849	11 500
United States	10 916	7 832	19 705	27 935	23 532	21 787	26 842
TOTAL DAC	**58 318**	**50 276**	**79 432**	**107 078**	**104 368**	**103 485**	**121 483**
of which:							
DAC-EU countries	31 483	27 199	42 789	55 750	59 034	61 538	70 974

a) Including debt forgiveness of non-ODA claims in 1992, except for total DAC. See Technical Notes on Definitions and Measurement.

StatLink http://dx.doi.org/10.1787/788373074348

Table 4

Net official development assistance by DAC country (cont.)

Net disbursements at current prices and exchange rates

Per cent of GNI 1992-1993 average [a]	1997-1998 average	2004	2005	2006	2007	2008	
0.36	0.27	0.25	0.25	0.30	0.32	0.32	Australia
0.11	0.23	0.23	0.52	0.47	0.50	0.43	Austria
0.39	0.33	0.41	0.53	0.50	0.43	0.48	Belgium
0.46	0.32	0.27	0.34	0.29	0.29	0.32	Canada
1.03	0.98	0.85	0.81	0.80	0.81	0.82	Denmark
0.56	0.32	0.37	0.46	0.40	0.39	0.44	Finland
0.63	0.41	0.41	0.47	0.47	0.38	0.39	France
0.36	0.27	0.28	0.36	0.36	0.37	0.38	Germany
..	0.15	0.16	0.17	0.17	0.16	0.21	Greece
0.18	0.30	0.39	0.42	0.54	0.55	0.59	Ireland
0.33	0.15	0.15	0.29	0.20	0.19	0.22	Italy
0.28	0.24	0.19	0.28	0.25	0.17	0.19	Japan
0.31	0.60	0.79	0.79	0.89	0.92	0.97	Luxembourg
0.84	0.80	0.73	0.82	0.81	0.81	0.80	Netherlands
0.25	0.26	0.23	0.27	0.27	0.27	0.30	New Zealand
1.09	0.86	0.87	0.94	0.89	0.95	0.88	Norway
0.31	0.25	0.63	0.21	0.21	0.22	0.27	Portugal
0.27	0.24	0.24	0.27	0.32	0.37	0.45	Spain
1.01	0.75	0.78	0.94	1.02	0.93	0.98	Sweden
0.39	0.33	0.40	0.43	0.39	0.38	0.42	Switzerland
0.31	0.27	0.36	0.47	0.51	0.35	0.43	United Kingdom
0.17	0.09	0.17	0.23	0.18	0.16	0.19	United States
0.31	**0.23**	**0.26**	**0.33**	**0.31**	**0.28**	**0.31**	**TOTAL DAC**
							of which:
0.44	0.33	0.35	0.44	0.43	0.39	0.43	DAC-EU countries
							Memo:
0.46	0.38	0.42	0.47	0.46	0.45	0.48	Average country effort

Table 5 *StatLink* http://dx.doi.org/10.1787/788402721514

Total net private flows[a] by DAC country

Net disbursements at current prices and exchange rates

	USD million						
	1992-1993 average	1997-1998 average	2004	2005	2006	2007	2008
Australia	1 784	-2 088	482	2 786	6 074	6 948	314
Austria	62	629	815	2 814	2 285	19 099	9 348
Belgium	254	-2 356	- 735	539	3 514	1 686	1 816
Canada	1 569	6 365	3 542	9 178	9 093	11 731	16 184
Denmark	142	29	518	33	454	2 242	2 303
Finland	- 53	588	647	723	553	1 051	-1 422
France	2 078	5 215	4 342	7 107	14 069	34 422	29 962
Germany	2 865	14 861	7 619	12 023	19 938	25 702	18 251
Greece	..	..	- 14	325	2 454	2 880	460
Ireland	40	85	3 010	4 271	3 877	4 329	4 500
Italy	- 444	8 454	221	44	2 705	649	207
Japan	1 082	6 104	4 392	12 278	12 290	21 979	23 738
Luxembourg	..	..	..	..	..	..	..
Netherlands	1 473	7 438	9 339	17 091	22 544	11 575	-21 345
New Zealand	..	12	25	26	24	26	29
Norway	53	378	586	1 839	1 345	2 638	..
Portugal	32	1 318	335	728	286	1 980	906
Spain	..	8 176	10 300	3 716	7 333	16 516	23 220
Sweden	510	777	266	159	210	2 541	1 108
Switzerland	2 241	- 422	- 455	5 999	10 490	11 303	10 487
United Kingdom	4 582	11 972	23 562	19 870	14 127	35 634	29 938
United States	31 536	50 710	6 465	78 010	62 345	97 545	-28 781
TOTAL DAC	**49 803**	**118 247**	**75 262**	**179 559**	**196 010**	**312 475**	**121 224**
of which:							
DAC-EU countries	11 540	57 187	60 225	69 444	94 348	160 306	99 253

a) Excluding grants by NGOs.

StatLink http://dx.doi.org/10.1787/788402721514

Table 5

Total net private flows[a] by DAC country (cont.)

Net disbursements at current prices and exchange rates

Per cent of GNI							
1992-1993 average	1997-1998 average	2004	2005	2006	2007	2008	
0.65	- 0.56	0.08	0.41	0.84	0.84	0.03	Australia
0.03	0.30	0.28	0.93	0.72	5.26	2.34	Austria
0.12	- 0.95	- 0.21	0.14	0.89	0.37	0.36	Belgium
0.29	1.08	0.36	0.82	0.73	0.83	1.10	Canada
0.11	0.02	0.22	0.01	0.16	0.71	0.67	Denmark
- 0.06	0.48	0.35	0.37	0.26	0.42	- 0.53	Finland
0.16	0.35	0.21	0.34	0.62	1.32	1.06	France
0.14	0.70	0.28	0.43	0.68	0.77	0.50	Germany
..	..	- 0.01	0.14	1.00	0.93	0.14	Greece
0.10	0.13	1.93	2.49	2.05	2.00	2.00	Ireland
- 0.04	0.73	0.01	0.00	0.15	0.03	0.01	Italy
0.03	0.15	0.09	0.26	0.27	0.49	0.47	Japan
..	..	..	..	..	..	..	Luxembourg
0.47	1.99	1.63	2.74	3.33	1.50	- 2.46	Netherlands
..	0.02	0.03	0.03	0.02	0.02	0.03	New Zealand
0.05	0.25	0.23	0.62	0.40	0.67	..	Norway
0.04	1.27	0.20	0.41	0.15	0.92	0.39	Portugal
..	1.50	1.01	0.33	0.61	1.18	1.51	Spain
0.24	0.35	0.08	0.04	0.05	0.55	0.23	Sweden
0.91	- 0.15	- 0.12	1.47	2.49	2.57	2.17	Switzerland
0.46	0.88	1.08	0.87	0.58	1.25	1.12	United Kingdom
0.50	0.60	0.06	0.63	0.47	0.70	- 0.20	United States
0.27	**0.53**	**0.24**	**0.55**	**0.57**	**0.84**	**0.31**	**TOTAL DAC**
							of which:
0.16	0.69	0.49	0.54	0.69	1.02	0.60	DAC-EU countries

Table 6 StatLink http://dx.doi.org/10.1787/788413066485

Total net official flows from DAC member countries and multilateral agencies[a] by type of flow

	Current USD billion							
	2001	2002	2003	2004	2005	2006	2007	2008
I. OFFICIAL DEVELOPMENT FINANCE (ODF)	**58.8**	**56.6**	**64.4**	**69.6**	**110.6**	**93.5**	**111.2**	**136.4**
1. Official development assistance (ODA)	51.2	58.0	67.9	75.9	104.7	101.3	101.9	119.9
of which: DAC countries (b)	35.1	40.8	49.7	54.3	82.4	76.9	72.9	86.5
Multilateral organisations	16.1	17.2	18.2	21.6	22.3	24.4	29.1	33.4
2. Other ODF	7.6	-1.4	-3.6	-6.3	5.9	-7.8	9.3	16.5
of which: DAC countries (b)	-0.5	3.6	0.5	-2.7	5.1	-6.8	-4.5	-3.0
Multilateral organisations	8.2	-5.0	-4.0	-3.6	0.8	-1.0	13.8	19.5
II. OFFICIAL EXPORT CREDITS	**-0.3**	**-1.2**	**-1.3**	**-2.7**	**-2.8**	**-3.8**	**-2.4**	**0.4**
TOTAL NET OFFICIAL FLOWS (I+II)	**58.6**	**55.4**	**63.1**	**66.9**	**107.8**	**89.7**	**108.8**	**136.8**
Memorandum items (not included):								
Non-DAC donors (ODA) (b)	0.9	2.7	3.2	3.2	3.0	4.5	4.7	8.3
Net Use of IMF Credit (c)	23.2	15.0	4.1	-12.1	-35.8	-27.0	-5.1	9.7
Gross ODF	90.6	103.5	125.9	124.7	166.4	202.3	171.4	189.3
of which: IBRD loans	10.7	8.4	10.6	9.2	8.6	11.5	10.0	13.4
For cross reference								
Total DAC net ODA (d)	52.4	58.3	69.1	79.4	107.1	104.4	103.5	121.5
of which: Bilateral grants	33.5	39.8	50.9	57.2	83.4	79.4	75.3	87.8

a) Excluding Arab agencies.
b) Bilateral flows.
c) Non-concessional flows from the IMF general resources account.
d) Comprises bilateral ODA as above plus **contributions to** multilateral organisations in place of ODA **disbursements from** multilateral organisations shown above.

StatLink http://dx.doi.org/10.1787/788413066485

Table 6

Total net official flows from DAC member countries and multilateral agencies[a] by type of flow (cont.)

Per cent of total 2001	2002	2003	2004	2005	2006	2007	2008	
100.5	**102.2**	**102.0**	**104.0**	**102.6**	**104.2**	**102.2**	**99.7**	**I. OFFICIAL DEVELOPMENT FINANCE (ODF)**
87.4	104.7	107.7	113.4	97.1	112.9	93.7	87.6	1. Official development assistance (ODA)
60.0	73.6	78.8	81.2	76.4	85.8	67.0	63.2	of which: DAC countries (b)
27.5	31.1	28.8	32.3	20.7	27.2	26.7	24.4	Multilateral organisations
13.1	-2.4	-5.6	-9.4	5.5	-8.7	8.5	12.1	2. Other ODF
-0.9	6.5	0.7	-4.0	4.7	-7.5	-4.2	-2.2	of which: DAC countries (b)
13.9	-9.0	-6.4	-5.4	0.8	-1.1	12.7	14.2	Multilateral organisations
-0.5	**-2.2**	**-2.0**	**-4.0**	**-2.6**	**-4.2**	**-2.2**	**0.3**	**II. OFFICIAL EXPORT CREDITS**
100.0	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**TOTAL NET OFFICIAL FLOWS (I+II)**

StatLink http://dx.doi.org/10.1787/788472278250

Table 7

Burden sharing indicators, 2007-08 average

Net disbursements

	Grant equivalent of total ODA[a] as % of GNI	Multilateral ODA as % of GNI[b]		Aid to LICs[c] (as % of GNI)	*of which:* Aid to LDCs[d] (as % of GNI)	ODA per capita of donor country 2007 USD		Aid by NGOs as % of GNI	
						Memo: 1997-1998	2007-2008	*Memo:* 1997-1998	2007-2008
Australia	0.32	0.04	n.a.	0.14	0.08	90	130	0.04	0.08
Austria	0.47	0.05	(0.13)	0.13	0.07	82	204	0.02	0.03
Belgium	0.47	0.08	(0.18)	0.21	0.18	118	196	0.02	0.07
Canada	0.31	0.08	n.a.	0.15	0.12	104	131	0.03	0.10
Denmark	0.84	0.21	(0.29)	0.45	0.33	474	467	0.02	0.03
Finland	0.42	0.09	(0.17)	0.18	0.15	105	193	0.01	0.01
France	0.40	0.06	(0.15)	0.14	0.11	149	161	-	-
Germany	0.40	0.06	(0.13)	0.12	0.09	92	154	0.04	0.04
Greece	0.19	0.03	(0.10)	0.05	0.04	26	51	-	0.00
Ireland	0.57	0.11	(0.17)	0.34	0.29	87	284	0.08	0.13
Italy	0.22	0.06	(0.13)	0.08	0.07	47	71	0.00	0.00
Japan	0.28	0.05	n.a.	0.08	0.05	76	63	0.01	0.01
Luxembourg	0.95	0.23	(0.31)	0.45	0.37	391	804	0.03	0.02
Netherlands	0.85	0.13	(0.21)	0.31	0.23	297	388	0.07	0.04
New Zealand	0.28	0.06	n.a.	0.11	0.08	58	80	0.03	0.04
Norway	0.91	0.21	n.a.	0.39	0.33	591	772	0.08	-
Portugal	0.20	0.03	(0.10)	0.11	0.10	41	51	0.01	0.00
Spain	0.42	0.06	(0.13)	0.11	0.09	57	125	0.02	-
Sweden	0.96	0.24	(0.32)	0.29	0.24	248	480	0.02	0.01
Switzerland	0.41	0.10	n.a.	0.14	0.11	167	229	0.04	0.07
United Kingdom	0.43	0.08	(0.15)	0.20	0.15	94	182	0.03	0.01
United States	0.18	0.02	n.a.	0.06	0.05	36	79	0.03	0.10
TOTAL DAC	**0.32**	**0.05**	**(0.09)**	**0.11**	**0.09**	**81**	**123**	**0.02**	**0.05**

a) Equals grant disbursements plus grant equivalent of new loan commitments calculated against a 10% discount rate.
b) In brackets, including EU institutions. Capital subscriptions are on a deposit basis.
c) Low-income countries (LICs) comprise LDCs and all other countries with per capita income (World Bank Atlas basis) of USD 935 or less in 2007. Includes imputed multilateral ODA.
d) Least developed countries (LDCs) are countries on the United Nations' list. Includes imputed multilateral ODA.

Table 8 StatLink http://dx.doi.org/10.1787/788513646166

ODA by individual DAC countries at 2007 prices and exchange rates

Net disbursements — USD million

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Australia	1 717	1 845	1 760	1 843	1 851	1 878	2 005	2 443	2 669	2 834
Austria	721	734	1 070	824	659	791	1 805	1 670	1 808	1 585
Belgium	1 154	1 413	1 507	1 737	2 466	1 730	2 264	2 208	1 951	2 219
Canada	2 923	2 867	2 599	3 408	2 982	3 437	4 476	4 008	4 080	4 635
Denmark	2 669	2 883	2 842	2 647	2 311	2 396	2 410	2 482	2 562	2 573
Finland	601	603	632	705	713	783	1 037	935	981	1 072
France	8 512	7 062	7 288	8 840	9 567	10 005	11 599	11 846	9 884	10 122
Germany	7 608	8 076	8 145	8 144	8 555	8 558	11 369	11 592	12 291	13 060
Greece	309	415	376	471	499	388	450	476	501	645
Ireland	414	430	514	649	668	718	830	1 129	1 192	1 272
Italy	2 825	2 443	2 886	3 808	3 213	2 881	5 834	4 061	3 971	4 440
Japan	10 617	11 357	9 447	9 321	8 388	7 947	12 055	10 918	7 679	8 502
Luxembourg	192	227	261	258	269	289	302	323	376	388
Netherlands	4 981	5 532	5 482	5 279	5 128	4 900	5 818	6 036	6 224	6 522
New Zealand	230	221	226	222	236	256	305	305	320	357
Norway	2 733	2 459	2 632	2 999	3 108	3 026	3 373	3 287	3 728	3 635
Portugal	452	497	489	538	431	1 233	440	445	471	576
Spain	2 388	2 339	3 359	3 016	2 767	3 006	3 569	4 291	5 140	6 304
Sweden	2 268	2 738	2 801	3 131	3 049	3 119	3 884	4 441	4 339	4 510
Switzerland	1 328	1 335	1 350	1 282	1 518	1 659	1 904	1 750	1 685	1 813
United Kingdom	5 148	7 144	7 458	7 496	8 490	9 316	12 519	13 938	9 849	12 315
United States	11 196	11 928	13 373	15 284	18 377	21 569	29 611	24 166	21 787	26 254
TOTAL DAC	**70 985**	**74 548**	**76 498**	**81 901**	**85 245**	**89 883**	**117 858**	**112 750**	**103 485**	**115 632**
of which:										
DAC-EU countries	40 241	42 536	45 110	47 542	48 784	50 112	64 130	65 873	61 538	67 601
Memo:										
Total DAC at current prices and exchange rates	**53 233**	**53 749**	**52 423**	**58 297**	**69 065**	**79 432**	**107 078**	**104 368**	**103 485**	**121 483**

StatLink http://dx.doi.org/10.1787/788530165034

Table 9

Long-term trends in DAC ODA

	Volume of net ODA (USD million at 2007 prices and exchange rates)			Share of total DAC (at current prices and exchange rates, per cent)			Two-year averages, net disbursements ODA as per cent GNI		
	1987-1988	1997-1998	2007-2008	1987-1988	1997-1998	2007-2008	1987-1988	1997-1998	2007-2008
Australia	1 708	1 679	2 751	2.0	2.0	2.5	0.41	0.27	0.32
Austria	446	665	1 697	0.6	0.9	1.6	0.21	0.23	0.46
Belgium	1 241	1 205	2 085	1.5	1.6	1.9	0.44	0.33	0.45
Canada	3 901	3 139	4 357	4.8	3.7	3.9	0.48	0.32	0.31
Denmark	1 697	2 507	2 568	2.0	3.3	2.4	0.88	0.98	0.81
Finland	783	541	1 026	1.2	0.8	1.0	0.55	0.32	0.42
France	9 569	8 709	10 003	12.2	12.0	9.2	0.59	0.41	0.38
Germany	7 622	7 552	12 675	10.4	11.4	11.7	0.39	0.27	0.38
Greece	..	275	573	..	0.4	0.5	..	0.15	0.19
Ireland	118	322	1 232	0.1	0.4	1.1	0.20	0.30	0.57
Italy	5 485	2 703	4 205	6.6	3.5	3.9	0.37	0.15	0.20
Japan	9 236	9 553	8 091	18.8	19.9	7.7	0.31	0.24	0.18
Luxembourg	35	166	382	0.0	0.2	0.4	0.19	0.60	0.95
Netherlands	4 154	4 651	6 373	4.9	6.0	5.9	0.98	0.80	0.81
New Zealand	176	218	338	0.2	0.3	0.3	0.27	0.26	0.28
Norway	2 156	2 610	3 682	2.1	2.6	3.4	1.11	0.86	0.91
Portugal	167	413	523	0.1	0.5	0.5	0.16	0.25	0.25
Spain	552	2 249	5 722	0.5	2.6	5.3	0.08	0.24	0.41
Sweden	2 306	2 198	4 425	3.3	3.3	4.0	0.87	0.75	0.96
Switzerland	960	1 187	1 749	1.3	1.8	1.7	0.31	0.33	0.40
United Kingdom	5 006	5 553	11 082	5.2	7.3	9.5	0.30	0.27	0.39
United States	15 486	9 775	24 021	22.0	15.6	21.6	0.21	0.09	0.17
TOTAL DAC	**72 805**	**67 870**	**109 559**	**100.0**	**100.0**	**100.0**	**0.33**	**0.23**	**0.29**
of which:									
DAC-EU countries	39 181	39 710	64 570	48.8	54.1	58.9	0.44	0.33	0.41

Table 10 StatLink http://dx.doi.org/10.1787/788548850427

Technical co-operation expenditure

Net disbursements — USD million, at current prices and exchange rates

	1992-1993 average	1997-1998 average	2004	2005	2006	2007	2008
Australia	246	380	692	740	860	1 158	899
Austria	85	119	133	150	162	190	210
Belgium	163	274	414	500	580	509	618
Canada	535	417	414	335	530	583	1 453
Denmark	163	114	112	115	110	93	129
Finland	62	63	178	98	81	242	262
France	2 179	2 127	2 340	2 364	2 805	2 897	2 537
Germany	2 167	1 972	2 486	2 865	3 116	3 527	4 187
Greece	..	20	53	77	89	138	191
Ireland	20	37	12	13	20	20	19
Italy	191	49	140	121	171	141	153
Japan	1 712	1 887	1 914	1 852	1 848	1 813	1 950
Luxembourg	1	2	4	4	6	8	7
Netherlands	966	915	663	609	464	476	372
New Zealand	32	58	46	41	49	57	58
Norway	118	175	287	319	366	436	555
Portugal	67	67	114	114	117	153	155
Spain	96	138	340	483	438	391	1 090
Sweden	439	52	112	140	132	160	188
Switzerland	299	287	117	144	161	166	157
United Kingdom	745	810	751	845	860	888	1 138
United States	3 196	3 010	7 347	8 803	9 278	732	722
TOTAL DAC	**13 480**	**12 972**	**18 672**	**20 732**	**22 242**	**14 778**	**17 050**
of which:							
DAC-EU countries	7 343	6 758	7 855	8 498	9 151	9 833	11 256

StatLink http://dx.doi.org/10.1787/788577550506

Table 11

Non-ODA financial flows to developing countries in 2008

Per cent of reporting country's GNI

	Memo: Total net flows	Total non-ODA flows	*of which:* Export credits	OOF excl. export credits	Direct invest-ment	Bank lending	Non-bank portfolio	Multi-lateral private flows	NGOs net
Australia	0.43	0.11	-0.01	0.01	0.18	-0.16	0.03	-	0.07
Austria	2.82	2.40	0.47	0.01	1.88	-	-	-	0.03
Belgium	0.89	0.41	0.04	-0.03	0.32	-	-0.00	-	0.07
Canada	1.63	1.31	0.14	-0.01	1.01	0.07	-	-	0.10
Denmark	1.50	0.68	-	-0.02	0.67	-	-	-	0.04
Finland	-0.08	-0.52	-	0.01	-0.01	-	-0.52	-	0.00
France	1.44	1.05	-0.03	-0.01	0.87	0.17	0.05	-	-
Germany	0.91	0.53	0.10	-0.01	0.26	0.14	0.01	-0.01	0.04
Greece	0.35	0.14	-	0.00	0.14	-	-	-	0.00
Ireland	2.71	2.12	-	-	-	2.00	-	-	0.12
Italy	0.25	0.03	0.00	0.02	0.07	0.05	-0.11	-	0.00
Japan	0.63	0.44	-0.11	-0.03	0.51	0.08	-	-0.02	0.01
Luxembourg	0.99	0.03	-	-	-	-	-	-	0.03
Netherlands	-1.61	-2.42	-0.00	-	-2.82	0.06	0.33	-0.02	0.04
New Zealand	0.38	0.07	-	0.01	0.03	-	-	-	0.04
Norway	0.88	-0.00	-0.00	0.00	-	-	-	-	-
Portugal	0.67	0.40	0.29	-	0.15	-0.04	-	-	0.00
Spain	1.96	1.51	-0.01	-	1.52	-	-	-	-
Sweden	1.22	0.24	0.29	0.01	-0.06	-	0.00	-	0.01
Switzerland	2.68	2.26	-0.14	-	2.37	-	-	-0.06	0.08
United Kingdom	1.57	1.14	0.15	-0.00	0.89	0.08	-	-	0.02
United States	0.10	-0.09	0.00	-0.00	0.38	-0.24	-0.29	-0.06	0.12
TOTAL DAC	**0.67**	**0.36**	**0.02**	**-0.01**	**0.45**	**-0.03**	**-0.10**	**-0.03**	**0.06**
of which:									
DAC-EU countries	1.04	0.62	0.07	-0.00	0.42	0.11	0.00	-0.00	0.02

Table 12 StatLink http://dx.doi.org/10.1787/788588500266

Comparison of flows by type in 2007

USD million

NET DISBURSEMENTS	Total DAC Countries	Australia	Austria	Belgium	Canada	Denmark	Finland	France	Germany
I. Official Development Assistance (ODA) (A + B)	103 485	2 669	1 808	1 951	4 080	2 562	981	9 884	12 291
ODA as % of GNI	**0.28**	**0.32**	**0.50**	**0.43**	**0.29**	**0.81**	**0.39**	**0.38**	**0.37**
A. Bilateral Official Development Assistance (1 + 2)	72 881	2 268	1 324	1 238	3 152	1 651	584	6 258	7 950
1. Grants and grant-like contributions	75 318	2 265	1 351	1 266	3 192	1 722	575	6 690	8 091
of which: Technical co-operation	14 778	1 158	190	509	583	93	242	2 897	3 527
Developmental food aid	1 051	36	2	-	20	-	-	42	55
Humanitarian aid	6 279	150	15	92	275	140	105	35	279
Contributions to NGOs	2 516	2	-	142	20	162	8	51	-
Administrative costs	4 618	91	36	58	236	127	46	357	262
2. Development lending and capital	-2 437	3	- 26	- 29	- 40	- 72	9	- 431	- 141
of which: New development lending	- 278	3	- 4	- 23	- 40	- 16	-	- 246	- 168
B. Contributions to Multilateral Institutions	30 604	400	484	713	928	912	397	3 625	4 341
Grants and capital subscriptions, Total	30 673	400	484	713	928	912	397	3 684	4 341
of which: EU Institutions	11 714	-	261	454	-	238	176	2 156	2 452
IDA	5 609	128	110	117	330	95	48	541	1 097
Regional Development Banks	2 361	87	39	39	244	71	33	218	181
II. Other Official Flows (OOF) net (C + D)	-6 438	36	- 624	- 161	- 4	- 91	96	-1 179	-2 525
C. Bilateral Other Official Flows (1 + 2)	-6 962	- 22	- 624	- 161	- 4	- 116	96	-1 179	-2 525
1. Official export credits (a)	-2 445	-	- 275	2	229	-	96	-	- 284
2. Equities and other bilateral assets	-4 517	- 22	- 350	- 164	- 233	- 116	-	-1 179	-2 242
D. Multilateral Institutions	524	58	-	-	-	25	-	-	-
III. Grants by Private Voluntary Agencies	17 866	655	123	342	1 355	94	20	-	1 271
IV. Private Flows at Market Terms (long-term) (1 to 4)	312 475	6 948	19 099	1 686	11 731	2 242	1 051	34 422	25 702
1. Direct investment	180 293	2 367	15 654	1 488	7 932	2 242	11	14 337	11 640
2. Private export credits	13 161	202	3 445	198	1 413	-	-	-1 840	3 736
3. Securities of multilateral agencies	-9 737	-	-	-	-	-	-	-	- 66
4. Bilateral portfolio investment	128 759	4 379	-	-	2 386	-	1 040	21 925	10 392
V. Total Resource Flows (long-term) (I to IV)	**427 389**	**10 307**	**20 405**	**3 818**	**17 161**	**4 807**	**2 149**	**43 126**	**36 739**
Total Resource Flows as a % of GNI	**1.14**	**1.25**	**5.62**	**0.83**	**1.22**	**1.51**	**0.86**	**1.66**	**1.10**
For reference:									
GROSS DISBURSEMENTS									
Official Development Assistance (b)	116 349	2 669	1 837	2 030	4 119	2 666	981	11 498	13 687
New development lending	8 322	3	-	35	-	-	-	951	919
Food aid, Total bilateral	2 609	40	4	22	136	8	14	45	109
Other Official Flows	16 018	327	99	31	1 651	75	96	225	1 440
of which: Official export credits	2 773	-	86	2	1 651	-	96	-	299
Private export credits	42 375	202	4 420	606	2 136	-	-	-1 704	9 634
COMMITMENTS									
Official Development Assistance, Total (b)	123 117	2 172	1 889	2 186	4 643	2 356	1 048	11 872	14 273
Bilateral grants, Total	80 487	1 710	1 382	1 558	3 715	1 450	606	6 861	8 171
Debt forgiveness	9 144	12	904	190	1	-	-	1 683	2 993
Bilateral loans, Total	11 656	-	-	27	-	31	44	1 603	1 473
Memo items:									
Gross ODA debt reorganisation grants	9 884	292	947	190	15	123	-	1 683	2 993
of which: debt forgiveness	9 624	292	947	190	1	123	-	1 683	2 993
Net ODA debt reorganisation grants (c)	8 983	292	925	185	15	123	-	1 485	2 867
Refugees in donor countries	1 907	-	50	84	172	45	18	377	14

a) Including funds in support of private export credits.
b) Including debt reorganisation.

StatLink http://dx.doi.org/10.1787/788588500266

Table 12

Comparison of flows by type in 2007

(cont.)

USD million

Greece	Ireland	Italy	Japan	Luxem-bourg	Nether-lands	New Zealand	Norway	Portugal	Spain	Sweden	Switzer-land	United Kingdom	United States
501	1 192	3 971	7 679	376	6 224	320	3 728	471	5 140	4 339	1 685	9 849	21 787
0.16	**0.55**	**0.19**	**0.17**	**0.92**	**0.81**	**0.27**	**0.95**	**0.22**	**0.37**	**0.93**	**0.38**	**0.35**	**0.16**
249	824	1 270	5 778	253	4 644	247	2 883	270	3 339	2 932	1 263	5 602	18 901
249	824	1 252	5 983	253	4 813	247	2 624	252	3 257	2 862	1 250	6 572	19 729
138	20	141	1 813	8	476	57	436	153	391	160	166	888	732
1	13	15	135	9	1	1	1	-	52	-	-	90	580
13	190	83	95	30	339	29	355	1	225	308	173	352	2 994
-	132	-	112	33	864	21	-	3	2	234	60	669	-
24	41	49	669	17	265	20	187	14	127	214	108	545	1 124
-	-	19	- 205	-	- 169	-	258	18	82	71	13	- 971	- 827
-	-	36	188	-	- 169	-	-	18	165	9	- 11	- 20	-
252	368	2 700	1 901	122	1 580	73	845	200	1 801	1 407	422	4 247	2 886
252	368	2 700	1 901	122	1 580	73	845	200	1 801	1 407	422	4 247	2 895
218	133	1 494	-	33	569	-	-	141	932	313	-	2 143	-
9	39	35	-	8	123	10	124	17	205	320	167	987	1 097
-	10	10	460	11	106	7	96	18	108	141	58	188	236
4	-	- 261	211	-	-	8	5	- 237	6	- 46	-	- 43	-1 632
4	-	- 261	- 229	-	-	8	5	- 237	6	- 46	-	- 43	-1 632
-	-	81	- 772	-	-	-	-	-	-	-	-	- 8	-1 516
4	-	- 342	543	-	-	8	5	- 237	6	- 46	-	- 35	- 115
-	-	-	441	-	-	-	-	-	-	-	-	-	-
7	318	63	446	8	343	50	-	2	-	78	294	236	12 161
2 880	4 329	649	21 979	-	11 575	26	2 638	1 980	16 516	2 541	11 303	35 634	97 545
2 880	-	1 353	18 037	-	-1 028	26	2 638	1 550	16 626	2 232	12 134	22 584	45 591
-	-	2 843	2 586	-	- 143	-	-	430	- 111	309	3	196	- 105
-	-	-	-1 896	-	795	-	-	-	-	-	- 833	-	-7 737
-	4 329	-3 547	3 251	-	11 951	-	-	-	2	-	-	12 855	59 796
3 391	**5 840**	**4 422**	**30 315**	**384**	**18 142**	**404**	**6 371**	**2 215**	**21 662**	**6 911**	**13 281**	**45 676**	**129 862**
1.10	**2.70**	**0.21**	**0.67**	**0.94**	**2.35**	**0.34**	**1.62**	**1.03**	**1.55**	**1.49**	**3.02**	**1.61**	**0.93**
501	1 192	4 290	13 566	376	6 620	320	3 728	477	5 442	4 339	1 696	11 626	22 691
-	-	338	5 657	-	-	-	-	25	384	9	-	-	-
7	19	18	135	11	20	5	11	-	82	-	37	104	1 782
4	-	140	9 357	-	-	8	5	2 121	6	39	-	19	375
-	-	83	552	-	-	-	-	-	-	-	-	3	-
-	-	3 449	20 791	-	271	-	-	458	-	1 499	612	-	-
501	1 192	4 240	14 223	376	7 394	362	3 717	477	5 442	3 750	1 741	11 626	27 639
249	824	1 234	6 107	253	4 800	289	2 821	252	3 257	2 210	1 500	6 577	24 661
-	-	587	1 941	-	387	-	-	-	263	74	59	16	34
-	-	231	6 805	-	-	-	62	25	384	81	25	802	63
-	-	587	1 941	-	392	-	61	1	325	74	64	77	117
-	-	587	1 941	-	387	-	-	-	263	74	59	16	67
-	-	570	1 576	-	392	-	61	1	243	74	64	70	40
5	-	34	2	-	126	13	78	-	27	258	152	-	451

c) Comprises bilateral grants for forgiveness of ODA, Other Official Flows (OOF) or private claims; other action on debt such as debt conversions, debt buybacks or service payments to third parties; net of offsetting entries for the cancellation of any ODA principal involved.

Table 13 StatLink http://dx.doi.org/10.1787/788588548220

Comparison of flows by type in 2008

USD million

NET DISBURSEMENTS	Total DAC Countries	Australia	Austria	Belgium	Canada	Denmark	Finland	France	Germany
I. Official Development Assistance (ODA) (A + B)	121 483	2 954	1 714	2 386	4 785	2 803	1 166	10 908	13 981
ODA as % of GNI	**0.31**	**0.32**	**0.43**	**0.48**	**0.32**	**0.82**	**0.44**	**0.39**	**0.38**
A. Bilateral Official Development Assistance (1 + 2)	86 455	2 653	1 234	1 376	3 357	1 828	693	6 461	9 063
1. Grants and grant-like contributions	87 839	2 600	1 275	1 404	3 396	1 853	681	5 980	9 392
of which: Technical co-operation	17 050	899	210	618	1 453	129	262	2 537	4 187
Developmental food aid	1 417	62	1	-	59	1	-	76	51
Humanitarian aid	8 819	299	44	127	359	169	90	23	303
Contributions to NGOs	2 508	-	1	160	24	185	11	51	-
Administrative costs	5 368	101	40	70	253	138	75	412	297
2. Development lending and capital	-1 384	53	- 42	- 28	- 39	- 25	13	481	- 329
of which: New development lending	1 142	53	- 4	- 22	- 39	- 16	-	609	40
B. Contributions to Multilateral Institutions	35 029	301	480	1 010	1 428	975	473	4 446	4 918
Grants and capital subscriptions, Total	35 005	301	480	1 010	1 428	975	473	4 413	4 918
of which: EU Institutions	13 039	-	293	549	-	271	211	2 528	2 813
IDA	8 081	146	122	274	685	134	36	539	1 136
Regional Development Banks	3 092	34	9	45	286	58	47	244	270
II. Other Official Flows (OOF) net (C + D)	-1 782	59	103	- 138	1 608	- 84	22	- 229	- 462
C. Bilateral Other Official Flows (1 + 2)	-2 538	- 109	103	- 138	1 608	- 78	22	- 229	- 462
1. Official export credits (a)	449	-	53	4	1 786	0	-	-	9
2. Equities and other bilateral assets	-2 987	- 109	50	- 141	- 178	- 78	22	- 229	- 471
D. Multilateral Institutions	756	168	-	-	-	- 7	-	-	-
III. Grants by Private Voluntary Agencies	23 655	670	137	361	1 491	129	13	-	1 626
IV. Private Flows at Market Terms (long-term) (1 to 4)	121 224	314	9 348	1 816	16 184	2 303	-1 422	29 962	18 251
1. Direct investment	178 140	1 673	7 532	1 617	14 872	2 303	- 32	24 609	9 598
2. Private export credits	6 572	- 136	1 817	199	324	-	-	- 745	3 708
3. Securities of multilateral agencies	-9 983	-	-	-	-	-	-	-	- 275
4. Bilateral portfolio investment	-53 504	-1 223	-	-	988	-	-1 390	6 098	5 218
V. Total Resource Flows (long-term) (I to IV)	**264 581**	**3 997**	**11 302**	**4 425**	**24 068**	**5 150**	**- 222**	**40 641**	**33 395**
Total Resource Flows as a % of GNI	**0.67**	**0.43**	**2.82**	**0.89**	**1.63**	**1.50**	**-0.08**	**1.44**	**0.91**
For reference:									
GROSS DISBURSEMENTS									
Official Development Assistance (b)	135 844	2 954	1 763	2 494	4 824	2 867	1 168	12 540	15 961
New development lending	10 879	53	-	23	-	-	-	1 797	1 126
Food aid, Total bilateral	4 407	143	4	39	221	20	22	77	129
Other Official Flows	15 438	315	283	52	3 040	68	38	962	2 730
of which: Official export credits	4 381	-	225	4	3 040	-	-	-	558
Private export credits	44 190	-	3 036	478	3 130	-	-	- 746	10 368
COMMITMENTS									
Official Development Assistance, Total (b)	157 339	4 897	1 830	3 172	5 516	2 503	1 329	16 014	18 053
Bilateral grants, Total	98 055	4 689	1 299	1 729	3 767	1 514	873	6 103	9 872
Debt forgiveness	10 240	278	728	107	133	1	3	1 101	3 290
Bilateral loans, Total	19 583	7	9	51	-	56	47	3 434	2 735
Memo items:									
Gross ODA debt reorganisation grants	11 391	256	776	107	133	126	4	1 101	3 290
of which: debt forgiveness	11 057	256	776	107	133	117	3	1 101	3 290
Net ODA debt reorganisation grants (c)	8 814	256	733	101	133	96	2	901	2 593
Refugees in donor countries	2 508	-	45	93	181	49	26	372	73

a) Including funds in support of private export credits.
b) Including debt reorganisation.

StatLink http://dx.doi.org/10.1787/788588548220

Table 13

Comparison of flows by type in 2008
(cont.)
USD million

Greece	Ireland	Italy	Japan	Luxembourg	Netherlands	New Zealand	Norway	Portugal	Spain	Sweden	Switzerland	United Kingdom	United States
703	1 328	4 861	9 579	415	6 993	348	3 963	620	6 867	4 732	2 038	11 500	26 842
0.21	**0.59**	**0.22**	**0.19**	**0.97**	**0.80**	**0.30**	**0.88**	**0.27**	**0.45**	**0.98**	**0.42**	**0.43**	**0.19**
312	931	1 838	6 823	279	5 200	278	3 036	373	4 802	3 142	1 550	7 367	23 859
312	931	1 919	7 764	279	5 312	278	2 941	238	4 776	3 086	1 536	7 064	24 825
191	19	153	1 950	7	372	58	555	155	1 090	188	157	1 138	722
6	17	54	262	7	22	1	1	-	83	-	-	161	552
17	178	119	257	34	403	26	361	1	431	365	165	667	4 381
-	177	-	123	6	1 088	20	-	7	11	267	65	313	-
23	51	67	941	21	320	23	210	16	204	225	141	463	1 276
-	-	- 81	- 940	-	- 112	-	95	136	25	57	14	303	- 965
-	-	- 71	197	-	- 112	-	-	136	371	10	- 12	-	-
391	397	3 022	2 756	136	1 793	70	928	247	2 065	1 589	487	4 133	2 982
391	397	3 022	2 756	136	1 793	70	928	247	2 065	1 589	487	4 133	2 992
239	155	1 713	-	35	630	-	-	161	1 037	370	-	2 034	-
80	44	556	1 168	8	244	12	147	41	342	320	186	1 014	848
44	11	351	581	2	75	6	97	25	197	97	59	315	241
1	-	408	-1 986	-	-	8	-	-	-	31	-	- 22	-1 100
1	-	408	-2 581	-	-	8	-	-	-	31	-	- 22	-1 100
-	-	34	- 629	-	-	-	- 1	-	-	-	-	- 14	- 793
1	-	374	-1 952	-	-	8	1	-	-	31	-	- 8	- 306
-	-	-	594	-	-	-	-	-	-	-	-	-	-
2	273	105	452	11	330	48	-	1	-	25	398	462	17 122
460	4 500	207	23 738	-	-21 345	29	-	906	23 220	1 108	10 487	29 938	-28 781
460	-	1 544	25 710	-	-24 523	29	-	341	23 334	- 314	11 432	23 783	54 172
-	-	2	-4 878	-	- 18	-	-	660	- 114	1 422	- 671	3 932	1 068
-	-	-	-1 046	-	- 169	-	-	-	-	-	- 274	-	-8 220
-	4 500	-1 339	3 952	-	3 365	-	-	- 95	-	-	-	2 223	-75 801
1 166	**6 101**	**5 581**	**31 783**	**426**	**-14 022**	**433**	**3 963**	**1 528**	**30 087**	**5 896**	**12 923**	**41 878**	**14 084**
0.35	**2.71**	**0.25**	**0.63**	**0.99**	**-1.61**	**0.38**	**0.88**	**0.67**	**1.96**	**1.22**	**2.68**	**1.57**	**0.10**
703	1 328	5 097	17 453	415	7 282	348	3 963	627	7 477	4 735	2 049	11 977	27 819
-	-	155	6 930	-	7	-	-	143	635	10	-	-	-
11	25	61	262	18	28	6	33	-	198	-	49	266	2 796
1	-	1 034	6 414	-	-	8	1	-	-	64	-	15	413
-	-	39	500	-	-	-	-	-	-	-	-	-	16
-	-	569	19 098	-	302	-	-	687	-	2 625	203	4 440	-
703	1 328	5 647	20 758	415	9 660	445	4 895	627	6 552	4 215	2 125	11 977	34 678
312	931	1 974	7 661	279	6 567	359	3 492	238	3 375	2 607	1 673	7 064	31 678
-	-	899	2 801	-	85	-	-	-	-	-	98	507	209
-	-	352	10 303	-	-	-	291	143	1 307	46	20	780	3
-	-	900	2 801	-	124	-	42	1	688	-	99	549	395
-	-	899	2 801	-	85	-	-	-	500	-	98	507	386
-	-	890	1 738	-	124	-	42	1	341	-	99	549	215
29	1	3	-	-	250	12	141	0	40	375	261	-	555

c) Comprises bilateral grants for forgiveness of ODA, Other Official Flows (OOF) or private claims; other action on debt such as debt conversions, debt buybacks or service payments to third parties; net of offsetting entries for the cancellation of any ODA principal involved.

Table 14 StatLink http://dx.doi.org/10.1787/788681435430

The flow of financial resources to developing countries and multilateral organisations

USD million

	Australia 1997-98	2005	2006	2007	2008
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	1 011	1 680	2 123	2 669	2 954
ODA as % of GNI	**0.27**	**0.25**	**0.30**	**0.32**	**0.32**
A. Bilateral Official Development Assistance (1 + 2)	764	1 449	1 796	2 268	2 653
1. Grants and grant-like contributions	771	1 449	1 773	2 265	2 600
of which: Technical co-operation	380	740	860	1 158	899
Developmental food aid	13	55	3	36	62
Humanitarian aid	49	194	191	150	299
Contributions to NGOs	-	4	1	2	-
Administrative costs	50	76	78	91	101
2. Development lending and capital	- 7	-	23	3	53
of which: New development lending	-	-	23	3	53
B. Contributions to Multilateral Institutions	247	231	327	400	301
Grants and capital subscriptions, Total	247	231	327	400	301
of which: EU Institutions	-	-	-	-	-
IDA	74	105	181	128	146
Regional Development Banks	62	28	72	87	34
II. Other Official Flows (OOF) net (C + D)	122	74	308	36	59
C. Bilateral Other Official Flows (1 + 2)	75	- 91	190	- 22	- 109
1. Official export credits (a)	69	- 175	-	-	-
2. Equities and other bilateral assets	6	84	190	- 22	- 109
D. Multilateral Institutions	47	165	118	58	168
III. Grants by Private Voluntary Agencies	131	825	615	655	670
IV. Private Flows at Market Terms (long-term) (1 to 4)	-2 088	2 786	6 074	6 948	314
1. Direct investment	-2 075	1 588	4 968	2 367	1 673
2. Private export credits	-	132	129	202	- 136
3. Securities of multilateral agencies	-	-	-	-	-
4. Bilateral portfolio investment	- 13	1 066	978	4 379	-1 223
V. Total Resource Flows (long-term) (I to IV)	**- 825**	**5 366**	**9 120**	**10 307**	**3 997**
Total Resource Flows as a % of GNI	**-0.22**	**0.79**	**1.27**	**1.25**	**0.43**
For reference:					
GROSS DISBURSEMENTS					
Official Development Assistance (b)	1 018	1 680	2 123	2 669	2 954
New development lending	-	-	23	3	53
Food aid, Total bilateral	35	66	44	40	143
Other Official Flows	221	269	308	327	315
of which: Official export credits	169	1	-	-	-
Private export credits	-	132	-	202	-
COMMITMENTS					
Official Development Assistance, Total (b)	917	2 058	2 544	2 172	4 897
Bilateral grants, Total	671	1 431	2 117	1 710	4 689
Debt forgiveness	13	4	533	12	278
Bilateral loans, Total	-	-	151	-	7
Memo items:					
Gross ODA debt reorganisation grants	13	20	277	292	256
of which: debt forgiveness	13	19	277	292	256
Net ODA debt reorganisation grants (c)	6	20	277	292	256
Refugees in donor countries	-	75	0	-	-

a) Including funds in support of private export credits.
b) Including debt reorganisation.

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Table 14

The flow of financial resources to developing countries and multilateral organisations (cont.)

USD million

Austria					Belgium				
1997-98	2005	2006	2007	2008	1997-98	2005	2006	2007	2008
477	1 573	1 498	1 808	1 714	823	1 963	1 977	1 951	2 386
0.23	**0.52**	**0.47**	**0.50**	**0.43**	**0.33**	**0.53**	**0.50**	**0.43**	**0.48**
284	1 232	1 092	1 324	1 234	487	1 308	1 356	1 238	1 376
278	1 244	1 101	1 351	1 275	503	1 328	1 364	1 266	1 404
119	150	162	190	210	274	500	580	509	618
2	1	1	2	1	15	0	-	-	-
4	26	17	15	44	28	66	86	92	127
2	-	-	0	1	3	20	21	142	160
17	31	32	36	40	41	47	54	58	70
6	- 12	- 9	- 26	- 42	- 15	- 20	- 7	- 29	- 28
6	- 5	- 4	- 4	- 4	- 12	- 15	- 4	- 23	- 22
193	341	407	484	480	336	655	620	713	1 010
193	341	407	484	480	338	655	620	713	1 010
89	221	236	261	293	193	368	393	454	549
47	46	98	110	122	53	184	102	117	274
12	36	36	39	9	20	23	39	39	45
183	310	- 448	- 624	103	39	391	- 434	- 161	- 138
140	310	- 448	- 624	103	39	391	- 434	- 161	- 138
140	- 120	- 64	- 275	53	14	0	0	2	4
-	430	- 384	- 350	50	25	391	- 434	- 164	- 141
43	-	-	-	-	-	-	-	-	-
40	139	119	123	137	38	249	251	342	361
629	2 814	2 285	19 099	9 348	-2 356	539	3 514	1 686	1 816
220	2 712	1 853	15 654	7 532	691	1 422	3 533	1 488	1 617
409	102	433	3 445	1 817	- 393	- 884	- 19	198	199
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-2 654	-	-	-	-
1 329	**4 837**	**3 455**	**20 405**	**11 302**	**-1 456**	**3 142**	**5 308**	**3 818**	**4 425**
0.64	**1.60**	**1.08**	**5.62**	**2.82**	**-0.59**	**0.84**	**1.34**	**0.83**	**0.89**
482	1 587	1 510	1 837	1 763	857	2 015	2 046	2 030	2 494
9	-	-	-	-	16	25	34	35	23
2	4	2	4	4	20	22	21	22	39
214	563	149	99	283	140	462	30	31	52
171	75	76	86	225	14	0	0	2	4
490	648	1 078	4 420	3 036	511	158	531	606	478
683	1 621	1 519	1 889	1 830	857	2 104	2 412	2 186	3 172
362	1 260	1 083	1 382	1 299	503	1 554	1 499	1 558	1 729
-	874	718	904	728	88	501	401	190	107
86	-	-	-	9	16	24	46	27	51
41	911	761	947	776	88	477	401	190	107
-	911	761	947	776	88	477	401	190	107
23	904	757	925	733	59	472	396	185	101
32	62	41	50	45	0	58	73	84	93

c) Comprises bilateral grants for forgiveness of ODA, Other Official Flows (OOF) or private claims; other action on debt such as debt conversions, debt buybacks or service payments to third parties; net of offsetting entries for the cancellation of any ODA principal involved. Available only from 1998.

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The flow of financial resources to developing countries and multilateral organisations (cont.)

USD million

	Canada 1997-98	2005	2006	2007	2008
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	1 876	3 756	3 683	4 080	4 785
ODA as % of GNI	**0.32**	**0.34**	**0.29**	**0.29**	**0.32**
A. Bilateral Official Development Assistance (1 + 2)	1 243	2 833	2 534	3 152	3 357
1. Grants and grant-like contributions	1 301	2 853	2 576	3 192	3 396
of which: Technical co-operation	417	335	530	583	1 453
Developmental food aid	139	3	3	20	59
Humanitarian aid	46	166	231	275	359
Contributions to NGOs	144	31	27	20	24
Administrative costs	112	250	228	236	253
2. Development lending and capital	- 58	- 20	- 42	- 40	- 39
of which: New development lending	- 36	- 20	- 42	- 40	- 39
B. Contributions to Multilateral Institutions	633	923	1 149	928	1 428
Grants and capital subscriptions, Total	633	924	1 149	928	1 428
of which: EU Institutions	-	-	-	-	-
IDA	214	190	281	330	685
Regional Development Banks	112	213	162	244	286
II. Other Official Flows (OOF) net (C + D)	1 475	- 534	356	- 4	1 608
C. Bilateral Other Official Flows (1 + 2)	1 475	- 534	356	- 4	1 608
1. Official export credits (a)	1 521	46	831	229	1 786
2. Equities and other bilateral assets	- 46	- 580	- 474	- 233	- 178
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	165	973	1 100	1 355	1 491
IV. Private Flows at Market Terms (long-term) (1 to 4)	6 365	9 178	9 093	11 731	16 184
1. Direct investment	6 181	6 647	7 717	7 932	14 872
2. Private export credits	80	787	950	1 413	324
3. Securities of multilateral agencies	-	-	-	-	-
4. Bilateral portfolio investment	104	1 744	427	2 386	988
V. Total Resource Flows (long-term) (I to IV)	**9 881**	**13 373**	**14 233**	**17 161**	**24 068**
Total Resource Flows as a % of GNI	**1.68**	**1.20**	**1.14**	**1.22**	**1.63**
For reference:					
GROSS DISBURSEMENTS					
Official Development Assistance (b)	1 940	3 777	3 729	4 119	4 824
New development lending	6	0	-	-	-
Food aid, Total bilateral	139	125	118	136	221
Other Official Flows	2 982	1 309	2 210	1 651	3 040
of which: Official export credits	2 982	1 254	2 198	1 651	3 040
Private export credits	292	1 954	2 572	2 136	3 130
COMMITMENTS					
Official Development Assistance, Total (b)	1 996	3 740	3 830	4 643	5 516
Bilateral grants, Total	1 282	2 816	2 681	3 715	3 767
Debt forgiveness	68	455	245	1	133
Bilateral loans, Total	2	-	-	-	-
Memo items:					
Gross ODA debt reorganisation grants	76	455	260	15	133
of which: debt forgiveness	68	455	245	1	133
Net ODA debt reorganisation grants (c)	47	455	260	15	133
Refugees in donor countries	108	175	158	172	181

a) Including funds in support of private export credits.
b) Including debt reorganisation.

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Table 14

The flow of financial resources to developing countries and multilateral organisations

(cont.)

USD million

Denmark 1997-98	Denmark 2005	Denmark 2006	Denmark 2007	Denmark 2008	Finland 1997-98	Finland 2005	Finland 2006	Finland 2007	Finland 2008
1 670	2 109	2 236	2 562	2 803	388	902	834	981	1 166
0.98	**0.81**	**0.80**	**0.81**	**0.82**	**0.32**	**0.46**	**0.40**	**0.39**	**0.44**
1 012	1 357	1 464	1 651	1 828	204	597	455	584	693
1 019	1 414	1 525	1 722	1 853	210	591	442	575	681
114	115	110	93	129	63	98	81	242	262
-	0	1	0	1	0	-	-	-	-
-	155	151	140	169	18	74	70	105	90
7	56	122	162	185	3	7	9	8	11
87	116	111	127	138	18	34	33	46	75
- 7	- 57	- 61	- 72	- 25	- 6	6	13	9	13
- 29	-	- 15	- 16	- 16	- 8	-	-	-	-
658	751	772	912	975	183	305	380	397	473
658	751	772	912	975	183	305	380	397	473
99	196	218	238	271	57	140	153	176	211
43	77	71	95	134	12	38	46	48	36
55	51	49	71	58	26	20	20	33	47
135	- 8	- 77	- 91	- 84	57	-	-	96	22
7	- 8	- 77	- 116	- 78	57	-	-	96	22
-	-	-	-	-	57	-	-	96	-
7	- 8	- 77	- 116	- 78	-	-	-	-	22
128	-	-	25	- 7	-	-	-	-	-
32	81	73	94	129	8	16	25	20	13
29	33	454	2 242	2 303	588	723	553	1 051	-1 422
38	33	454	2 242	2 303	6	149	402	11	- 32
- 9	-	-	-	-	165	- 161	14	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	417	736	137	1 040	-1 390
1 867	**2 215**	**2 686**	**4 807**	**5 150**	**1 041**	**1 642**	**1 413**	**2 149**	**- 222**
1.10	**0.85**	**0.96**	**1.51**	**1.50**	**0.85**	**0.84**	**0.67**	**0.86**	**-0.08**
1 711	2 174	2 315	2 666	2 867	399	907	838	981	1 168
-	-	-	-	-	3	-	-	-	-
-	9	11	8	20	1	16	-	14	22
298	26	47	75	68	436	-	-	96	38
-	-	-	-	-	436	-	-	96	-
-	-	-	-	-	176	3	14	-	-
1 443	2 352	2 110	2 356	2 503	407	1 140	964	1 048	1 329
738	1 574	1 369	1 450	1 514	230	683	588	606	873
-	66	256	-	1	-	-	-	-	3
-	32	-	31	56	5	11	19	44	47
43	50	146	123	126	0	150	-	-	4
15	50	146	123	117	0	150	-	-	3
20	30	113	123	96	0	150	-	-	2
93	70	42	45	49	9	17	11	18	26

c) Comprises bilateral grants for forgiveness of ODA, Other Official Flows (OOF) or private claims; other action on debt such as debt conversions, debt buybacks or service payments to third parties; net of offsetting entries for the cancellation of any ODA principal involved. Available only from 1998.

Table 14

StatLink http://dx.doi.org/10.1787/788681435430

The flow of financial resources to developing countries and multilateral organisations (cont.)

USD million

	France				
	1997-98	2005	2006	2007	2008
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	6 024	10 026	10 601	9 884	10 908
ODA as % of GNI	**0.41**	**0.47**	**0.47**	**0.38**	**0.39**
A. Bilateral Official Development Assistance (1 + 2)	4 481	7 239	7 919	6 258	6 461
1. Grants and grant-like contributions	4 723	7 707	8 422	6 690	5 980
of which: Technical co-operation	2 127	2 364	2 805	2 897	2 537
Developmental food aid	51	39	34	42	76
Humanitarian aid	11	28	48	35	23
Contributions to NGOs	11	40	42	51	51
Administrative costs	269	334	342	357	412
2. Development lending and capital	- 243	- 468	- 503	- 431	481
of which: New development lending	243	- 333	- 321	- 246	609
B. Contributions to Multilateral Institutions	1 544	2 787	2 681	3 625	4 446
Grants and capital subscriptions, Total	1 413	2 747	3 193	3 684	4 413
of which: EU Institutions	832	1 811	1 938	2 156	2 528
IDA	258	296	456	541	539
Regional Development Banks	136	206	207	218	244
II. Other Official Flows (OOF) net (C + D)	- 48	-1 390	-2 341	-1 179	- 229
C. Bilateral Other Official Flows (1 + 2)	- 48	-1 390	-2 341	-1 179	- 229
1. Official export credits (a)	-	-	-	-	-
2. Equities and other bilateral assets	- 48	-1 390	-2 341	-1 179	- 229
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	-	-	-	-	-
IV. Private Flows at Market Terms (long-term) (1 to 4)	5 215	7 107	14 069	34 422	29 962
1. Direct investment	5 168	6 856	10 589	14 337	24 609
2. Private export credits	- 701	- 911	- 503	-1 840	- 745
3. Securities of multilateral agencies	-	-	-	-	-
4. Bilateral portfolio investment	748	1 163	3 983	21 925	6 098
V. Total Resource Flows (long-term) (I to IV)	**11 191**	**15 744**	**22 329**	**43 126**	**40 641**
Total Resource Flows as a % of GNI	**0.76**	**0.74**	**0.99**	**1.66**	**1.44**
For reference:					
GROSS DISBURSEMENTS					
Official Development Assistance (b)	7 142	11 530	12 764	11 498	12 540
New development lending	743	554	744	951	1 797
Food aid, Total bilateral	51	39	39	45	77
Other Official Flows	596	1 891	311	225	962
of which: Official export credits	-	-	-	-	-
Private export credits	-	-	- 503	-1 704	- 746
COMMITMENTS					
Official Development Assistance, Total (b)	7 173	12 131	15 026	11 872	16 014
Bilateral grants, Total	4 429	7 634	8 595	6 861	6 103
Debt forgiveness	1 165	3 498	3 683	1 683	1 101
Bilateral loans, Total	1 150	1 228	1 349	1 603	3 434
Memo items:					
Gross ODA debt reorganisation grants	1 400	3 498	3 683	1 683	1 101
of which: debt forgiveness	1 383	3 498	3 683	1 683	1 101
Net ODA debt reorganisation grants (c)	343	3 212	3 433	1 485	901
Refugees in donor countries	69	585	471	377	372

a) Including funds in support of private export credits.
b) Including debt reorganisation.

StatLink http://dx.doi.org/10.1787/788681435430

Table 14

The flow of financial resources to developing countries and multilateral organisations

(cont.)

USD million

Germany					Greece				
1997-98	2005	2006	2007	2008	1997-98	2005	2006	2007	2008
5 719	10 082	10 435	12 291	13 981	176	384	424	501	703
0.27	**0.36**	**0.36**	**0.37**	**0.38**	**0.15**	**0.17**	**0.17**	**0.16**	**0.21**
3 565	7 447	7 034	7 950	9 063	50	206	189	249	312
3 360	8 248	7 576	8 091	9 392	45	207	189	249	312
1 972	2 865	3 116	3 527	4 187	20	77	89	138	191
43	23	25	55	51	-	1	0	1	6
102	317	357	279	303	2	17	19	13	17
-	-	-	-	-	-	-	-	-	-
251	206	227	262	297	0	30	19	24	23
204	- 801	- 542	- 141	- 329	5	-0	-	-	-
194	- 447	- 425	- 168	40	5	-0	-	-	-
2 154	2 635	3 401	4 341	4 918	126	178	235	252	391
2 164	2 635	3 401	4 341	4 918	126	178	235	252	391
1 281	2 205	2 148	2 452	2 813	101	158	164	218	239
343	-	591	1 097	1 136	2	5	42	9	80
140	54	304	181	270	3	0	-	-	44
- 402	7 055	-5 728	-2 525	- 462	11	-	8	4	1
- 115	7 055	-5 728	-2 525	- 462	11	-	8	4	1
402	- 192	- 466	- 284	9	11	-	-	-	-
- 518	7 247	-5 262	-2 242	- 471	-	-	8	4	1
- 286	-	-	-	-	-	-	-	-	-
932	1 523	1 348	1 271	1 626	-	1	10	7	2
14 861	12 023	19 938	25 702	18 251	-	325	2 454	2 880	460
5 359	14 069	10 795	11 640	9 598	-	325	2 454	2 880	460
1 778	- 131	19	3 736	3 708	-	-	-	-	-
761	- 411	1 048	- 66	- 275	-	-	-	-	-
6 963	-1 505	8 076	10 392	5 218	-	-	-	-	-
21 110	**30 683**	**25 992**	**36 739**	**33 395**	**187**	**709**	**2 896**	**3 391**	**1 166**
0.99	**1.10**	**0.89**	**1.10**	**0.91**	**0.16**	**0.32**	**1.18**	**1.10**	**0.35**
6 797	11 595	12 049	13 687	15 961	176	384	424	501	703
1 209	551	674	919	1 126	5	-	-	-	-
89	106	103	109	129	1	3	0	7	11
1 652	10 910	115	1 440	2 730	11	-	8	4	1
1 008	68	91	299	558	11	-	-	-	-
5 243	4 349	4 705	9 634	10 368	-	-	-	-	-
7 568	12 521	13 230	14 273	18 053	176	384	424	501	703
3 665	7 493	7 853	8 171	9 872	45	207	189	249	312
274	3 905	3 015	2 993	3 290	-	-	-	-	-
1 073	1 743	1 624	1 473	2 735	5	-	-	-	-
260	3 905	3 015	2 993	3 290	-	-	-	-	-
258	3 905	3 015	2 993	3 290	-	-	-	-	-
92	3 441	2 722	2 867	2 593	-	-	-	-	-
87	17	18	14	73	-	9	5	5	29

c) Comprises bilateral grants for forgiveness of ODA, Other Official Flows (OOF) or private claims; other action on debt such as debt conversions, debt buybacks or service payments to third parties; net of offsetting entries for the cancellation of any ODA principal involved. Available only from 1998.

Table 14 StatLink http://dx.doi.org/10.1787/788681435430

The flow of financial resources to developing countries and multilateral organisations (cont.)

USD million

	Ireland 1997-98	2005	2006	2007	2008
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	193	719	1 022	1 192	1 328
ODA as % of GNI	**0.30**	**0.42**	**0.54**	**0.55**	**0.59**
A. Bilateral Official Development Assistance (1 + 2)	122	482	632	824	931
1. Grants and grant-like contributions	122	482	632	824	931
of which: Technical co-operation	37	13	20	20	19
Developmental food aid	-	19	10	13	17
Humanitarian aid	9	64	87	190	178
Contributions to NGOs	2	130	100	132	177
Administrative costs	6	31	34	41	51
2. Development lending and capital	-	-	-	-	-
of which: New development lending	-	-	-	-	-
B. Contributions to Multilateral Institutions	71	237	389	368	397
Grants and capital subscriptions, Total	71	237	389	368	397
of which: EU Institutions	44	112	122	133	155
IDA	7	23	122	39	44
Regional Development Banks	-	-	19	10	11
II. Other Official Flows (OOF) net (C + D)	-	-	-	-	-
C. Bilateral Other Official Flows (1 + 2)	-	-	-	-	-
1. Official export credits (a)	-	-	-	-	-
2. Equities and other bilateral assets	-	-	-	-	-
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	50	308	339	318	273
IV. Private Flows at Market Terms (long-term) (1 to 4)	85	4 271	3 877	4 329	4 500
1. Direct investment	-	-	-	-	-
2. Private export credits	-	-	-	-	-
3. Securities of multilateral agencies	-	-	-	-	-
4. Bilateral portfolio investment	85	4 271	3 877	4 329	4 500
V. Total Resource Flows (long-term) (I to IV)	**328**	**5 298**	**5 237**	**5 840**	**6 101**
Total Resource Flows as a % of GNI	**0.52**	**3.09**	**2.77**	**2.70**	**2.71**
For reference:					
GROSS DISBURSEMENTS					
Official Development Assistance (b)	193	719	1 022	1 192	1 328
New development lending	-	-	-	-	-
Food aid, Total bilateral	1	26	14	19	25
Other Official Flows	-	-	-	-	-
of which: Official export credits	-	-	-	-	-
Private export credits	-	-	-	-	-
COMMITMENTS					
Official Development Assistance, Total (b)	193	719	1 022	1 192	1 328
Bilateral grants, Total	122	482	632	824	931
Debt forgiveness	-	-	-	-	-
Bilateral loans, Total	-	-	-	-	-
Memo items:					
Gross ODA debt reorganisation grants	1	0	-	-	-
of which: debt forgiveness	-	-	-	-	-
Net ODA debt reorganisation grants (c)	-	0	-	-	-
Refugees in donor countries	2	2	1	0	1

a) Including funds in support of private export credits.
b) Including debt reorganisation.

StatLink http://dx.doi.org/10.1787/788681435430

Table 14

The flow of financial resources to developing countries and multilateral organisations *(cont.)*

USD million

Italy 1997-98	Italy 2005	Italy 2006	Italy 2007	Italy 2008	Japan 1997-98	Japan 2005	Japan 2006	Japan 2007	Japan 2008
1 772	5 091	3 641	3 971	4 861	9 999	13 126	11 136	7 679	9 579
0.15	**0.29**	**0.20**	**0.19**	**0.22**	**0.24**	**0.28**	**0.25**	**0.17**	**0.19**
576	2 270	2 001	1 270	1 838	7 553	10 385	7 262	5 778	6 823
493	2 213	2 147	1 252	1 919	4 943	9 174	7 650	5 983	7 764
49	121	171	141	153	1 887	1 852	1 848	1 813	1 950
28	12	6	15	54	50	58	84	135	262
36	67	74	83	119	99	527	183	95	257
18	53	10	-	0	295	129	102	112	123
28	40	56	49	67	667	702	668	669	941
83	57	- 146	19	- 81	2 610	1 212	- 389	- 205	- 940
- 30	45	- 155	36	- 71	2 695	1 532	23	188	197
1 196	2 821	1 640	2 700	3 022	2 446	2 740	3 874	1 901	2 756
1 196	2 821	1 640	2 700	3 022	2 446	2 740	3 874	1 901	2 756
660	1 261	1 316	1 494	1 713	-	-	-	-	-
248	679	30	35	556	1 005	750	2 385	-	1 168
92	168	16	10	351	522	487	454	460	581
377	-1 125	- 957	- 261	408	7 389	-2 421	2 438	211	-1 986
377	-1 125	- 957	- 261	408	6 291	-1 423	2 732	- 229	-2 581
67	5	38	81	34	712	-1 202	-1 305	- 772	- 629
310	-1 130	- 995	- 342	374	5 579	- 222	4 038	543	-1 952
-	-	-	-	-	1 099	- 997	- 294	441	594
40	94	123	63	105	213	255	315	446	452
8 454	44	2 705	649	207	6 104	12 278	12 290	21 979	23 738
1 631	951	1 151	1 353	1 544	8 062	14 472	14 144	18 037	25 710
199	1 451	2 602	2 843	2	-1 319	-3 433	275	2 586	-4 878
-	-	-	-	-	-2 984	81	- 928	-1 896	-1 046
6 624	-2 358	-1 049	-3 547	-1 339	2 345	1 158	-1 201	3 251	3 952
10 643	**4 103**	**5 512**	**4 422**	**5 581**	**23 705**	**23 238**	**26 179**	**30 315**	**31 783**
0.92	**0.23**	**0.30**	**0.21**	**0.25**	**0.57**	**0.50**	**0.58**	**0.67**	**0.63**
1 930	5 264	4 003	4 290	5 097	12 870	18 619	17 064	13 566	17 453
118	218	207	338	155	5 481	5 763	5 324	5 657	6 930
28	12	14	18	61	50	58	84	135	262
626	142	174	140	1 034	14 998	8 508	12 585	9 357	6 414
67	55	53	83	39	2 422	753	436	552	500
2 597	-	1 572	3 449	569	2 705	4 487	20 667	20 791	19 098
1 524	5 636	4 138	4 240	5 647	16 106	19 435	17 293	14 223	20 758
391	2 233	2 159	1 234	1 974	5 066	9 332	7 852	6 107	7 661
144	1 670	1 379	587	899	286	4 776	3 212	1 941	2 801
206	452	349	231	352	8 962	8 006	5 710	6 805	10 303
144	1 670	1 596	587	900	327	4 776	3 544	1 941	2 801
144	1 670	1 379	587	899	327	4 776	3 212	1 941	2 801
135	1 670	1 596	570	890	191	3 553	3 003	1 576	1 738
-	0	0	34	3	-	-	-	2	0

c) Comprises bilateral grants for forgiveness of ODA, Other Official Flows (OOF) or private claims; other action on debt such as debt conversions, debt buybacks or service payments to third parties; net of offsetting entries for the cancellation of any ODA principal involved. Available only from 1998.

Table 14 StatLink http://dx.doi.org/10.1787/788681435430

The flow of financial resources to developing countries and multilateral organisations (cont.)

USD million

	Luxembourg 1997-98	2005	2006	2007	2008
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	103	256	291	376	415
ODA as % of GNI	**0.60**	**0.79**	**0.89**	**0.92**	**0.97**
A. Bilateral Official Development Assistance (1 + 2)	71	187	205	253	279
1. Grants and grant-like contributions	71	187	205	253	279
of which: Technical co-operation	2	4	6	8	7
Developmental food aid	1	1	8	9	7
Humanitarian aid	9	16	37	30	34
Contributions to NGOs	1	33	32	33	6
Administrative costs	2	11	13	17	21
2. Development lending and capital	-	-	-	-	-
of which: New development lending	-	-	-	-	-
B. Contributions to Multilateral Institutions	32	69	86	122	136
Grants and capital subscriptions, Total	32	69	86	122	136
of which: EU Institutions	17	25	24	33	35
IDA	4	6	12	8	8
Regional Development Banks	-	10	11	11	2
II. Other Official Flows (OOF) net (C + D)	-	-	-	-	-
C. Bilateral Other Official Flows (1 + 2)	-	-	-	-	-
1. Official export credits (a)	-	-	-	-	-
2. Equities and other bilateral assets	-	-	-	-	-
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	6	8	8	8	11
IV. Private Flows at Market Terms (long-term) (1 to 4)	-	-	-	-	-
1. Direct investment	-	-	-	-	-
2. Private export credits	-	-	-	-	-
3. Securities of multilateral agencies	-	-	-	-	-
4. Bilateral portfolio investment	-	-	-	-	-
V. Total Resource Flows (long-term) (I to IV)	**109**	**265**	**299**	**384**	**426**
Total Resource Flows as a % of GNI	**0.63**	**0.82**	**0.91**	**0.94**	**0.99**
For reference:					
GROSS DISBURSEMENTS					
Official Development Assistance (b)	103	256	291	376	415
New development lending	-	-	-	-	-
Food aid, Total bilateral	2	9	18	11	18
Other Official Flows	-	-	-	-	-
of which: Official export credits	-	-	-	-	-
Private export credits	-	-	-	-	-
COMMITMENTS					
Official Development Assistance, Total (b)	99	256	291	376	415
Bilateral grants, Total	66	187	205	253	279
Debt forgiveness	-	-	-	-	-
Bilateral loans, Total	-	-	-	-	-
Memo items:					
Gross ODA debt reorganisation grants	-	-	-	-	-
of which: debt forgiveness	-	-	-	-	-
Net ODA debt reorganisation grants (c)	-	-	-	-	-
Refugees in donor countries	-	7	-	-	-

a) Including funds in support of private export credits.
b) Including debt reorganisation.

StatLink http://dx.doi.org/10.1787/788681435430

Table 14

The flow of financial resources to developing countries and multilateral organisations *(cont.)*

USD million

Netherlands					New Zealand				
1997-98	2005	2006	2007	2008	1997-98	2005	2006	2007	2008
2 994	5 115	5 452	6 224	6 993	142	274	259	320	348
0.80	**0.82**	**0.81**	**0.81**	**0.80**	**0.26**	**0.27**	**0.27**	**0.27**	**0.30**
2 133	3 683	4 282	4 644	5 200	106	224	203	247	278
2 313	3 696	4 415	4 813	5 312	106	224	203	247	278
915	609	464	476	372	58	41	49	57	58
2	-	1	1	22	-	2	1	1	1
215	408	397	339	403	5	53	21	29	26
289	674	977	864	1 088	5	14	15	21	20
174	245	255	265	320	8	15	16	20	23
- 180	- 13	- 133	- 169	- 112	-	-	-	-	-
- 180	- 28	- 133	- 169	- 112	-	-	-	-	-
861	1 432	1 169	1 580	1 793	36	50	56	73	70
861	1 432	1 169	1 580	1 793	36	50	56	73	70
282	432	432	569	630	-	-	-	-	-
206	245	16	123	244	10	9	8	10	12
54	163	55	106	75	5	6	6	7	6
30	152	343	-	-	-	7	7	8	8
30	152	343	-	-	-	7	7	8	8
- 184	1	-	-	-	-	-	-	-	-
214	152	343	-	-	-	7	7	8	8
-	-	-	-	-	-	-	-	-	-
255	422	277	343	330	14	94	48	50	48
7 438	17 091	22 544	11 575	-21 345	12	26	24	26	29
6 115	2 348	6 351	-1 028	-24 523	12	26	24	26	29
77	10 614	5 713	- 143	- 18	-	-	-	-	-
- 22	- 474	- 248	795	- 169	-	-	-	-	-
1 269	4 604	10 728	11 951	3 365	-	-	-	-	-
10 718	**22 781**	**28 616**	**18 142**	**-14 022**	**168**	**401**	**338**	**404**	**433**
2.87	**3.65**	**4.23**	**2.35**	**-1.61**	**0.31**	**0.40**	**0.35**	**0.34**	**0.38**
3 174	5 201	5 889	6 620	7 282	142	274	259	320	348
-	-	-	-	7	-	-	-	-	-
14	76	48	20	28	0	9	3	5	6
619	152	343	-	-	-	7	7	8	8
405	1	-	-	-	-	-	-	-	-
131	10 912	6 327	271	302	-	-	-	-	-
2 842	4 435	12 061	7 394	9 660	144	370	356	362	445
2 021	3 443	10 266	4 800	6 567	108	314	297	289	359
162	-	8	387	85	-	-	-	-	-
-	87	-	-	-	-	-	-	-	-
156	330	312	392	124	-	0	0	-	-
117	330	294	387	85	-	-	-	-	-
77	324	312	392	124	-	0	0	-	-
73	94	112	126	250	-	11	10	13	12

c) Comprises bilateral grants for forgiveness of ODA, Other Official Flows (OOF) or private claims; other action on debt such as debt conversions, debt buybacks or service payments to third parties; net of offsetting entries for the cancellation of any ODA principal involved. Available only from 1998.

Table 14 StatLink http://dx.doi.org/10.1787/788681435430

The flow of financial resources to developing countries and multilateral organisations (cont.)

USD million

	Norway				
	1997-98	2005	2006	2007	2008
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	1 314	2 786	2 954	3 728	3 963
ODA as % of GNI	**0.86**	**0.94**	**0.89**	**0.95**	**0.88**
A. Bilateral Official Development Assistance (1 + 2)	933	2 033	2 171	2 883	3 036
1. Grants and grant-like contributions	925	1 968	2 092	2 624	2 941
of which: Technical co-operation	175	319	366	436	555
Developmental food aid	-	0	7	1	1
Humanitarian aid	180	344	282	355	361
Contributions to NGOs	-	-	-	-	-
Administrative costs	57	137	164	187	210
2. Development lending and capital	8	64	79	258	95
of which: New development lending	7	-	-	-	-
B. Contributions to Multilateral Institutions	381	754	783	845	928
Grants and capital subscriptions, Total	381	754	783	845	928
of which: EU Institutions	-	-	-	-	-
IDA	65	113	119	124	147
Regional Development Banks	49	88	87	96	97
II. Other Official Flows (OOF) net (C + D)	-0	5	5	5	-0
C. Bilateral Other Official Flows (1 + 2)	-0	5	5	5	-0
1. Official export credits (a)	-	-	-	-	- 1
2. Equities and other bilateral assets	-0	5	5	5	1
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	124	-	-	-	-
IV. Private Flows at Market Terms (long-term) (1 to 4)	378	1 839	1 345	2 638	-
1. Direct investment	253	1 847	1 351	2 638	-
2. Private export credits	125	- 8	- 6	-	-
3. Securities of multilateral agencies	-	-	-	-	-
4. Bilateral portfolio investment	-	-	-	-	-
V. Total Resource Flows (long-term) (I to IV)	**1 815**	**4 630**	**4 304**	**6 371**	**3 963**
Total Resource Flows as a % of GNI	**1.19**	**1.56**	**1.29**	**1.62**	**0.88**
For reference:					
GROSS DISBURSEMENTS					
Official Development Assistance (b)	1 318	2 786	2 954	3 728	3 963
New development lending	11	-	-	-	-
Food aid, Total bilateral	17	74	50	11	33
Other Official Flows	-	5	5	5	1
of which: Official export credits	-	-	-	-	-
Private export credits	169	14	5	-	-
COMMITMENTS					
Official Development Assistance, Total (b)	1 081	2 831	3 404	3 717	4 895
Bilateral grants, Total	687	2 058	2 568	2 821	3 492
Debt forgiveness	18	-	-	-	-
Bilateral loans, Total	9	19	53	62	291
Memo items:					
Gross ODA debt reorganisation grants	35	2	23	61	42
of which: debt forgiveness	16	-	-	-	-
Net ODA debt reorganisation grants (c)	19	2	23	61	42
Refugees in donor countries	23	68	67	78	141

a) Including funds in support of private export credits.
b) Including debt reorganisation.

StatLink http://dx.doi.org/10.1787/788681435430

Table 14

The flow of financial resources to developing countries and multilateral organisations (cont.)

USD million

	Portugal					Spain				
	1997-98	2005	2006	2007	2008	1997-98	2005	2006	2007	2008
	255	377	396	471	620	1 305	3 018	3 814	5 140	6 867
	0.25	**0.21**	**0.21**	**0.22**	**0.27**	**0.24**	**0.27**	**0.32**	**0.37**	**0.45**
	170	218	211	270	373	801	1 863	2 092	3 339	4 802
	136	201	198	252	238	603	2 020	2 012	3 257	4 776
	67	114	117	153	155	138	483	438	391	1 090
	-	-	-	-	-	8	10	29	52	83
	1	13	7	1	1	22	114	137	225	431
	2	6	7	3	7	1	7	6	2	11
	3	16	13	14	16	37	103	101	127	204
	34	17	14	18	136	198	- 157	80	82	25
	3	17	14	18	136	220	121	138	165	371
	85	159	185	200	247	504	1 155	1 722	1 801	2 065
	85	159	185	200	247	504	1 155	1 722	1 801	2 065
	60	128	124	141	161	345	784	852	932	1 037
	7	12	14	17	41	46	123	228	205	342
	8	4	30	18	25	29	134	139	108	197
	98	- 3	- 20	- 237	-	17	67	-	6	-
	98	- 3	- 20	- 237	-	17	67	-	6	-
	-	-	-	-	-	-	-	-	-	-
	98	- 3	- 20	- 237	-	17	67	-	6	-
	-	-	-	-	-	-	-	-	-	-
	5	6	4	2	1	128	-	-	-	-
	1 318	728	286	1 980	906	8 176	3 716	7 333	16 516	23 220
	1 018	556	44	1 550	341	8 212	4 158	7 608	16 626	23 334
	300	172	243	430	660	- 36	- 442	- 275	- 111	- 114
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	- 95	-	-	0	2	-
	1 676	**1 109**	**666**	**2 215**	**1 528**	**9 626**	**6 801**	**11 146**	**21 662**	**30 087**
	1.61	**0.62**	**0.36**	**1.03**	**0.67**	**1.77**	**0.61**	**0.92**	**1.55**	**1.96**
	256	383	402	477	627	1 448	3 518	4 160	5 442	7 477
	5	23	20	25	143	341	331	415	384	635
	-	1	-	-	-	14	33	35	82	198
	127	-	-	2 121	-	17	67	-	6	-
	-	-	-	-	-	-	-	-	-	-
	347	186	273	458	687	-	-	-	-	-
	204	383	402	477	627	1 422	3 518	4 160	5 442	6 552
	101	201	198	252	238	603	2 020	2 012	3 257	3 375
	45	3				114	763	538	263	-
	42	23	20	25	143	316	342	427	384	1 307
	51	3	0	1	1	128	903	573	325	688
	45	3	-	-	-	114	763	538	263	500
	29	3	0	1	1	59	613	503	243	341
	-	-	0	0	0	-	20	28	27	40

c) Comprises bilateral grants for forgiveness of ODA, Other Official Flows (OOF) or private claims; other action on debt such as debt conversions, debt buybacks or service payments to third parties; net of offsetting entries for the cancellation of any ODA principal involved. Available only from 1998.

Table 14 StatLink http://dx.doi.org/10.1787/788681435430

The flow of financial resources to developing countries and multilateral organisations (cont.)

USD million

	Sweden				
	1997-98	2005	2006	2007	2008
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	1 652	3 362	3 955	4 339	4 732
ODA as % of GNI	**0.75**	**0.94**	**1.02**	**0.93**	**0.98**
A. Bilateral Official Development Assistance (1 + 2)	1 125	2 256	2 852	2 932	3 142
1. Grants and grant-like contributions	1 127	2 247	2 838	2 862	3 086
of which: Technical co-operation	52	140	132	160	188
Developmental food aid	-	-	-	-	-
Humanitarian aid	124	261	295	308	365
Contributions to NGOs	109	134	152	234	267
Administrative costs	87	126	193	214	225
2. Development lending and capital	- 2	9	14	71	57
of which: New development lending	-	9	14	9	10
B. Contributions to Multilateral Institutions	527	1 106	1 103	1 407	1 589
Grants and capital subscriptions, Total	527	1 106	1 103	1 407	1 589
of which: EU Institutions	95	198	246	313	370
IDA	125	274	47	320	320
Regional Development Banks	73	104	109	141	97
II. Other Official Flows (OOF) net (C + D)	7	- 4	- 2	- 46	31
C. Bilateral Other Official Flows (1 + 2)	7	- 4	- 2	- 46	31
1. Official export credits (a)	-	-	-	-	-
2. Equities and other bilateral assets	7	- 4	- 2	- 46	31
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	34	29	12	78	25
IV. Private Flows at Market Terms (long-term) (1 to 4)	777	159	210	2 541	1 108
1. Direct investment	851	430	333	2 232	- 314
2. Private export credits	- 75	- 271	- 123	309	1 422
3. Securities of multilateral agencies	-	-	-	-	-
4. Bilateral portfolio investment	-	-0	-0	-0	0
V. Total Resource Flows (long-term) (I to IV)	**2 469**	**3 545**	**4 175**	**6 911**	**5 896**
Total Resource Flows as a % of GNI	**1.13**	**0.99**	**1.08**	**1.49**	**1.22**
For reference:					
GROSS DISBURSEMENTS					
Official Development Assistance (b)	1 656	3 362	3 955	4 339	4 735
New development lending	-	9	14	9	10
Food aid, Total bilateral	5	10	4	-	-
Other Official Flows	9	41	81	39	64
of which: Official export credits	-	-	-	-	-
Private export credits	334	1 347	1 147	1 499	2 625
COMMITMENTS					
Official Development Assistance, Total (b)	1 739	3 732	4 249	3 750	4 215
Bilateral grants, Total	1 269	2 517	3 089	2 210	2 607
Debt forgiveness	-	53	292	74	-
Bilateral loans, Total	2	9	14	81	46
Memo items:					
Gross ODA debt reorganisation grants	9	53	292	74	-
of which: debt forgiveness	4	53	292	74	-
Net ODA debt reorganisation grants (c)	-	53	292	74	-
Refugees in donor countries	99	143	164	258	375

a) Including funds in support of private export credits.
b) Including debt reorganisation.

StatLink http://dx.doi.org/10.1787/788681435430

Table 14

The flow of financial resources to developing countries and multilateral organisations
(cont.)

USD million

Switzerland					United Kingdom				
1997-98	2005	2006	2007	2008	1997-98	2005	2006	2007	2008
904	1 772	1 646	1 685	2 038	3 648	10 772	12 459	9 849	11 500
0.33	**0.43**	**0.39**	**0.38**	**0.42**	**0.27**	**0.47**	**0.51**	**0.35**	**0.43**
604	1 405	1 254	1 263	1 550	2 055	8 169	8 735	5 602	7 367
609	1 385	1 241	1 250	1 536	2 127	8 250	8 827	6 572	7 064
287	144	161	166	157	810	845	860	888	1 138
6	-	-	-	-	-	-	-	90	161
122	190	175	173	165	176	628	835	352	667
33	47	49	60	65	93	394	365	669	313
19	52	52	108	141	187	427	477	545	463
- 5	20	13	13	14	- 72	- 82	- 92	- 971	303
2	- 6	- 11	- 11	- 12	- 32	12	- 15	- 20	-
300	367	392	422	487	1 593	2 603	3 724	4 247	4 133
300	367	392	422	487	1 597	2 649	3 780	4 247	4 133
-	-	-	-	-	777	1 221	1 565	2 143	2 034
106	142	163	167	186	366	665	946	987	1 014
53	54	57	58	59	99	28	354	188	315
18	-	17	-	-	- 84	- 99	- 187	- 43	- 22
18	-	17	-	-	- 84	- 99	- 187	- 43	- 22
-	-	-	-	-	58	36	2	- 8	- 14
18	-	17	-	-	- 142	- 135	- 189	- 35	- 8
-	-	-	-	-	-	-	-	-	-
113	332	402	294	398	361	726	543	236	462
- 422	5 999	10 490	11 303	10 487	11 972	19 870	14 127	35 634	29 938
793	7 451	11 250	12 134	11 432	10 985	14 812	7 530	22 584	23 783
234	- 729	- 521	3	- 671	- 27	- 625	-4 696	196	3 932
- 169	- 722	- 239	- 833	- 274	-	-	-	-	-
-1 280	-	-	0	-	1 014	5 683	11 292	12 855	2 223
613	**8 103**	**12 555**	**13 281**	**12 923**	**15 897**	**31 269**	**26 941**	**45 676**	**41 878**
0.23	**1.99**	**2.98**	**3.02**	**2.68**	**1.17**	**1.37**	**1.11**	**1.61**	**1.57**
912	1 778	1 657	1 696	2 049	3 874	11 168	13 075	11 626	11 977
3	1	-	-	-	21	17	1	0	-
17	28	36	37	49	31	66	140	104	266
18	-	17	-	-	188	52	11	19	15
-	-	-	-	-	58	36	2	3	0
-	211	175	612	203	-	-	-	-	4 440
737	1 754	1 880	1 741	2 125	3 874	11 162	13 075	11 626	11 977
520	1 344	1 215	1 500	1 673	2 127	8 244	8 827	6 577	7 064
7	224	98	59	98	359	3 515	2 557	16	507
3	30	28	25	20	146	265	465	802	780
12	224	98	64	99	359	3 540	3 511	77	549
7	224	98	59	98	359	3 521	2 557	16	507
5	224	98	64	99	57	3 530	3 503	70	549
5	129	132	152	261	-	-	-	-	-

c) Comprises bilateral grants for forgiveness of ODA, Other Official Flows (OOF) or private claims; other action on debt such as debt conversions, debt buybacks or service payments to third parties; net of offsetting entries for the cancellation of any ODA principal involved. Available only from 1998.

Table 14 StatLink http://dx.doi.org/10.1787/788681435430

The flow of financial resources to developing countries and multilateral organisations (cont.)

USD million

	United States 1997-98	2005	2006	2007	2008
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	7 832	27 935	23 532	21 787	26 842
ODA as % of GNI	**0.09**	**0.23**	**0.18**	**0.16**	**0.19**
A. Bilateral Official Development Assistance (1 + 2)	5 464	25 582	21 162	18 901	23 859
1. Grants and grant-like contributions	6 103	26 344	22 005	19 729	24 825
of which: Technical co-operation	3 010	8 803	9 278	732	722
Developmental food aid	643	662	743	580	552
Humanitarian aid	407	3 392	3 022	2 994	4 381
Contributions to NGOs	-	-	-	-	-
Administrative costs	647	1 084	1 084	1 124	1 276
2. Development lending and capital	- 640	- 762	- 843	- 827	- 965
of which: New development lending	- 675	-	-	-	-
B. Contributions to Multilateral Institutions	2 368	2 353	2 370	2 886	2 982
Grants and capital subscriptions, Total	2 385	2 363	2 380	2 895	2 992
of which: EU Institutions	-	-	-	-	-
IDA	867	843	827	1 097	848
Regional Development Banks	171	219	240	236	241
II. Other Official Flows (OOF) net (C + D)	452	-1 048	-4 017	-1 632	-1 100
C. Bilateral Other Official Flows (1 + 2)	452	-1 048	-4 017	-1 632	-1 100
1. Official export credits (a)	41	-1 212	-2 817	-1 516	- 793
2. Equities and other bilateral assets	411	164	-1 200	- 115	- 306
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	2 712	8 629	9 037	12 161	17 122
IV. Private Flows at Market Terms (long-term) (1 to 4)	50 710	78 010	62 345	97 545	-28 781
1. Direct investment	26 389	19 770	36 624	45 591	54 172
2. Private export credits	2 120	- 100	-1 097	- 105	1 068
3. Securities of multilateral agencies	-1 679	1 566	3 156	-7 737	-8 220
4. Bilateral portfolio investment	23 880	56 774	23 662	59 796	-75 801
V. Total Resource Flows (long-term) (I to IV)	**61 706**	**113 526**	**90 897**	**129 862**	**14 084**
Total Resource Flows as a % of GNI	**0.73**	**0.92**	**0.69**	**0.93**	**0.10**
For reference:					
GROSS DISBURSEMENTS					
Official Development Assistance (b)	8 806	28 750	24 532	22 691	27 819
New development lending	5	-	-	-	-
Food aid, Total bilateral	804	2 277	2 064	1 782	2 796
Other Official Flows	2 648	745	531	375	413
of which: Official export credits	1 302	142	118	-	16
Private export credits	8 095	-	-	-	-
COMMITMENTS					
Official Development Assistance, Total (b)	9 080	30 109	26 678	27 639	34 678
Bilateral grants, Total	6 318	27 719	24 151	24 661	31 678
Debt forgiveness	107	4 076	1 583	34	209
Bilateral loans, Total	333	33	142	63	3
Memo items:					
Gross ODA debt reorganisation grants	107	4 196	1 704	117	395
of which: debt forgiveness	107	4 194	1 703	67	386
Net ODA debt reorganisation grants (c)	19	4 078	1 585	40	215
Refugees in donor countries	212	525	488	451	555

a) Including funds in support of private export credits.
b) Including debt reorganisation.

StatLink http://dx.doi.org/10.1787/788681435430

Table 14

The flow of financial resources to developing countries and multilateral organisations *(cont.)*

USD million

Total DAC Countries					EC				
1997-98	2005	2006	2007	2008	1997-98	2005	2006	2007	2008
50 276	107 078	104 368	103 485	121 483	5 200	9 390	10 245	11 634	14 757
0.23	**0.33**	**0.31**	**0.28**	**0.31**	**-**	**-**	**-**	**-**	**-**
33 802	82 424	76 901	72 881	86 455	5 140	8 687	9 699	11 327	14 428
31 888	83 432	79 432	75 318	87 839	4 511	8 539	9 577	11 240	12 868
12 972	20 732	22 242	14 778	17 050	241	446	444	713	1 423
1 000	887	956	1 051	1 417	360	398	276	325	322
1 665	7 121	6 724	6 279	8 819	643	1 166	1 366	1 499	1 915
1 017	1 779	2 037	2 516	2 508	172	1	1	0	-
2 766	4 115	4 250	4 618	5 368	109	652	723	660	788
1 914	-1 008	-2 531	-2 437	-1 384	629	147	122	87	1 560
2 373	883	- 915	- 278	1 142	629	147	122	22	1 621
16 474	24 653	27 467	30 604	35 029	60	703	546	308	329
16 376	24 670	28 046	30 673	35 005	60	703	546	308	329
4 931	9 258	9 931	11 714	13 039	-	-	-	-	-
4 109	4 827	6 787	5 609	8 081	-	-	100	-	-
1 723	2 096	2 466	2 361	3 092	-	18	-	-	-
9 877	1 430	-10 728	-6 438	-1 782	841	1 595	1 855	4 716	2 888
8 847	2 262	-10 551	-6 962	-2 538	841	1 595	1 855	4 716	2 888
2 908	-2 812	-3 781	-2 445	449	-	-	-	-	-
5 939	5 074	-6 770	-4 517	-2 987	841	1 595	1 855	4 716	2 888
1 030	- 832	- 177	524	756	-	-	-	-	-
5 400	14 712	14 648	17 866	23 655	-	-	-	-	-
118 247	179 559	196 010	312 475	121 224	-	-	-	-	-
79 911	100 622	129 174	180 293	178 140	-	-	-	-	-
2 928	5 563	3 137	13 161	6 572	-	-	-	-	-
-4 093	40	2 789	-9 737	-9 983	-	-	-	-	-
39 501	73 335	60 910	128 759	-53 504	-	-	-	-	-
183 799	**302 779**	**304 298**	**427 389**	**264 581**	**6 041**	**10 985**	**12 101**	**16 350**	**17 645**
0.82	**0.93**	**0.89**	**1.14**	**0.67**	**-**	**-**	**-**	**-**	**-**
57 202	117 728	117 059	116 349	135 844	5 455	9 726	10 678	11 743	15 108
7 974	7 492	7 454	8 322	10 879	884	483	555	130	1 789
1 321	3 069	2 849	2 609	4 407	360	596	461	922	1 051
25 801	25 148	16 933	16 018	15 438	1 020	2 618	3 286	5 997	4 284
9 044	2 386	2 975	2 773	4 381	-	-	-	-	-
21 090	24 400	38 563	42 375	44 190	-	-	-	-	-
60 265	122 393	131 067	123 117	157 339	6 983	12 023	13 070	13 748	19 960
31 323	84 748	89 445	80 487	98 055	6 213	10 875	11 808	13 240	16 780
2 850	24 382	18 517	9 144	10 240	-	-	-	31	-
12 356	12 302	10 393	11 656	19 583	639	480	726	117	2 652
3 252	25 164	20 195	9 884	11 391	-	-	-	-	128
3 067	24 999	18 600	9 624	11 057	-	-	-	-	-
1 179	22 733	18 874	8 983	8 814	-	-	-	-	128
811	2 069	1 823	1 907	2 508	-	-	-	-	-

c) Comprises bilateral grants for forgiveness of ODA, Other Official Flows (OOF) or private claims; other action on debt such as debt conversions, debt buybacks or service payments to third parties; net of offsetting entries for the cancellation of any ODA principal involved. Available only from 1998.

Table 15 StatLink http://dx.doi.org/10.1787/788746546448

ODA from DAC countries to multilateral organisations[a] in 2008

Net disbursements | USD million

	Total	World Bank Group	of which: IDA	Regional Development Banks	of which: African Dev. Bank	of which: Asian Dev. Bank	of which: Inter-American Dev. Bank
Australia	301	146	146	34	-	34	-
Austria	480	122	122	9	0	8	-
Belgium	1 010	275	274	45	36	7	-
Canada	1 428	689	685	285	126	71	70
Denmark	975	183	134	58	34	10	-
Finland	473	36	36	47	42	5	-
France	4 446	547	539	244	197	44	2
Germany	4 918	1 136	1 136	270	213	53	-
Greece	391	80	80	44	-	-	-
Ireland	397	47	44	11	-	11	-
Italy	3 022	645	556	351	214	124	1
Japan	2 756	1 253	1 168	581	178	379	23
Luxembourg	136	17	8	2	-	2	-
Netherlands	1 793	316	244	75	0	-	-
New Zealand	70	13	12	6	-	6	-
Norway	928	147	147	97	88	10	-
Portugal	247	41	41	25	18	6	-
Spain	2 065	342	342	197	140	29	14
Sweden	1 589	320	320	97	84	13	-
Switzerland	487	186	186	59	47	12	-
United Kingdom	4 133	1 129	1 014	315	252	52	-
United States	2 983	848	848	232	135	107	-
TOTAL DAC	**35 029**	**8 516**	**8 081**	**3 083**	**1 805**	**983**	**112**
of which:							
DAC-EU countries	26 076	5 235	4 888	1 788	1 232	364	18

a) Unearmarked contributions.
b) IMF-PRGF and PRGF HIPC Trust.

StatLink http://dx.doi.org/10.1787/788746546448

Table 15

ODA from DAC countries to multilateral organisations[a] in 2008 *(cont.)*

Net disbursements

USD million

United Nations Agencies	of which: IFAD	UNDP	WFP	UNICEF	UNHCR	EU institutions	of which: EDF	Other Multilateral	of which: IMF [b]	
60	-	-	-	-	-	-	-	61	2	Australia
42	-	9	6	2	1	293	122	14	-	Austria
78	5	20	1	5	5	549	178	63	12	Belgium
229	12	53	18	17	13	-	-	225	6	Canada
346	4	74	38	35	28	271	91	117	0	Denmark
132	-	25	9	22	10	211	78	46	7	Finland
274	12	44	5	18	23	2 528	1 121	853	34	France
295	-	41	-	8	8	2 813	1 079	405	-	Germany
14	1	1	-	0	1	239	57	14	-	Greece
133	3	32	14	24	18	155	30	52	0	Ireland
210	13	8	32	5	9	1 713	527	103	11	Italy
581	-	73	10	23	10	-	-	341	27	Japan
68	1	12	4	7	3	35	12	14	1	Luxembourg
575	25	133	58	50	61	630	241	198	-	Netherlands
35	-	6	5	3	-	-	-	16	-	New Zealand
508	12	138	25	70	42	-	-	176	-	Norway
11	0	2	0	0	2	161	42	9	-	Portugal
267	7	61	15	26	15	1 037	259	223	-	Spain
614	-	108	67	69	84	370	124	188	-	Sweden
157	6	49	2	18	11	-	-	85	15	Switzerland
436	28	156	5	38	36	2 034	652	219	-	United Kingdom
692	26	97	-	128	-	-	-	1 210	-	United States
5 759	**154**	**1 140**	**314**	**570**	**378**	**13 040**	**4 612**	**4 632**	**117**	**TOTAL DAC**
										of which:
3 497	98	725	254	311	303	13 040	4 612	2 517	66	DAC-EU countries

StatLink http://dx.doi.org/10.1787/788805618385

Table 16

Capital subscriptions to multilateral organisations[a] on a deposit and an encashment basis

Net disbursements | USD million

	Deposit basis					Encashment basis				
	1998	2005	2006	2007	2008	1998	2005	2006	2007	2008
Australia	88	134	264	227	169	164	134	264	227	169
Austria	44	86	133	173	134	72	91	116	140	139
Belgium	-	212	133	143	296	107	192	85	260	267
Canada	283	347	448	508	986	382	427	512	597	526
Denmark	122	116	99	119	118	121	164	119	139	148
Finland	36	60	69	46	32	64	53	47	46	-
France	383	193	7	-	-	-	535	-	-	-
Germany	488	109	904	1 415	1 459	644	742	778	875	1 036
Greece	13	13	33	16	120	13	-	24	16	10
Ireland	-	-	-	-	-	-	-	-	-	-
Italy	677	951	97	3	526	388	499	242	389	596
Japan	757	883	2 510	135	1 345	-	1 057	2 694	875	481
Luxembourg	-	-	-	-	0	-	-	-	-	-
Netherlands	287	476	1	0	-	60	-	-	-	-
New Zealand	10	17	16	19	20	11	17	17	19	14
Norway	107	273	223	220	245	-	-	-	-	-
Portugal	0	3	1	1	0	12	27	34	33	35
Spain	110	14	17	16	461	-	-	-	-	461
Sweden	-	354	237	421	402	181	133	326	380	411
Switzerland	3	202	226	219	235	3	182	181	197	233
United Kingdom	-	822	1 462	1 471	1 442	328	690	1 128	930	735
United States	1 411	1 160	1 144	1 426	1 262	1 574	1 345	1 778	1 566	1 364
TOTAL DAC	**4 822**	**6 423**	**8 024**	**6 577**	**9 251**	**..**	**..**	**..**	**..**	**..**
of which:										
DAC-EU countries	2 161	3 408	3 192	3 823	4 990	..	..	..	..	..

Note: Not all contributions to these agencies are in the form of capital subscriptions.

a) World Bank, IMF-PRGF, IDB, African Development Bank, Asian Development Bank and Caribbean Development Bank.

Table 17 StatLink http://dx.doi.org/10.1787/788820202785

Concessional and non-concessional flows by multilateral organisations[a]

USD million, at current prices and exchange rates

	Gross disbursements						
	1992-1993 average	1997-1998 average	2004	2005	2006	2007	2008
CONCESSIONAL FLOWS							
International Financial Institutions							
AfDF	710	632	1 057	988	6 041	1 313	1 733
AsDF	1 006	1 153	1 084	1 293	1 488	1 768	2 330
CarDB	29	24	57	45	47	59	83
Council of Europe	1	-	-	-	-	-	-
EBRD	-	20	53	50	11	8	7
IDA	5 018	5 822	9 188	8 673	40 219	10 002	9 291
IDB	232	592	560	535	514	4 452	552
IMF [b]	573	615	1 440	1 048	4 718	521	1 038
Nordic Dev.Fund	-	46	74	68	73	74	104
Total IFIs	**7 569**	**8 905**	**13 513**	**12 699**	**53 111**	**18 198**	**15 139**
United Nations [c]							
IFAD	158	215	281	317	348	461	491
UNAIDS	-	-	-	123	181	193	209
UNDP	741	637	374	399	437	439	495
UNFPA	130	215	196	201	212	216	273
UNHCR	1 145	248	347	225	184	257	278
UNICEF	770	499	650	711	736	981	984
UNRWA	303	281	449	508	600	700	807
UNTA	288	358	434	580	371	462	645
WFP	1 531	274	253	555	473	233	316
Other UN	-	-	-	-	74	73	87
Total UN	**5 067**	**2 727**	**2 982**	**3 618**	**3 616**	**4 015**	**4 586**
EC	4 147	5 395	8 335	9 022	10 132	11 435	14 779
GAVI	-	-	-	-	-	923	736
GEF [d]	-	-	619	583	557	1 062	814
Global Fund	-	-	584	1 006	1 252	1 627	2 168
Montreal Protocol	-	97	59	83	81	94	76
Arab Funds	487	115	536	491	680	751	729
Total concessional	**17 270**	**17 240**	**26 629**	**27 501**	**69 429**	**38 105**	**39 025**
NON-CONCESSIONAL FLOWS							
AfDB	1 447	781	979	851	825	1 398	1 121
AsDB	1 948	5 463	2 508	3 498	4 420	5 234	6 472
CarDB	25	49	159	35	84	102	101
Council of Europe	490	-	-	-	-	-	-
EBRD	3	383	1 698	1 547	1 349	2 227	2 759
EC	471	1 020	2 391	2 618	3 286	5 997	4 284
IBRD	10 592	14 262	9 214	8 591	11 533	9 990	13 393
IDB	2 956	5 492	3 764	4 894	6 080	6 715	7 158
IFAD	-	17	31	27	39	40	53
IFC	973	1 567	2 301	2 478	3 768	4 322	5 022
Total non-concessional	**18 906**	**29 032**	**23 044**	**24 539**	**31 385**	**36 025**	**40 364**

a) To countries and territories on the DAC List of ODA Recipients.
b) IMF Trust Fund and PRGF.
c) The data for UN agencies have been reviewed to include only regular budget expenditures. This has led to revisions of UNDP data since 1990. For WFP and UNHCR revisions have only been possible from 1996 onwards, while for UNICEF the data are revised from 1997. Since 2000, UNHCR operates an Annual Programme Budget which includes country operations, global operations and administrative costs under a unified budget. However, data shown for UNHCR as of 2004 cover expenditures from unrestricted or broadly earmarked funds only. For UNFPA, data prior to 2004 include regular budget and other expenditures.
d) The data for GEF are on a commitment basis and cover commitments from all implementing agencies.

StatLink http://dx.doi.org/10.1787/788820202785

Table 17

Concessional and non-concessional flows by multilateral organisations[a] (cont.)

USD million, at current prices and exchange rates

	Net disbursements						
	1992-1993 average	1997-1998 average	2004	2005	2006	2007	2008
CONCESSIONAL FLOWS							
International Financial Institutions							
AfDF	680	583	919	852	1 541	1 209	1 625
AsDF	938	1 006	694	859	1 020	1 182	1 654
CarDB	20	2	37	28	32	41	64
Council of Europe	- 3	-	-	-	-	-	-
EBRD	-	20	53	50	11	8	7
IDA	4 646	5 037	7 283	6 611	5 996	7 463	6 689
IDB	81	310	261	231	216	257	310
IMF [b]	461	285	67	- 263	387	- 72	307
Nordic Dev.Fund	-	46	70	63	68	68	91
Total IFIs	**6 823**	**7 288**	**9 385**	**8 431**	**9 271**	**10 155**	**10 747**
United Nations [c]							
IFAD	80	122	165	199	226	322	347
UNAIDS	-	-	-	123	181	193	209
UNDP	741	637	374	399	437	439	495
UNFPA	130	215	196	201	212	216	273
UNHCR	1 145	248	347	225	184	257	278
UNICEF	770	499	650	711	736	981	984
UNRWA	303	281	449	508	600	700	807
UNTA	288	358	434	580	371	462	645
WFP	1 531	274	253	555	473	233	316
Other UN	-	-	-	-	74	73	87
Total UN	**4 989**	**2 634**	**2 866**	**3 500**	**3 494**	**3 876**	**4 442**
EC	4 026	5 140	8 068	8 687	9 699	11 327	14 428
GAVI	-	-	-	-	-	923	736
GEF [d]	-	-	619	583	557	1 062	814
Global Fund	-	-	584	1 006	1 252	1 627	2 168
Montreal Protocol	-	97	59	83	81	94	76
Arab Funds	233	- 23	282	253	440	453	447
Total concessional	**16 071**	**15 136**	**21 863**	**22 542**	**24 794**	**29 518**	**33 856**
NON-CONCESSIONAL FLOWS							
AfDB	1 125	- 115	- 589	- 167	- 238	286	582
AsDB	1 295	4 313	-1 416	1 723	2 685	3 798	4 574
CarDB	15	34	116	18	35	46	29
Council of Europe	109	-	-	-	-	-	-
EBRD	3	282	855	36	463	1 408	1 988
EC	463	841	1 856	1 595	1 855	4 716	2 888
IBRD	359	4 445	-3 541	-2 393	-4 853	72	3 783
IDB	1 459	3 405	-1 431	- 326	-2 529	1 455	2 411
IFAD	-	- 7	- 10	1	11	7	22
IFC	483	462	534	364	1 544	1 990	3 210
Total non-concessional	**5 312**	**13 659**	**-3 624**	**850**	**-1 026**	**13 777**	**19 487**

Table 18 StatLink http://dx.doi.org/10.1787/788851187131

Major aid uses by individual DAC donors

Per cent of total bilateral commitments

	Social and administrative infrastructure		Economic infrastructure		Agriculture		Industry and other production	
	1987-1988	2007-2008	1987-1988	2007-2008	1987-1988	2007-2008	1987-1988	2007-2008
Australia	25.4	46.5	7.6	6.0	6.8	4.1	2.0	0.5
Austria	26.0	22.5	53.4	3.2	3.1	0.9	7.6	0.8
Belgium	45.3	42.7	16.1	7.2	14.6	5.3	8.1	2.2
Canada	15.9	44.6	19.2	6.1	13.2	4.6	4.3	1.2
Denmark	15.5	34.4	19.4	12.6	23.4	4.6	11.5	2.5
Finland	10.8	34.9	14.6	9.1	8.8	8.2	2.9	2.6
France	41.3	32.6	18.0	14.6	10.2	6.7	4.5	0.2
Germany	30.2	36.6	28.4	16.7	10.6	2.1	10.8	1.9
Greece	..	65.2	..	2.8	..	1.9	..	0.7
Ireland	44.1	54.2	1.2	1.2	19.8	5.2	5.0	0.8
Italy	25.9	23.4	20.2	4.3	17.0	3.4	9.5	3.8
Japan	15.9	21.4	42.5	31.1	9.1	6.8	8.6	4.5
Luxembourg	..	47.1	..	7.7	..	5.5	..	1.5
Netherlands	21.1	48.1	18.0	8.7	20.1	1.6	4.6	1.8
New Zealand	52.6	40.6	3.7	4.3	7.7	2.6	5.3	2.5
Norway	24.0	41.7	13.9	11.0	11.7	3.8	8.5	1.5
Portugal	..	59.2	..	12.4	..	0.8	..	0.2
Spain	..	44.5	..	9.2	..	3.5	..	1.5
Sweden	20.8	30.9	9.6	6.2	9.7	3.5	6.7	2.4
Switzerland	20.4	22.0	10.5	7.1	20.8	5.0	4.6	2.1
United Kingdom	20.7	43.5	22.2	14.4	8.9	1.4	7.9	1.8
United States	22.4	51.6	3.8	13.5	9.8	5.0	4.7	1.3
TOTAL DAC	**24.4**	**39.8**	**22.5**	**14.7**	**11.2**	**4.4**	**7.0**	**1.9**

a) On a net disbursement basis.

StatLink http://dx.doi.org/10.1787/788851187131

Table 18

Major aid uses by individual DAC donors (cont.)

Per cent of total bilateral commitments

Commodity aid and programme assistance 1987-1988	Commodity aid and programme assistance 2007-2008	Humanitarian aid 1987-1988	Humanitarian aid 2007-2008	Other 1987-1988	Other 2007-2008	*Memo:* Share of total ODA to / through NGOs [a] 2007-2008	
50.7	2.7	0.8	9.1	6.8	31.0	6.5	Australia
0.7	0.4	4.1	2.1	5.1	70.1	3.7	Austria
2.2	0.5	0.4	6.7	13.4	35.3	11.7	Belgium
19.1	6.3	2.5	12.1	25.9	25.1	12.3	Canada
0.1	3.8	0.3	8.6	29.8	33.5	9.4	Denmark
10.1	5.1	2.0	12.4	50.7	27.6	0.9	Finland
4.4	9.2	-	0.4	21.6	36.3	0.5	France
8.4	1.5	0.7	2.7	10.8	38.5	5.9	Germany
..	1.2	..	5.3	..	22.8	2.4	Greece
-	5.3	4.7	21.0	25.3	12.2	31.3	Ireland
10.2	6.2	4.6	5.5	12.6	53.4	3.1	Italy
16.2	4.6	0.1	1.8	7.6	29.8	1.6	Japan
..	3.0	..	12.1	..	23.1	20.2	Luxembourg
15.6	7.1	2.1	8.1	18.5	24.7	18.8	Netherlands
20.0	11.1	0.7	10.5	9.9	28.3	14.8	New Zealand
8.8	5.4	7.5	12.1	25.5	24.4	-	Norway
..	15.7	..	0.3	..	11.5	1.7	Portugal
..	2.1	..	7.3	..	31.9	20.7	Spain
17.8	4.9	8.9	11.1	26.5	41.1	13.1	Sweden
18.0	2.3	10.4	11.9	15.2	49.5	14.7	Switzerland
15.8	10.3	1.8	6.7	22.7	21.8	9.3	United Kingdom
47.3	3.5	1.7	13.5	10.3	11.6	-	United States
19.3	**4.8**	**1.5**	**7.6**	**14.1**	**26.7**	**6.5**	**TOTAL DAC**

Table 19 StatLink http://dx.doi.org/10.1787/788870037756

Aid by major purposes in 2008

Commitments

Per cent of total bilateral ODA

	Australia	Austria	Belgium	Canada	Den-mark	Finland	France	Germany	Greece	Ireland	Italy	Japan
Social and administrative infrastructure	45.3	24.9	45.5	41.9	34.9	37.2	29.7	35.6	63.3	53.1	24.1	17.4
Education [a]	10.4	12.6	12.2	7.5	3.9	7.9	18.6	13.7	27.7	12.8	3.5	4.4
of which: Basic education	3.7	0.3	1.2	0.9	3.1	1.9	2.5	1.1	0.1	3.5	0.9	0.7
Health	5.5	3.4	11.4	9.7	1.2	3.8	1.9	2.4	2.5	13.3	5.3	1.3
of which: Basic health	3.3	0.3	5.5	7.8	0.5	0.8	1.2	1.1	0.6	6.8	1.7	0.8
Population [b]	2.3	0.4	0.6	1.7	1.7	1.4	0.1	1.4	1.9	3.6	0.4	0.2
Water supply and sanitation	0.5	2.8	5.8	1.2	1.2	5.6	3.8	7.2	0.2	3.0	7.0	9.3
Government and civil society	23.1	4.9	11.8	20.3	23.3	12.9	1.6	9.6	19.8	16.3	6.2	1.5
Other social infrastructure/service	3.4	0.8	3.8	1.5	3.8	5.7	3.8	1.2	11.2	4.1	1.7	0.7
Economic infrastructure	6.9	3.6	8.5	5.8	9.6	8.8	20.1	19.2	2.4	1.1	2.7	36.3
Transport and communications	5.2	0.3	3.1	2.9	1.3	1.3	15.1	1.8	2.0	0.4	1.7	25.3
Energy	0.7	1.0	0.4	0.5	2.0	1.0	2.2	10.1	0.0	0.0	0.6	8.7
Other	1.1	2.3	4.9	2.3	6.4	6.5	2.8	7.3	0.4	0.7	0.4	2.3
Production	4.4	2.0	9.4	8.4	6.3	12.9	5.7	4.1	2.4	7.1	8.9	12.4
Agriculture	3.9	0.9	6.8	7.1	3.6	9.6	5.6	1.9	1.3	6.0	3.2	5.8
Industry, mining and construction	0.3	0.3	2.0	0.6	2.1	1.8	0.1	1.8	0.3	0.7	5.6	6.2
Trade and tourism	0.2	0.8	0.6	0.6	0.6	1.5	0.1	0.4	0.8	0.4	0.2	0.4
Multisector	14.3	2.5	8.3	7.1	14.0	15.0	10.6	7.3	3.7	4.1	6.7	2.7
Programme assistance	3.4	0.6	0.6	8.5	2.2	0.1	11.4	1.6	1.9	5.6	9.4	4.4
Action relating to debt [c]	9.7	55.7	6.0	3.5	0.1	0.4	12.8	26.1	-	-	38.7	15.6
Humanitarian aid	11.3	3.4	6.5	9.2	9.1	11.2	0.2	2.7	5.5	19.1	5.4	1.9
Administrative expenses	3.8	3.0	3.9	6.7	8.5	8.4	4.3	2.4	7.5	5.4	2.6	5.2
Other and unspecified	1.0	4.3	11.4	8.8	15.2	5.9	5.0	1.0	13.2	4.5	1.5	4.0
TOTAL	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Memo item:												
Food aid, total	5.4	0.3	2.2	8.2	1.2	2.4	0.8	1.3	3.5	2.7	4.2	1.3

a) Including students and trainees.
b) Population and reproductive health.
c) Including forgiveness of non-ODA debt.
d) Including the African Development Bank, Asian Development Bank and Inter-American Development Bank.

StatLink http://dx.doi.org/10.1787/788870037756

Table 19

Aid by major purposes in 2008

(cont.)

Commitments

												Per cent of total Multilateral finance (ODF)	
Luxembourg	Netherlands	New Zealand	Norway	Portugal	Spain	Sweden	Switzerland	United Kingdom	United States	TOTAL DAC	EC	World Bank	Regional Dev. Banks[d]
46.7	58.5	41.8	42.1	48.9	43.4	30.4	21.8	42.4	51.8	39.2	27.3	47.1	33.6
10.2	13.2	17.5	8.7	19.1	9.4	3.9	3.2	7.4	3.5	8.0	4.4	8.6	4.5
2.7	2.9	6.5	5.3	1.1	3.3	2.5	0.6	4.3	2.2	2.1	1.1	4.2	0.4
13.3	5.1	5.3	6.0	2.1	5.2	4.8	3.1	7.0	3.9	4.0	2.1	6.4	2.3
8.8	4.5	3.2	3.7	0.4	3.9	2.9	1.9	2.9	3.7	2.7	1.3	2.6	0.1
7.1	4.9	1.6	2.3	0.1	2.1	2.0	0.2	5.5	19.4	6.6	0.8	0.7	-
6.8	5.7	1.2	1.5	0.1	10.7	2.4	3.2	2.0	2.7	4.8	1.2	9.8	7.7
4.0	27.2	14.7	20.4	21.3	9.9	14.8	11.3	17.3	15.4	12.2	13.9	12.4	9.0
5.3	2.4	1.5	3.2	6.3	6.1	2.4	0.8	3.3	6.9	3.7	5.0	9.3	10.1
7.1	6.8	3.4	8.3	13.1	9.9	6.3	7.1	13.5	14.1	16.3	24.1	37.3	39.0
1.8	1.6	1.8	0.4	12.9	4.2	1.5	1.3	1.5	5.8	7.8	17.4	15.8	21.8
0.0	3.6	0.4	5.4	0.0	2.1	2.1	1.1	0.7	5.2	4.7	3.5	11.4	11.5
5.3	1.5	1.2	2.5	0.2	3.6	2.8	4.8	11.3	3.1	3.8	3.3	10.1	5.8
7.4	3.5	6.0	5.7	0.9	5.0	5.3	6.7	2.9	6.1	6.5	6.3	14.8	4.0
6.2	1.7	3.1	4.1	0.8	3.7	3.0	5.0	1.2	5.1	4.3	3.4	7.6	2.6
0.2	0.4	1.7	0.7	0.1	1.0	1.3	0.9	0.6	0.5	1.7	1.2	5.2	1.3
1.1	1.4	1.3	0.8	0.1	0.4	0.9	0.9	1.1	0.6	0.6	1.7	2.1	0.1
9.2	5.9	3.3	11.1	2.9	6.6	9.2	10.3	3.9	2.8	5.7	9.6	0.8	9.6
2.6	6.5	12.8	6.3	26.8	2.0	4.9	2.1	10.7	3.3	5.0	18.7	-	5.8
-	2.2	-	1.4	0.3	12.7	0.1	6.3	7.0	0.7	9.7	0.5	0.0	-
12.2	5.7	9.4	11.9	0.3	8.0	11.6	10.6	8.5	14.0	7.7	7.8	-	1.8
7.5	4.9	8.4	6.9	4.2	3.8	7.1	9.1	5.9	5.3	5.0	5.2	-	-
7.4	6.0	14.8	6.3	2.7	8.6	24.9	25.9	5.2	1.8	4.9	0.5	-	6.2
100.0	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
6.3	0.6	2.3	1.1	-	3.7	-	3.2	3.4	8.8	3.9	5.6	-	-

Table 20 StatLink http://dx.doi.org/10.1787/800054431403

Financial terms of ODA commitments,[a] 2007-08 average

	Grant element of total ODA Norm: 86%[b]		Grant share of:		Grant element of ODA loans	Grant element of ODA to LDCs[c]	Grant element of bilateral ODA to LDCs
	1997-1998	2007-2008	Bilateral ODA	Total ODA			
Australia	100.0	100.0	99.9	99.9	87.2	100.0	100.0
Austria	100.0	100.0	99.2	99.6	-	100.0	100.0
Belgium	99.5	99.7	97.5	98.5	79.9	99.7	99.7
Canada	99.9	100.0	100.0	100.0	-	100.0	100.0
Denmark	100.0	100.0	97.1	98.2	-	100.0	100.0
Finland	99.8	100.0	94.1	96.1	48.9	99.9	99.9
France	91.9	91.0	67.7	79.1	55.5	97.0	96.0
Germany	96.0	93.5	73.6	83.8	51.3	100.0	100.0
Greece	100.0	100.0	100.0	100.0	-	100.0	100.0
Ireland	100.0	100.0	100.0	100.0	-	100.0	100.0
Italy	98.3	99.0	74.7	93.1	85.5	98.7	97.9
Japan	80.0	85.5	34.5	43.4	74.4	98.7	98.3
Luxembourg	100.0	100.0	100.0	100.0	-	100.0	100.0
Netherlands	100.0	100.0	100.0	100.0	-	100.0	100.0
New Zealand	100.0	100.0	100.0	100.0	-	100.0	100.0
Norway	99.4	100.0	94.6	95.9	-	100.0	100.0
Portugal	96.2	81.8	74.5	84.8	66.2	84.7	84.7
Spain	91.4	95.0	78.9	85.5	63.4	96.2	95.8
Sweden	99.8	99.8	97.4	98.4	30.2	100.0	100.0
Switzerland	100.0	100.0	98.5	98.8	-	100.0	100.0
United Kingdom	100.0	100.0	89.2	93.1	-	100.0	100.0
United States	99.1	100.0	100.0	100.0	-	100.0	100.0
TOTAL DAC	**92.7**	**96.4**	**83.7**	**88.0**	**67.7**	**99.4**	**99.3**

a) Excluding debt reorganisation. Equities are treated as having 100% grant element, but are not treated as loans.
b) Countries whose ODA commitments as a percentage of GNI is below the DAC average are not considered as having met the terms target. This provision disqualified Greece, Italy, Portugal and the United States in 2008.
c) Including imputed multilateral grant element. See note *a)* to Table 31.

StatLink http://dx.doi.org/10.1787/800067656035

Table 21

DAC members' compliance in 2007 and 2008 with the 1978 DAC terms recommendations

	ODA commitments[a] USD million		Grant element of ODA commitments[a] Norm: 86%[b]		Volume test: ODA commitments[a] as per cent of GNI		Grant element of bilateral ODA commitments[a] to LDCs (two alternative norms)		
					2007 Norm: 0.23%	2008 Norm: 0.28%	Annually for all LDCs Norm: 90%		3-year average for each LDC Norm: 86%
	2007	2008	2007	2008	2007	2008	2007	2008	2006-2008[d]
Australia	2 160	4 619	100.0	100.0	0.26	0.49	100.0	100.0	c
Austria	985	1 102	100.0	100.0	0.27	0.28	100.0	100.0	c
Belgium	1 996	3 065	99.6	99.7	0.44	0.61	99.6	99.8	c
Canada	4 627	5 383	100.0	100.0	0.33	0.37	100.0	100.0	c
Denmark	2 356	2 502	100.0	100.0	0.74	0.73	100.0	100.0	c
Finland	1 047	1 325	99.9	100.0	0.42	0.50	99.7	100.0	c
France	10 136	14 792	92.6	90.0	0.39	0.52	98.3	93.7	c
Germany	11 279	14 764	95.4	92.1	0.34	0.40	100.0	100.0	c
Greece[c]	501	703	100.0	100.0	0.16	0.21	100.0	100.0	c
Ireland[c]	1 192	1 328	100.0	100.0	0.55	0.59	100.0	100.0	c
Italy	3 653	4 747	98.9	99.0	0.17	0.21	97.0	98.4	c
Japan	12 280	17 957	86.1	85.1	0.27	0.35	97.3	99.4	c
Luxembourg[c]	376	415	100.0	100.0	0.92	0.97	100.0	100.0	c
Netherlands	7 001	9 513	100.0	100.0	0.91	1.09	100.0	100.0	c
New Zealand	362	445	100.0	100.0	0.30	0.39	100.0	100.0	c
Norway	3 677	4 850	100.0	100.0	0.94	1.08	100.0	100.0	c
Portugal[c]	476	626	85.7	79.2	0.22	0.27	100.0	80.0	c
Spain	5 116	6 552	95.8	94.3	0.37	0.43	98.8	93.3	c
Sweden	3 675	4 215	99.5	100.0	0.79	0.87	100.0	100.0	c
Switzerland	1 676	2 028	100.0	100.0	0.38	0.42	100.0	100.0	c
United Kingdom[c]	11 549	11 427	100.0	100.0	0.41	0.43	100.0	100.0	c
United States	27 535	34 461	100.0	100.0	0.20	0.24	100.0	100.0	c
TOTAL DAC	**113 656**	**146 818**	**97.0**	**95.9**	**0.30**	**0.37**	**99.5**	**99.2**	**c**

a) Excluding debt reorganisation. Equities are treated as having 100% grant element, but are not treated as loans.
b) Countries whose ODA as a percentage of GNI is below the DAC average are not considered as having met the terms target. This provision disqualified Greece, Italy, Portugal and the United States in 2008.
c) Gross disbursements.
d) c = compliance, n = non compliance.

Table 22 StatLink http://dx.doi.org/10.1787/800086441528

Other terms parameters, for loan-giving DAC members, 2008[a]

Commitments

		Australia	Belgium	France	Germany	Italy	Japan	Portugal	Spain	Total DAC
Loan share of total ODA (%)		0.1	1.6	20.7	12.2	6.2	49.6	22.7	19.9	11.2
Terms of bilateral loans	Average maturity (years)	40.1	29.8	21.5	20.5	32.2	31.9	32.4	24.8	28.2
	Average grace period (years)	10.0	10.8	7.8	7.0	17.0	9.1	19.3	9.9	9.2
	Average interest rate (per cent)	0.0	0.0	1.2	2.5	0.0	0.8	2.7	1.8	1.2
	Grant element (per cent)	87.2	83.5	57.2	48.9	86.9	74.1	65.5	63.4	67.1
Terms of the bilateral loan with the lowest grant element	Maturity (years)	40.1	29.1	15.1	5.0	13.0	11.0	32.1	10.0	28.6
	Grace period (years)	10.0	10.1	0.0	2.0	7.1	2.1	23.1	5.0	19.6
	Interest rate (per cent)	0.0	0.0	4.5	1.0	0.3	2.0	3.3	5.0	2.9
	Grant element (per cent)	87.2	82.8	26.0	25.7	60.3	35.4	62.0	25.6	59.9
	Concessionality level [b]	81.4	73.6	8.1	10.5	41.7	7.6	39.7	0.8	..
Volume of loans below 50% grant element (USD million)		-	-	855	1 407	-	6	-	197	2 465

a) Excluding debt reorganisation. Equities are treated as having 100% grant element, but are not treated as loans.
b) Calculated using IMF concessionality calculator. The concessionality level uses discount rates calculated on the basis of currency-specific commercial interest reference rates (CIRRs) whereas the grant element for ODA loans uses a flat discount rate of 10%.

StatLink http://dx.doi.org/10.1787/800111662075

Table 23

Tying status of ODA by individual DAC members, 2008

Commitments (excluding technical co-operation and administrative costs) Per cent

	Bilateral ODA				*Memo:*
	Untied	Partially Untied	Tied	Total	Reporting Rate [b]
Australia	96.7	-	3.3	100.0	100.0
Austria	82.3	-	17.7	100.0	100.0
Belgium	91.9	-	8.1	100.0	100.0
Canada	90.8	1.3	7.9	100.0	89.5
Denmark	98.5	-	1.5	100.0	100.0
Finland	92.3	-	7.7	100.0	100.0
France	81.9	-	18.1	100.0	100.0
Germany	98.2	-	1.8	100.0	100.0
Greece (a)	37.9	0.1	61.9	100.0	100.0
Ireland (a)	100.0	-	-	100.0	100.0
Italy	78.0	1.7	20.3	100.0	97.6
Japan	96.5	-	3.5	100.0	100.0
Luxembourg (a)	100.0	-	-	100.0	100.0
Netherlands	94.5	-	5.5	100.0	100.0
New Zealand	92.7	0.0	7.3	100.0	100.0
Norway	100.0	-	0.0	100.0	100.0
Portugal (a)	29.1	59.4	11.5	100.0	100.0
Spain	69.1	1.2	29.7	100.0	97.2
Sweden	99.9	-	0.1	100.0	100.0
Switzerland	97.3	-	2.7	100.0	100.0
United Kingdom (a)	100.0	-	-	100.0	100.0
United States	75.0	-	25.0	100.0	100.0
TOTAL DAC	**87.3**	**0.2**	**12.5**	**100.0**	**99.6**

a) Gross disbursements.
b) Reporting rate is the percentage of bilateral ODA covered by tying status reporting (excluding technical co-operation and administrative costs).

StatLink http://dx.doi.org/10.1787/800113862005

Table 24

Tying status of ODA by individual DAC members, 2008

Commitments (excluding technical co-operation and administrative costs) — USD million

	Bilateral ODA				Memo:
	Untied	Partially Untied	Tied	Total	Technical Co-operation
Australia	3 071	-	106	3 178	1 417
Austria	874	-	188	1 062	207
Belgium	840	-	74	913	797
Canada	1 920	29	167	2 115	1 151
Denmark	1 343	-	20	1 363	73
Finland	564	-	47	611	232
France	5 395	-	1 189	6 583	2 542
Germany	7 644	-	143	7 787	4 521
Greece (a)	37	0	61	98	191
Ireland (a)	862	-	-	862	19
Italy	1 630	36	425	2 091	124
Japan	14 539	-	528	15 068	1 956
Luxembourg (a)	250	-	-	250	7
Netherlands	4 664	-	273	4 937	1 307
New Zealand	238	0	19	257	78
Norway	2 972	-	0	2 972	601
Portugal (a)	61	124	24	209	155
Spain	2 295	40	986	3 322	1 068
Sweden	2 292	-	2	2 294	136
Switzerland	1 423	-	39	1 462	109
United Kingdom (a)	6 243	-	-	6 243	1 138
United States	21 914	-	7 315	29 229	774
TOTAL DAC	**81 070**	**229**	**11 605**	**92 904**	**18 604**

a) Gross disbursements.

Table 25 StatLink http://dx.doi.org/10.1787/800172032883

ODA receipts[a] and selected indicators for developing countries and territories

	Net ODA Receipts (USD million)					GNI/CAP (e)	Population	Current GNI	ODA/GNI
	2004	2005	2006	2007	2008	2008 USD	2008 million	2008 USD million	2008 per cent
AFRICA									
NORTH OF SAHARA									
Algeria	315	346	209	390	316	4 260	34.36	171 880	0.18
Egypt	1 506	994	873	1 107	1 348	1 800	81.53	164 215	0.82
Libya (c)	-	24	38	19	60	11 590	6.28	101 397	0.06
Morocco	705	691	1 044	1 073	1 217	2 580	31.23	85 236	1.43
Tunisia	352	362	431	321	479	3 290	10.33	35 518	1.35
North of Sahara, regional	181	166	144	279	270				
North of Sahara, Total	**3 060**	**2 583**	**2 739**	**3 190**	**3 690**	**-**	**163.73**	**558 246**	**0.66**
SOUTH OF SAHARA									
Angola	1 144	415	164	246	369	3 450	18.02	70 958	0.52
Benin	394	347	374	474	641	690	8.66	6 652	9.63
Botswana	50	48	69	108	716	6 470	1.90	12 691	5.64
Burkina Faso	641	694	869	951	998	480	15.21	7 932	12.58
Burundi	364	363	410	473	509	140	8.07	1 159	43.89
Cameroon	791	413	1 691	1 908	525	1 150	18.90	23 072	2.27
Cape Verde	143	162	138	165	219	3 130	0.50	1 703	12.83
Central African Rep.	110	89	134	177	256	410	4.42	1 948	13.16
Chad	337	380	282	354	416	530	11.07	6 693	6.22
Comoros	26	23	31	44	37	750	0.64	531	7.01
Congo, Dem. Rep.	1 826	1 774	2 043	1 241	1 610	150	64.21	10 323	15.59
Congo, Rep.	115	1 425	256	119	505	1 970	3.62	8 367	6.03
Côte d'Ivoire	161	92	247	171	617	980	20.59	22 442	2.75
Djibouti	64	74	115	112	121	1 130	0.85	951	12.71
Equatorial Guinea	29	38	26	31	38	14 980	0.66	11 868	0.32
Eritrea	265	349	126	157	143	300	5.00	1 641	8.72
Ethiopia	1 809	1 910	1 941	2 563	3 327	280	80.71	26 521	12.55
Gabon	40	60	29	51	55	7 240	1.45	12 191	0.45
Gambia	55	60	73	73	94	390	1.66	736	12.76
Ghana	1 403	1 136	1 175	1 154	1 293	670	23.35	15 875	8.15
Guinea	278	198	155	228	319	..	9.83	4 222	7.56
Guinea-Bissau	76	66	81	122	132	250	1.58	422	31.18
Kenya	658	753	943	1 323	1 360	770	38.53	34 288	3.97
Lesotho	98	67	71	129	143	1 080	2.02	2 043	7.02
Liberia	213	222	260	698	1 250	170	3.79	676	184.99
Madagascar	1 263	913	748	895	841	410	19.11	8 894	9.46
Malawi	503	573	682	742	913	290	14.28	4 246	21.50
Mali	588	704	824	1 020	964	580	12.71	8 484	11.36
Mauritania	189	182	199	342	311	..	3.20	..	..
Mauritius	33	34	19	69	110	6 400	1.27	8 941	1.23
Mayotte	208	201	338	407	475	..	0.19	..	..
Mozambique	1 243	1 297	1 601	1 778	1 994	370	21.78	8 721	22.86
Namibia	173	125	152	217	207	4 200	2.11	8 460	2.44
Niger	547	520	518	542	605	330	14.67	5 338	11.34
Nigeria	577	6 409	11 428	1 956	1 290	1 160	151.32	197 319	0.65
Rwanda	490	577	581	722	931	410	9.72	4 420	21.06
Sao Tome & Principe	34	32	22	36	47	1 020	0.16	179	26.33
Senegal	1 057	684	823	872	1 058	970	12.21	13 104	8.07
Seychelles	10	15	14	9	12	10 290	0.09	765	1.58
Sierra Leone	376	340	338	545	367	320	5.56	1 914	19.17
Somalia	199	237	391	384	758	..	8.95	..	..
South Africa	629	690	715	810	1 125	5 820	48.69	267 815	0.42
St. Helena	26	23	28	43	66	..	0.01	..	..
Sudan	992	1 823	2 044	2 112	2 384	1 130	41.35	52 386	4.55
Swaziland	25	47	35	51	67	2 520	1.17	2 662	2.53
Tanzania	1 767	1 498	1 814	2 820	2 331	440	42.48	19 876	11.73
Togo	64	82	79	121	330	400	6.46	2 806	11.75
Uganda	1 215	1 191	1 539	1 737	1 657	420	31.66	14 218	11.65
Zambia	1 130	1 166	1 419	998	1 086	950	12.62	12 986	8.36
Zimbabwe	187	373	278	479	611	..	12.46	..	..
South of Sahara, regional	1 427	1 300	1 589	1 694	2 763				
South of Sahara, Total	**26 043**	**32 194**	**39 919**	**34 478**	**38 993**	**-**	**819.47**	**(929 437)**	**(4.20)**
Africa, regional	607	730	844	1 454	1 321				
AFRICA, TOTAL	**29 710**	**35 507**	**43 502**	**39 122**	**44 005**	**-**	**983.20**	**(1 487 683)**	**(2.96)**

StatLink http://dx.doi.org/10.1787/800172032883

Table 25

ODA receipts[a] and selected indicators for developing countries and territories (cont.)

	Net ODA Receipts (USD million)					GNI/CAP (e)	Population	Current GNI	ODA/GNI
	2004	2005	2006	2007	2008	2008 USD	2008 million	2008 USD million	2008 per cent
AMERICA									
NORTH AND CENTRAL AMERICA									
Anguilla	3	4	4	5	3	..	0.01	..	..
Antigua and Barbuda	2	8	3	7	8	13 620	0.09	1 182	0.70
Barbados	29	- 2	- 2	18	5	..	0.26	..	..
Belize	8	12	9	22	25	3 820	0.31	1 189	2.12
Costa Rica	13	26	32	58	66	6 060	4.53	29 053	0.23
Cuba	104	88	94	93	127	..	11.25	..	..
Dominica	29	21	20	19	22	4 770	0.07	348	6.29
Dominican Republic	85	81	54	123	153	4 390	9.84	43 975	0.35
El Salvador	216	204	163	88	233	3 480	6.13	21 714	1.07
Grenada	16	53	27	23	33	5 710	0.11	602	5.49
Guatemala	217	257	484	454	536	2 680	13.68	38 426	1.39
Haiti	259	444	580	702	912	660	9.78	6 965	13.09
Honduras	658	690	590	464	564	1 800	7.24	13 744	4.11
Jamaica	83	40	37	28	79	4 870	2.69	14 388	0.55
Mexico	108	180	270	113	149	9 980	106.35	1 068 800	0.01
Montserrat	44	28	32	36	35	..	0.01	..	..
Nicaragua	1 240	763	735	840	741	1 080	5.68	6 432	11.52
Panama	23	27	31	- 135	29	6 180	3.39	21 509	0.13
St. Kitts-Nevis	0	3	5	3	46	10 960	0.05	507	9.12
St. Lucia	- 21	10	18	19	19	5 530	0.17	938	2.04
St. Vincent and Grenadines	11	4	5	66	27	5 140	0.11	569	4.71
Trinidad & Tobago	- 2	- 2	14	21	12	16 540	1.34	23 124	0.05
Turks & Caicos Islands (d)	3	5	- 0	15	-	..	0.02	..	-
West Indies, regional	42	59	55	68	91				
N.& C. America, regional	231	282	228	331	395				
North & Central America, Total	**3 398**	**3 284**	**3 487**	**3 484**	**4 311**	-	**183.11**	**(1 293 463)**	**(0.33)**
SOUTH AMERICA									
Argentina	91	96	115	101	131	7 200	39.88	321 269	0.04
Bolivia	785	643	843	477	628	1 460	9.68	16 138	3.89
Brazil	154	243	113	321	460	7 350	191.97	1 576 869	0.03
Chile	58	152	87	121	73	9 400	16.76	155 480	0.05
Colombia	515	621	1 005	723	972	4 660	44.53	232 130	0.42
Ecuador	153	226	188	217	231	3 640	13.48	50 965	0.45
Guyana	145	150	173	128	166	1 420	0.76	1 143	14.48
Paraguay	22	51	56	108	134	2 180	6.23	16 347	0.82
Peru	463	450	463	260	466	3 990	28.84	119 480	0.39
Suriname	24	44	64	151	102	4 990	0.52	2 738	3.71
Uruguay	29	14	21	37	33	8 260	3.33	31 695	0.11
Venezuela	45	50	63	78	59	9 230	27.94	314 506	0.02
South America, regional	456	99	107	188	269				
South America, Total	**2 942**	**2 839**	**3 300**	**2 910**	**3 722**	-	**383.92**	**2 838 762**	**0.13**
America, regional	463	582	521	560	1 228				
AMERICA, TOTAL	**6 803**	**6 706**	**7 308**	**6 954**	**9 262**	-	**567.03**	**(4 132 225)**	**(0.22)**

Table 25 StatLink http://dx.doi.org/10.1787/800172032883

ODA receipts[a] and selected indicators for developing countries and territories (cont.)

	Net ODA Receipts (USD million)					GNI/CAP (e)	Population	Current GNI	ODA/GNI
	2004	2005	2006	2007	2008	2008 USD	2008 million	2008 USD million	2008 per cent
ASIA									
MIDDLE EAST									
Bahrain (b)	57	-	-	-	-	..	0.77	..	-
Iran	190	109	116	102	98	..	71.96	..	..
Iraq	4 647	22 046	8 870	9 176	9 870	..	..	..	..
Jordan	601	667	580	529	742	3 310	5.91	20 966	3.54
Lebanon	264	242	706	956	1 076	6 350	4.14	26 939	3.99
Oman	55	- 5	35	- 31	32	..	2.79	..	..
Palestinian Adm. Areas	1 115	1 116	1 450	1 873	2 593	..	3.84	..	..
Saudi Arabia (d)	20	25	24	- 131	-	..	24.65	..	-
Syria	105	77	26	83	136	2 090	21.23	54 100	0.25
Yemen	251	289	280	236	305	950	23.05	24 438	1.25
Middle East, regional	198	328	2 061	1 465	4 992				
Middle East, Total	**7 503**	**24 893**	**14 147**	**14 259**	**19 845**	**-**	**(158.34)**	**(126 442)**	**..**
SOUTH AND CENTRAL ASIA									
Afghanistan	2 170	2 736	2 956	3 965	4 865	..	..	..	..
Armenia	253	170	216	350	303	3 350	3.08	12 388	2.44
Azerbaijan	176	217	206	225	235	3 830	8.68	40 992	0.57
Bangladesh	1 414	1 320	1 220	1 515	2 061	520	160.00	85 311	2.42
Bhutan	78	90	102	90	87	1 900	0.69	1 393	6.21
Georgia	313	292	356	380	888	2 470	4.36	12 685	7.00
India	693	1 725	1 383	1 384	2 108	1 070	1 139.96	1 212 608	0.17
Kazakhstan	267	228	170	204	333	6 140	15.67	113 288	0.29
Kyrgyz Rep.	261	268	311	275	360	740	5.28	4 331	8.31
Maldives	28	76	38	37	54	3 630	0.31	1 208	4.49
Myanmar	123	145	146	198	534	..	49.19	..	..
Nepal	425	424	511	602	716	400	28.58	12 737	5.62
Pakistan	1 439	1 607	2 140	2 244	1 539	980	166.04	172 034	0.89
Sri Lanka	506	1 155	786	613	730	1 780	20.16	39 800	1.84
Tajikistan	248	251	241	222	291	600	6.84	5 023	5.79
Turkmenistan	37	30	25	28	18	2 840	5.03	17 074	0.11
Uzbekistan	246	170	149	170	187	910	27.31	27 924	0.67
South and Central Asia, regional	415	485	390	545	651				
South and Central Asia, Total	**9 094**	**11 388**	**11 344**	**13 046**	**15 959**	**-**	**(1 641.18)**	**(1 758 798)**	**(0.91)**
FAR EAST ASIA									
Cambodia	485	539	529	675	743	600	14.70	9 166	8.10
China	1 716	1 815	1 248	1 487	1 489	2 770	1 325.64	3 899 506	0.04
Indonesia	127	2 509	1 311	894	1 225	2 010	228.25	496 128	0.25
Korea, Dem.Rep.	161	88	55	99	218	..	23.86	..	..
Laos	270	302	364	396	496	740	6.21	4 968	9.98
Malaysia	306	26	239	200	158	6 970	26.99	188 386	0.08
Mongolia	258	215	202	239	246	1 680	2.63	5 129	4.80
Philippines	449	567	565	647	61	1 890	90.35	185 505	0.03
Thailand	47	- 169	- 218	- 312	- 621	2 840	67.39	202 608	-0.31
Timor-Leste	161	185	209	278	278	2 460	1.10	2 915	9.52
Viet Nam	1 846	1 913	1 845	2 511	2 552	890	86.21	87 984	2.90
Far East Asia, regional	175	375	170	197	205				
Far East Asia, Total	**6 001**	**8 364**	**6 518**	**7 310**	**7 049**	**-**	**1 873.33**	**(5 082 294)**	**(0.14)**
Asia, regional	283	930	921	992	1 306				
ASIA, TOTAL	**22 881**	**45 575**	**32 930**	**35 607**	**44 159**	**-**	**(3 672.85)**	**(6 967 534)**	**..**

StatLink http://dx.doi.org/10.1787/800172032883

Table 25

ODA receipts[a] and selected indicators for developing countries and territories *(cont.)*

	Net ODA Receipts (USD million)					GNI/CAP (e)	Population	Current GNI	ODA/GNI
	2004	2005	2006	2007	2008	2008 USD	2008 million	2008 USD million	2008 per cent
EUROPE									
Albania	299	318	320	306	386	3 840	3.14	12 672	3.04
Belarus (c)	-	58	77	84	110	5 380	9.68	59 755	0.18
Bosnia and Herzegovina	684	533	490	453	482	4 510	3.77	18 962	2.54
Croatia	120	123	204	163	397	13 570	4.43	66 918	0.59
Macedonia, FYR	250	227	205	201	221	4 140	2.04	9 431	2.34
Moldova	119	169	230	267	299	1 470	3.63	6 642	4.50
Montenegro	-	-	96	106	106	6 440	0.62	4 510	2.36
Serbia	1 170	1 070	1 577	839	1 047	5 700	7.35	48 705	2.15
Turkey	285	396	566	792	2 024	9 340	73.91	785 502	0.26
Ukraine (c)	-	412	483	420	618	3 210	46.26	178 815	0.35
States Ex-Yugoslavia Unsp.	99	64	142	55	51				
Europe, regional	577	674	646	502	830				
EUROPE, TOTAL	**3 603**	**4 044**	**5 035**	**4 187**	**6 570**	**-**	**154.83**	**1 191 912**	**0.55**
OCEANIA									
Cook Islands	9	8	32	9	6	..	0.01	..	..
Fiji	66	66	56	51	45	3 930	0.84	3 433	1.32
Kiribati	17	28	27	27	27	2 000	0.10	193	13.94
Marshall Islands	51	57	55	52	53	3 270	0.06	195	27.26
Micronesia, Fed. States	86	107	109	115	94	2 340	0.11	262	35.88
Nauru	14	9	17	26	31	..	0.01	..	..
Niue	14	21	9	15	18	..	..	..	..
Palau	20	24	37	22	43	8 650	0.02	184	23.37
Papua New Guinea	268	267	279	324	304	1 010	6.45	7 385	4.12
Samoa	31	44	47	37	39	2 780	0.18	507	7.78
Solomon Islands	121	198	205	246	224	1 180	0.51	639	35.08
Tokelau	8	16	11	13	21	..	..	..	..
Tonga	19	32	21	31	26	2 560	0.10	268	9.61
Tuvalu	8	9	15	12	17	..	0.01	..	..
Vanuatu	39	39	49	57	92	2 330	0.23	567	16.16
Wallis & Futuna	73	72	102	117	131	..	0.02	..	..
Oceania, regional	94	164	128	155	364				
OCEANIA, TOTAL	**939**	**1 161**	**1 199**	**1 309**	**1 535**	**-**	**(8.65)**	**(13 634)**	**..**
Developing countries unspecified	15 464	14 983	16 174	19 924	23 077				
Developing countries, TOTAL	**79 399**	**107 975**	**106 149**	**107 102**	**128 608**	**-**	**(5 386.56)**	**(13 792 988)**	**..**
By Income Group (f)									
LDCs	25 266	25 757	28 053	32 815	38 427	-	(787.96)	(463 851)	..
Other LICs	7 456	13 326	19 090	10 927	10 622	-	(568.24)	(574 606)	..
LMICs	21 563	43 269	28 883	28 977	32 226	-	(3 387.44)	(7 488 344)	..
UMICs	4 421	4 438	6 122	6 143	9 571	-	(617.48)	(5 266 186)	..
Part I unallocated	20 612	21 154	23 978	28 356	37 762				
MADCTs	81	30	23	- 116	-	-	(25.44)	..	-

a) ODA receipts are total net ODA flows from DAC countries, multilateral organisations, and non-DAC countries (see Table 33 for the list of non-DAC countries for which data are available).
b) This country left the DAC List of ODA Recipients on 1 January 2005.
c) These countries joined the DAC List of ODA Recipients on 1 January 2005.
d) These countries left the DAC List of ODA Recipients on 1 January 2008.
e) World Bank Atlas basis.
Definition of country categories:
f) *Least developed countries* (LDCs) are the 49 countries in the United Nations list. For details on other income groups see the DAC List of ODA Recipients at the end of this volume. *More advanced developing countries and territories* (MADCTs) comprise countries which left the DAC List of ODA Recipients in 2005 and 2008, as per notes *b)* and *d)* above.

Source: World Bank, Secretariat estimates. Group totals and averages are calculated on available data only.

StatLink http://dx.doi.org/10.1787/800175380212

Table 26

Distribution of ODA by income group[a]

Net disbursements as a per cent of total ODA

	ODA to LDCs		ODA to Other LICs		ODA to LMICs		ODA to UMICs	
	1997-98	2007-08	1997-98	2007-08	1997-98	2007-08	1997-98	2007-08
Australia	22.7	33.9	40.5	22.4	32.7	40.8	4.1	3.0
Austria	28.2	17.4	9.3	15.6	49.4	58.3	13.2	8.7
Belgium	50.1	53.9	13.8	9.3	28.6	28.5	7.5	8.3
Canada	41.2	55.9	16.0	13.7	37.1	25.9	5.6	4.6
Denmark	50.1	53.8	15.6	20.5	27.1	21.1	7.2	4.6
Finland	42.4	52.4	13.0	12.8	40.0	25.2	4.6	9.6
France	37.7	35.1	10.0	8.8	42.2	37.2	10.2	19.0
Germany	31.1	31.3	9.1	9.0	52.2	48.4	7.6	11.4
Greece	10.8	29.3	4.0	6.8	72.4	42.9	12.8	21.0
Ireland	70.6	67.3	8.5	11.7	13.9	14.2	7.0	6.8
Italy	53.6	39.0	12.0	7.8	29.2	41.2	5.2	12.0
Japan	21.0	39.6	16.1	19.3	57.6	32.5	5.3	8.7
Luxembourg	30.2	48.2	7.2	10.6	52.0	33.1	10.6	8.0
Netherlands	43.7	52.9	11.7	16.4	34.6	22.8	9.9	7.9
New Zealand	35.2	42.2	15.4	15.7	34.5	35.2	14.9	6.9
Norway	51.2	58.4	8.8	9.5	32.1	25.6	7.8	6.5
Portugal	80.6	45.9	1.9	4.4	15.7	37.2	1.8	12.5
Spain	21.0	31.3	10.4	7.8	61.0	49.9	7.6	11.0
Sweden	44.3	52.2	13.4	12.4	33.6	28.2	8.7	7.2
Switzerland	46.0	44.6	13.3	14.5	35.2	32.3	5.5	8.5
United Kingdom	40.1	51.5	14.7	16.7	35.6	25.5	9.6	6.2
United States	30.9	40.5	9.4	11.8	55.4	41.4	4.2	6.3
Total DAC	**33.9**	**41.7**	**13.0**	**12.5**	**46.2**	**36.7**	**7.0**	**9.1**
of which:								
DAC-EU countries	39.3	41.0	11.3	11.5	40.7	36.6	8.6	10.9

a) Including imputed multilateral ODA. Excluding MADCTs and amounts unspecified by country.

Table 27 StatLink http://dx.doi.org/10.1787/800185522745

Regional distribution of ODA by individual DAC donors and multilateral agencies[a]

Per cent of total gross disbursements

	Sub-Saharan Africa			South and Central Asia			Other Asia and Oceania		
	1997-1998	2002-2003	2007-2008	1997-1998	2002-2003	2007-2008	1997-1998	2002-2003	2007-2008
Australia	6.2	4.3	3.3	6.9	7.5	11.3	84.3	81.7	69.0
Austria	28.3	34.4	24.6	5.5	10.2	4.6	8.8	3.5	2.8
Belgium	63.6	80.1	65.1	1.8	1.9	3.7	9.6	3.9	6.5
Canada	34.0	41.5	42.0	18.5	15.9	21.5	16.7	11.4	10.0
Denmark	55.5	50.6	59.1	16.4	16.7	13.5	12.3	13.9	9.5
Finland	41.8	44.7	50.1	11.7	14.4	16.0	22.4	12.4	12.5
France	51.3	59.1	46.4	2.1	7.2	3.9	21.4	9.0	11.9
Germany	25.2	34.5	27.9	12.3	12.5	12.1	24.5	14.4	12.9
Greece	3.9	1.4	9.9	11.1	10.1	14.3	0.5	0.3	3.6
Ireland	86.6	84.4	80.1	2.9	4.4	5.6	2.7	2.3	7.1
Italy	54.6	68.2	20.7	0.9	3.9	6.9	3.7	4.0	5.4
Japan	10.2	7.4	14.3	21.7	23.9	20.7	51.4	52.4	39.1
Luxembourg	48.8	44.6	52.9	7.3	5.9	4.9	11.3	14.4	14.8
Netherlands	36.2	48.5	59.5	15.3	16.1	11.8	5.6	10.6	9.0
New Zealand	5.0	9.1	5.5	3.2	6.0	6.8	89.6	75.8	83.8
Norway	51.7	45.8	49.0	12.8	16.8	18.9	7.5	5.2	8.0
Portugal	98.3	60.2	48.2	0.1	0.5	4.1	0.4	34.1	14.6
Spain	24.5	16.1	23.1	2.1	3.9	3.8	10.2	9.9	7.4
Sweden	48.5	50.8	53.1	10.6	11.8	11.3	12.9	9.4	8.7
Switzerland	40.1	35.0	33.8	21.1	21.7	19.7	9.1	8.3	7.5
United Kingdom	43.3	43.4	48.3	21.6	29.2	30.9	8.6	5.6	8.5
United States	20.6	31.2	32.7	10.9	17.5	20.4	11.1	6.9	5.5
TOTAL DAC	**29.5**	**34.5**	**33.7**	**13.4**	**16.2**	**15.9**	**27.1**	**18.8**	**15.3**
of which:									
DAC-EU countries	41.8	48.4	41.0	9.2	12.3	11.7	16.2	9.7	9.9
EC	40.4	44.0	40.3	8.1	9.3	9.1	6.1	5.1	4.6
IFIs [b]	37.4	45.1	42.6	30.7	31.3	27.8	15.4	11.4	10.5
Multi. Trust Funds [c]	-	26.9	55.5	6.9	10.3	14.6	70.1	29.7	15.6
UN Agencies [d]	37.3	41.6	39.7	17.1	15.9	13.5	13.4	8.5	9.2
OVERALL TOTAL	**32.3**	**37.4**	**36.6**	**16.2**	**18.3**	**16.9**	**22.3**	**16.0**	**13.2**

a) Excluding amounts unspecified by region.
b) International financial institutions. Includes IDA, regional banks' soft windows and IMF (PRGF).
c) Multilateral trust funds. Includes GAVI, GEF, the Global Fund and Montreal Protocol.
d) Includes IAEA, IFAD, UNAIDS, UNDP, UNECE, UNFPA, UNHCR, UNICEF, UNRWA, UNTA and WFP.

StatLink http://dx.doi.org/10.1787/800185522745

Table 27

Regional distribution of ODA by individual DAC donors and multilateral agencies[a] (cont.)

Per cent of total gross disbursements

Middle East and North Africa			Europe			Latin America and Caribbean			
1997-1998	2002-2003	2007-2008	1997-1998	2002-2003	2007-2008	1997-1998	2002-2003	2007-2008	
2.4	4.0	16.2	0.1	2.3	0.1	0.1	0.1	0.1	Australia
17.0	11.9	53.2	31.2	34.2	12.6	9.3	5.8	2.3	Austria
7.0	3.3	13.0	1.7	3.4	0.7	16.4	7.4	11.1	Belgium
5.4	6.6	8.7	2.7	8.6	2.6	22.8	16.0	15.2	Canada
5.3	4.4	8.8	0.9	4.0	2.0	9.6	10.5	7.1	Denmark
7.2	8.0	5.6	8.3	8.9	5.2	8.6	11.6	10.5	Finland
18.1	14.6	27.5	1.0	5.0	5.1	6.0	5.0	5.2	France
16.6	10.7	32.9	7.3	13.1	6.8	14.2	14.7	7.4	Germany
15.4	8.6	15.8	68.2	79.4	54.0	0.8	0.2	2.4	Greece
2.0	3.6	2.4	2.7	1.4	1.0	3.1	3.9	3.8	Ireland
11.2	11.9	53.1	9.5	5.3	4.7	20.0	6.6	9.1	Italy
6.0	4.9	16.4	1.4	2.0	3.5	9.3	9.4	6.0	Japan
10.3	9.5	4.2	3.7	8.4	6.6	18.7	17.2	16.5	Luxembourg
8.7	6.1	6.0	7.4	7.0	4.0	26.9	11.6	9.8	Netherlands
0.1	6.7	1.7	0.1	0.0	-	1.9	2.4	2.1	New Zealand
8.8	11.2	8.7	8.9	14.4	6.2	10.4	6.5	9.1	Norway
0.3	2.8	20.1	0.4	1.7	11.7	0.6	0.8	1.3	Portugal
17.2	13.5	17.1	2.1	10.2	5.3	43.8	46.3	43.4	Spain
7.3	5.3	6.9	8.1	10.1	9.4	12.5	12.7	10.7	Sweden
6.1	4.8	10.9	6.4	15.4	15.1	17.1	14.7	13.0	Switzerland
3.8	5.1	9.0	3.1	9.4	1.1	19.6	7.3	2.2	United Kingdom
26.9	22.0	29.0	10.2	7.5	2.4	20.2	14.9	9.9	United States
12.1	**11.7**	**21.9**	**4.5**	**7.2**	**4.2**	**13.6**	**11.6**	**9.0**	**TOTAL DAC**
									of which:
13.1	9.7	22.4	4.9	8.9	5.3	14.7	11.0	9.6	DAC-EU countries
21.1	15.9	17.6	11.7	17.5	19.5	12.7	8.3	8.9	EC
3.0	1.2	0.9	2.3	2.4	1.3	11.1	8.4	16.9	IFIs [b]
1.9	3.6	3.2	5.2	12.1	2.5	15.8	17.5	8.7	Multi. Trust Funds [c]
20.3	22.7	26.9	1.4	4.5	3.9	10.6	6.8	6.8	UN Agencies [d]
11.6	**10.5**	**17.8**	**4.6**	**7.1**	**5.4**	**12.9**	**10.6**	**10.1**	**OVERALL TOTAL**

Table 28 StatLink http://dx.doi.org/10.1787/800207354033

Regional distribution of ODA by individual DAC donors[a]

Per cent of total net disbursements

	South of Sahara			South & Central Asia			Other Asia and Oceania		
	1997-98	2002-03	2007-08	1997-98	2002-03	2007-08	1997-98	2002-03	2007-08
Australia	11.8	9.9	7.8	10.6	10.4	14.3	73.1	71.0	62.1
Austria	32.7	39.7	28.4	9.7	8.9	7.8	9.6	5.2	4.3
Belgium	61.5	72.8	58.0	4.2	4.1	9.0	9.0	4.1	5.8
Canada	39.6	48.8	44.3	19.8	5.8	22.2	16.3	12.2	9.9
Denmark	52.1	52.8	56.2	17.0	12.7	15.1	11.6	11.1	8.5
Finland	41.4	45.5	49.2	15.3	16.1	15.0	17.8	9.8	10.3
France	47.3	58.1	48.5	3.9	4.8	7.3	22.5	8.2	8.9
Germany	34.3	44.1	35.5	10.9	12.1	13.4	21.8	8.9	8.8
Greece	13.4	17.5	27.5	10.7	10.3	13.5	3.0	2.4	5.4
Ireland	76.5	73.4	69.0	6.0	7.1	9.4	4.5	3.5	7.9
Italy	52.0	62.8	36.7	11.1	7.3	12.0	7.2	1.4	5.2
Japan	18.2	17.7	33.9	22.9	28.2	22.4	39.1	38.4	13.2
Luxembourg	46.1	43.4	48.9	8.9	7.5	9.2	11.3	13.0	13.7
Netherlands	39.5	49.4	56.2	15.2	15.2	13.7	4.9	10.2	7.2
New Zealand	10.1	13.6	11.1	6.5	8.4	10.3	78.2	66.7	72.0
Norway	49.6	46.9	50.5	14.9	18.0	18.7	8.8	6.2	8.7
Portugal	91.8	51.2	46.3	1.9	8.9	8.0	1.5	24.9	11.8
Spain	28.5	26.3	31.6	4.7	6.2	8.5	11.6	6.4	6.7
Sweden	46.2	50.8	51.9	14.6	14.8	13.8	13.0	8.7	8.9
Switzerland	43.5	39.2	40.1	21.3	21.8	20.7	10.2	8.5	8.3
United Kingdom	44.1	43.8	49.4	22.9	24.3	25.9	10.5	5.6	8.6
United States	31.4	35.9	36.4	12.8	14.4	20.6	9.9	7.4	5.9
TOTAL DAC	**35.2**	**41.0**	**41.0**	**14.7**	**15.1**	**16.3**	**21.3**	**13.3**	**9.7**
of which:									
DAC-EU countries	43.4	50.1	44.5	11.2	11.9	13.5	15.1	7.6	8.0

a) Including imputed multilateral flows, *i.e.* making allowance for contributions through multilateral organisations, calculated using the geographical distribution of multilateral disbursements for the year of reference. Excluding amounts unspecified by region.

StatLink http://dx.doi.org/10.1787/800207354033

Table 28

Regional distribution of ODA by individual DAC donors[a] *(cont.)*

Per cent of total net disbursements

Middle East and North Africa			Europe			Latin America and Caribbean			
1997-98	2002-03	2007-08	1997-98	2002-03	2007-08	1997-98	2002-03	2007-08	
2.8	4.5	14.7	-0.1	2.6	0.4	1.9	1.6	0.7	Australia
15.8	12.4	43.0	21.7	26.9	12.7	10.6	7.0	3.7	Austria
8.3	5.5	12.3	1.8	5.8	5.5	15.2	7.8	9.4	Belgium
6.0	7.3	7.1	2.3	8.3	2.4	16.0	17.6	14.1	Canada
7.7	7.1	8.5	1.1	5.7	4.3	10.4	10.5	7.4	Denmark
9.7	9.5	8.5	5.9	9.1	7.8	10.0	10.0	9.2	Finland
19.2	14.7	20.7	1.7	8.5	8.5	5.3	5.8	6.0	France
15.4	10.6	27.3	3.7	12.8	7.6	13.9	11.6	7.3	Germany
17.2	11.3	15.2	45.1	54.4	33.0	10.6	4.2	5.4	Greece
4.8	6.1	5.0	3.0	4.2	3.9	5.2	5.7	5.0	Ireland
10.1	11.9	29.2	7.3	9.4	9.4	12.2	7.1	7.4	Italy
7.6	4.6	20.8	1.2	1.9	4.4	10.9	9.3	5.4	Japan
12.0	10.7	6.7	3.7	9.2	7.4	17.9	16.2	14.1	Luxembourg
9.6	7.3	7.8	6.9	7.6	6.1	23.9	10.3	9.1	Netherlands
1.5	7.0	2.8	0.5	0.6	0.7	3.3	3.7	3.0	New Zealand
9.9	10.7	8.5	6.6	11.1	5.4	10.3	7.2	8.2	Norway
1.9	6.1	17.4	1.1	5.7	12.7	1.9	3.2	3.7	Portugal
17.2	12.8	15.3	3.3	12.8	8.1	34.7	35.6	29.8	Spain
8.8	6.8	8.2	6.0	8.2	8.5	11.3	10.7	8.7	Sweden
6.7	5.6	9.6	4.7	12.3	10.9	13.6	12.6	10.4	Switzerland
5.5	8.2	10.5	3.5	10.3	5.5	13.5	7.7	0.0	United Kingdom
23.0	21.4	25.7	7.2	7.7	2.5	15.6	13.2	8.9	United States
12.3	**11.8**	**19.1**	**3.8**	**8.3**	**5.9**	**12.6**	**10.6**	**8.0**	**TOTAL DAC**
									of which:
12.9	10.3	18.3	4.3	10.2	7.7	13.0	9.9	8.0	DAC-EU countries

Table 29

StatLink http://dx.doi.org/10.1787/800227343865

Net disbursements of ODA to Sub-Saharan Africa by donor

	USD million at 2007 prices and exchange rates						
	1992-1993 average	1997-1998 average	2004	2005	2006	2007	2008
DAC BILATERAL							
Australia	101	71	64	64	56	66	63
Austria	98	100	146	144	587	390	118
Belgium	344	348	612	658	905	631	549
Canada	564	437	749	793	908	785	1 203
Denmark	512	606	590	641	788	827	773
Finland	187	94	144	156	186	203	207
France	4 428	2 667	3 500	4 519	4 776	2 814	2 431
Germany	1 687	1 276	1 368	2 706	3 537	1 962	2 094
Greece	..	3	10	11	14	17	23
Ireland	42	150	342	355	430	499	564
Italy	946	551	362	1 001	1 175	243	313
Japan	829	833	576	1 043	2 470	1 686	1 136
Luxembourg	20	52	96	102	111	118	118
Netherlands	915	934	1 346	1 514	1 423	1 603	1 341
New Zealand	2	7	17	20	12	10	14
Norway	715	746	744	787	788	847	865
Portugal	342	262	961	143	139	125	139
Spain	160	303	222	663	311	477	670
Sweden	725	493	706	851	927	926	903
Switzerland	274	222	263	321	312	298	231
United Kingdom	1 036	1 098	2 689	4 382	6 038	2 355	2 524
United States	1 778	943	3 835	4 309	5 754	4 568	6 553
TOTAL DAC	**15 708**	**12 196**	**19 342**	**25 184**	**31 647**	**21 450**	**22 832**
MULTILATERAL [a]							
AfDF	884	746	1 015	937	1 660	1 208	1 536
EC	2 954	2 519	3 414	3 676	3 766	4 156	4 516
GAVI	-	-	-	-	-	303	376
Global Fund	-	-	398	735	846	1 007	1 293
IDA	2 818	2 811	4 325	3 936	3 487	4 179	3 894
IFAD	50	65	122	124	128	190	184
UNDP	359	366	212	217	248	223	273
UNHCR	418	191	193	57	24	50	60
UNICEF	404	213	227	271	318	443	446
UNTA	93	99	117	141	82	107	33
WFP	1 261	138	171	379	236	134	173
Other UN	46	95	91	104	125	155	168
Arab Agencies	7	- 6	218	170	254	294	273
Other Multilateral	328	213	36	28	238	257	671
TOTAL MULTILATERAL	**9 622**	**7 449**	**10 539**	**10 775**	**11 413**	**12 708**	**13 897**
Other Countries [b]	104	134	129	182	350	320	406
OVERALL TOTAL	**25 434**	**19 779**	**30 010**	**36 141**	**43 410**	**34 478**	**37 134**

a) The data for UN agencies have been reviewed to include only regular budget expenditures. This has led to revisions of UNDP data since 1990. For WFP and UNHCR revisions have only been possible from 1996 onwards, while for UNICEF the data are revised from 1997. Since 2000, UNHCR operates an Annual Programme Budget which includes country operations, global operations and administrative costs under a unified budget. However, data shown for UNHCR

StatLink http://dx.doi.org/10.1787/800227343865

Table 29

Net disbursements of ODA to Sub-Saharan Africa by donor *(cont.)*

	As percentage of donor's ODA						
	1992-1993 average	1997-1998 average	2004	2005	2006	2007	2008
DAC BILATERAL							
Australia	8.1	5.5	4.2	3.7	2.7	2.9	2.5
Austria	101.4	25.3	35.4	10.2	48.2	29.4	10.3
Belgium	46.3	48.8	57.3	43.6	59.7	51.0	42.9
Canada	21.7	20.9	28.5	23.5	32.9	24.9	37.0
Denmark	44.4	39.9	41.7	41.3	48.5	50.1	46.0
Finland	38.8	32.8	31.1	22.8	36.5	34.8	32.5
France	49.4	41.2	53.2	54.0	54.0	45.0	40.6
Germany	26.5	27.1	31.5	32.2	45.3	24.7	24.7
Greece	..	3.9	5.0	4.7	6.7	6.8	8.0
Ireland	66.4	73.6	70.7	63.8	61.5	60.6	63.3
Italy	29.3	62.8	44.0	38.5	52.7	19.1	18.6
Japan	11.3	11.5	10.9	10.9	34.7	29.2	18.8
Luxembourg	47.1	45.2	46.0	46.2	48.8	46.5	45.2
Netherlands	31.8	28.2	43.2	36.1	30.0	34.5	27.7
New Zealand	1.7	4.5	8.7	8.1	4.9	4.2	5.1
Norway	48.8	40.2	35.2	32.0	32.6	29.4	31.1
Portugal	99.6	95.1	92.1	56.2	58.8	46.2	40.0
Spain	10.0	21.9	12.9	30.1	13.2	14.3	15.2
Sweden	37.3	33.0	29.7	32.7	29.0	31.6	30.1
Switzerland	30.9	28.0	20.7	21.3	23.4	23.6	16.8
United Kingdom	36.6	35.1	42.6	46.2	61.8	42.0	32.0
United States	17.1	13.8	21.6	15.9	26.5	24.2	28.1
TOTAL DAC	**28.6**	**27.0**	**31.5**	**27.9**	**38.2**	**29.4**	**27.7**
MULTILATERAL [a]							
AfDF	96.0	94.9	97.6	99.9	99.7	99.9	99.3
EC	49.3	33.6	36.1	36.9	34.8	36.7	33.8
GAVI	-	-	-	-	-	32.9	53.7
Global Fund	-	-	60.2	66.3	62.6	61.9	62.7
IDA	44.9	41.4	52.5	54.1	53.8	56.0	61.2
IFAD	46.1	39.2	65.4	56.8	52.3	59.0	55.7
UNDP	35.9	42.6	50.0	49.4	52.6	50.8	57.8
UNHCR	26.9	57.0	49.2	23.2	12.2	19.3	22.8
UNICEF	38.8	31.6	30.9	34.6	39.9	45.2	47.6
UNTA	23.9	20.4	23.8	22.0	20.5	23.3	5.3
WFP	60.9	37.4	59.9	62.1	46.1	57.8	57.6
Other UN	26.2	32.6	41.2	29.2	24.8	32.2	31.6
Arab Agencies	2.2	18.5	68.4	61.1	53.4	64.8	64.1
Other Multilateral	53.0	47.5	4.2	6.7	21.8	24.2	58.2
TOTAL MULTILATERAL	**47.0**	**39.9**	**45.2**	**46.3**	**45.6**	**46.7**	**47.8**
Other Countries [b]	6.4	12.3	3.4	5.4	7.2	6.8	5.1
OVERALL TOTAL	**33.1**	**30.5**	**33.9**	**30.9**	**38.5**	**32.9**	**31.1**

from 2004 onwards cover expenditures from unrestricted or broadly earmarked funds only. For UNFPA, data prior to 2004 include regular budget and other expenditures.

b) See Table 33 for the list of non-DAC countries for which data are available.

Table 30 StatLink http://dx.doi.org/10.1787/800243374458

Net disbursements of ODA to Sub-Saharan Africa by recipient

USD million, at 2007 prices and exchange rates

	1992-1993 average	1997-1998 average	2005	2006	2007	2008
Angola	456	507	462	178	246	352
Benin	395	288	387	409	474	600
Botswana	180	156	54	74	108	680
Burkina Faso	637	543	778	951	951	936
Burundi	364	91	408	446	473	479
Cameroon	898	706	464	1 871	1 908	492
Cape Verde	162	172	184	153	165	205
Central African Rep.	238	142	100	145	177	242
Chad	321	274	424	306	354	391
Comoros	66	43	26	34	44	35
Congo, Dem. Rep.	310	204	1 914	2 190	1 241	1 543
Congo, Rep.	166	240	1 644	283	119	469
Cote d'Ivoire	1 071	989	107	272	171	583
Djibouti	174	112	82	126	112	113
Equatorial Guinea	82	36	44	29	31	35
Eritrea	54	201	383	137	157	135
Ethiopia	1 564	872	2 111	2 102	2 563	3 196
Gabon	122	60	67	33	51	51
Gambia	133	54	66	78	73	90
Ghana	844	790	1 269	1 277	1 154	1 237
Guinea	584	505	219	166	228	300
Guinea-Bissau	140	152	75	90	122	123
Kenya	1 195	585	833	1 007	1 323	1 308
Lesotho	207	108	75	77	129	136
Liberia	166	105	247	279	698	1 189
Madagascar	493	924	1 024	812	895	794
Malawi	739	533	645	745	742	882
Mali	563	535	790	898	1 020	907
Mauritania	357	273	202	217	342	291
Mauritius	51	58	35	21	69	102
Mayotte	114	151	233	377	407	441
Mozambique	1 922	1 431	1 467	1 742	1 778	1 907
Namibia	210	249	140	163	217	197
Niger	482	433	581	566	542	569
Nigeria	387	276	7 332	12 444	1 956	1 234
Rwanda	487	417	648	632	722	893
Sao Tome & Principe	73	45	37	24	36	44
Senegal	794	642	769	900	872	998
Seychelles	27	29	16	15	9	11
Sierra Leone	245	158	383	366	545	358
Somalia	1 094	120	269	426	384	727
South Africa	206	712	777	781	810	1 083
St. Helena	27	23	26	31	43	69
Sudan	685	257	2 030	2 202	2 112	2 289
Swaziland	78	41	46	37	51	64
Tanzania	1 623	1 374	1 686	1 982	2 820	2 233
Togo	219	167	94	87	121	310
Uganda	940	1 045	1 327	1 675	1 737	1 575
Zambia	1 322	680	1 294	1 542	998	1 035
Zimbabwe	904	417	418	305	479	594
South of Sahara, regional	862	852	1 448	1 705	1 694	2 609
OVERALL TOTAL	**25 434**	**19 779**	**36 141**	**43 410**	**34 478**	**37 134**

StatLink http://dx.doi.org/10.1787/800263770313

Table 31

Aid from DAC countries to least developed countries[a]

Net disbursements

	1997-1998 USD million	1997-1998 Per cent of donor's total	1997-1998 Per cent of donor's GNI	2007 USD million	2007 Per cent of donor's total	2007 Per cent of donor's GNI	2008 USD million	2008 Per cent of donor's total	2008 Per cent of donor's GNI
Australia	177	18	0.05	687	26	0.08	765	26	0.08
Austria	113	24	0.05	253	14	0.07	280	16	0.07
Belgium	236	29	0.09	773	40	0.17	930	39	0.19
Canada	420	22	0.07	1 562	38	0.11	1 859	39	0.13
Denmark	529	32	0.31	1 075	42	0.34	1 097	39	0.32
Finland	99	26	0.08	365	37	0.15	400	34	0.15
France	1 340	22	0.09	2 958	30	0.11	3 056	28	0.11
Germany	1 188	21	0.06	3 019	25	0.09	3 628	26	0.10
Greece	8	5	0.01	110	22	0.04	144	21	0.04
Ireland	90	47	0.14	606	51	0.28	674	51	0.30
Italy	585	33	0.05	1 296	33	0.06	1 587	33	0.07
Japan	1 707	17	0.04	2 521	33	0.06	2 498	26	0.05
Luxembourg	24	23	0.14	146	39	0.36	162	39	0.38
Netherlands	810	27	0.22	1 805	29	0.23	2 028	29	0.23
New Zealand	32	22	0.06	84	26	0.07	101	29	0.09
Norway	509	39	0.33	1 322	35	0.34	1 496	38	0.33
Portugal	137	54	0.13	206	44	0.10	225	36	0.10
Spain	165	13	0.03	1 118	22	0.08	1 462	21	0.10
Sweden	481	29	0.22	1 357	31	0.29	1 543	33	0.32
Switzerland	285	31	0.10	488	29	0.11	498	24	0.10
United Kingdom	923	25	0.07	4 011	41	0.14	4 199	37	0.16
United States	1 353	17	0.02	6 113	28	0.04	8 270	31	0.06
TOTAL DAC	**11 211**	**22**	**0.05**	**31 874**	**31**	**0.09**	**36 904**	**30**	**0.09**
of which:									
DAC-EU countries	6 728	25	0.08	19 098	31	0.12	21 417	30	0.13

a) Including imputed multilateral flows, *i.e.* making allowance for contributions through multilateral organisations, calculated using the geographical distribution of multilateral disbursements for the year of reference.

Table 32 StatLink http://dx.doi.org/10.1787/800288080854

Major recipients of individual DAC members' aid

Gross disbursements — Per cent of total ODA

Australia 1987-88		Australia 1997-98		Australia 2007-08		Austria 1987-88		Austria 1997-98	
Papua New Guinea	26.5	Papua New Guinea	23.5	Indonesia	11.7	Algeria	18.7	Bosnia-Herzegovina	8.7
Indonesia	6.9	Indonesia	7.5	Papua New Guinea	10.7	Egypt	7.0	Egypt	5.2
Malaysia	4.4	Philippines	4.3	Iraq	10.1	Turkey	6.1	Turkey	2.7
Philippines	2.7	Viet Nam	4.0	Solomon Islands	6.9	China	3.4	Uganda	2.5
Thailand	2.2	China	3.0	Afghanistan	3.4	Iran	2.9	Indonesia	2.3
China	2.0	Cambodia	2.3	Timor-Leste	2.8	Ethiopia	2.5	Serbia	2.2
Fiji	1.8	Bangladesh	1.4	Philippines	2.5	Indonesia	1.9	Iran	1.5
Ethiopia	1.3	Egypt	1.3	Viet Nam	2.5	Kenya	1.5	Nicaragua	1.5
Bangladesh	1.1	Thailand	1.3	Bangladesh	1.4	Uganda	1.3	Bhutan	1.5
Vanuatu	1.0	India	1.3	China	1.4	Mozambique	1.0	Tanzania	1.5
Myanmar	1.0	Fiji	1.2	Cambodia	1.2	States Ex-Yugoslavia	0.9	Croatia	1.3
Solomon Islands	0.9	Laos	1.2	Myanmar	1.1	Rwanda	0.9	Guatemala	1.2
Mozambique	0.9	Vanuatu	0.9	Vanuatu	0.9	Tanzania	0.8	Ghana	1.1
Samoa	0.8	Samoa	0.9	Laos	0.9	Korea	0.8	Cameroon	1.1
Tonga	0.7	Solomon Islands	0.8	Nauru	0.9	Burundi	0.7	Mozambique	1.1
Total above	**54.3**	**Total above**	**54.9**	**Total above**	**58.4**	**Total above**	**50.4**	**Total above**	**35.3**
Multilateral ODA	33.0	Multilateral ODA	24.3	Multilateral ODA	12.5	Multilateral ODA	32.2	Multilateral ODA	40.2
Unallocated	6.2	Unallocated	12.0	Unallocated	21.5	Unallocated	8.3	Unallocated	7.2
Total ODA USD mill.	**864**	**Total ODA USD mill.**	**1 018**	**Total ODA USD mill.**	**2 811**	**Total ODA USD mill.**	**291**	**Total ODA USD mill.**	**479**
LDCs	14.4	LDCs	15.4	LDCs	23.8	LDCs	14.0	LDCs	19.1
Other LICs	40.3	Other LICs	37.8	Other LICs	16.7	Other LICs	3.6	Other LICs	5.6
LMICs	23.6	LMICs	27.3	LMICs	32.7	LMICs	57.1	LMICs	48.7
UMICs	10.3	UMICs	3.6	UMICs	2.2	UMICs	10.4	UMICs	12.6
MADCT	2.0	MADCT	0.2	MADCT	-	MADCT	2.8	MADCT	2.0
Unallocated	9.3	Unallocated	15.8	Unallocated	24.6	Unallocated	12.2	Unallocated	12.1
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	6.6	Sub-Saharan Africa	5.6	Sub-Saharan Africa	2.7	Sub-Saharan Africa	17.5	Sub-Saharan Africa	25.2
S. and C. Asia	4.6	S. and C. Asia	6.3	S. and C. Asia	9.1	S. and C. Asia	1.2	S. and C. Asia	4.9
Other Asia and Oceania	82.1	Other Asia and Oceania	76.2	Other Asia and Oceania	56.5	Other Asia and Oceania	10.8	Other Asia and Oceania	7.8
Middle East and North Africa	1.0	Middle East and North Africa	2.2	Middle East and North Africa	13.1	Middle East and North Africa	43.9	Middle East and North Africa	15.1
Latin America and Caribbean	0.2	Latin America and Caribbean	0.1	Latin America and Caribbean	0.1	Latin America and Caribbean	3.9	Latin America and Caribbean	8.3
Europe	0.0	Europe	0.0	Europe	0.1	Europe	12.2	Europe	27.8
Unspecified	5.4	Unspecified	9.6	Unspecified	18.4	Unspecified	10.6	Unspecified	10.9
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

StatLink http://dx.doi.org/10.1787/800288080854

Table 32

Major recipients of individual DAC members' aid *(cont.)*

Gross disbursements

Per cent of total ODA

				Belgium			
2007-08		1987-88		1997-98		2007-08	
Iraq	33.0	Congo, Dem. Rep.	19.7	Tanzania	4.2	Congo, Dem. Rep.	8.6
Nigeria	9.0	Rwanda	4.8	Congo, Dem. Rep.	3.3	Rwanda	2.4
Bosnia-Herzegovina	2.0	China	3.1	Cote d'Ivoire	3.0	Iraq	2.4
Serbia	1.8	Burundi	2.8	Rwanda	2.6	Cameroon	2.1
Georgia	1.6	Indonesia	1.5	Bolivia	1.8	Burundi	1.9
Egypt	1.5	Cameroon	1.4	Madagascar	1.5	Palestinian Adm. Areas	1.1
Turkey	1.5	Zambia	0.9	Benin	1.3	Mozambique	1.1
China	1.1	Senegal	0.9	Burkina Faso	1.2	Viet Nam	1.1
Chad	0.8	Niger	0.9	Senegal	1.1	Peru	1.1
Ethiopia	0.8	Morocco	0.8	Morocco	1.1	Senegal	1.0
Uganda	0.8	Bangladesh	0.8	Ecuador	1.1	Mali	1.0
Malawi	0.6	Turkey	0.7	Viet Nam	1.1	Ecuador	0.9
Burundi	0.5	Cote d'Ivoire	0.7	China	1.0	Niger	0.9
Kenya	0.5	Tanzania	0.7	Cameroon	1.0	Benin	0.8
Croatia	0.5	Ethiopia	0.7	Kenya	0.9	Tanzania	0.8
Total above	**55.9**	**Total above**	**40.3**	**Total above**	**25.9**	**Total above**	**27.2**
Multilateral ODA	26.8	Multilateral ODA	33.8	Multilateral ODA	39.5	Multilateral ODA	38.7
Unallocated	8.7	Unallocated	13.9	Unallocated	17.5	Unallocated	20.1
Total ODA USD mill.	**1 797**	**Total ODA USD mill.**	**658**	**Total ODA USD mill.**	**857**	**Total ODA USD mill.**	**2 226**
LDCs	8.2	LDCs	53.5	LDCs	36.1	LDCs	38.6
Other LICs	14.6	Other LICs	2.6	Other LICs	9.1	Other LICs	4.4
LMICs	59.2	LMICs	18.4	LMICs	19.8	LMICs	21.0
UMICs	6.2	UMICs	4.2	UMICs	6.0	UMICs	3.3
MADCT	0.0	MADCT	0.2	MADCT	0.1	MADCT	-
Unallocated	11.9	Unallocated	21.1	Unallocated	28.9	Unallocated	32.7
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	22.3	Sub-Saharan Africa	66.0	Sub-Saharan Africa	46.7	Sub-Saharan Africa	45.5
S. and C. Asia	4.1	S. and C. Asia	2.0	S. and C. Asia	1.3	S. and C. Asia	2.6
Other Asia and Oceania	2.5	Other Asia and Oceania	8.7	Other Asia and Oceania	7.2	Other Asia and Oceania	4.7
Middle East and North Africa	48.2	Middle East and North Africa	3.3	Middle East and North Africa	5.1	Middle East and North Africa	9.1
Latin America and Caribbean	2.1	Latin America and Caribbean	6.2	Latin America and Caribbean	12.1	Latin America and Caribbean	7.8
Europe	11.5	Europe	1.1	Europe	1.2	Europe	0.5
Unspecified	9.3	Unspecified	12.7	Unspecified	26.4	Unspecified	29.9
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Table 32 StatLink http://dx.doi.org/10.1787/800288080854

Major recipients of individual DAC members' aid
(cont.)

Gross disbursements | Per cent of total ODA

Canada					
1987-88		1997-98		2007-08	
Bangladesh	5.0	Bangladesh	3.3	Afghanistan	6.2
Pakistan	2.7	China	2.5	Haiti	3.0
India	2.4	India	1.5	Ethiopia	2.7
Indonesia	2.0	Haiti	1.4	Iraq	2.1
Tanzania	1.8	Pakistan	1.3	Indonesia	1.8
Jamaica	1.6	Cote d'Ivoire	1.3	Mali	1.7
China	1.6	Cameroon	1.3	Sudan	1.7
Kenya	1.4	Indonesia	1.2	Ghana	1.7
Zambia	1.3	Peru	1.2	Bangladesh	1.6
Thailand	1.3	Egypt	0.8	Mozambique	1.5
Mozambique	1.2	Nicaragua	0.8	Senegal	1.4
Egypt	1.2	Rwanda	0.8	China	1.2
Sri Lanka	1.2	Philippines	0.8	Tanzania	1.1
Ethiopia	1.2	Ghana	0.8	Palestinian Adm. Areas	1.0
Senegal	1.2	Senegal	0.7	Pakistan	1.0
Total above	**27.1**	**Total above**	**19.7**	**Total above**	**29.6**
Multilateral ODA	31.9	Multilateral ODA	32.6	Multilateral ODA	26.3
Unallocated	21.3	Unallocated	31.8	Unallocated	26.7
Total ODA USD mill.	**2 176**	**Total ODA USD mill.**	**1 940**	**Total ODA USD mill.**	**4 472**
LDCs	28.6	LDCs	19.0	LDCs	36.3
Other LICs	9.0	Other LICs	7.3	Other LICs	7.0
LMICs	23.5	LMICs	22.4	LMICs	17.3
UMICs	7.3	UMICs	4.1	UMICs	3.2
MADCT	0.2	MADCT	0.0	MADCT	0.0
Unallocated	31.3	Unallocated	47.2	Unallocated	36.2
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	27.2	Sub-Saharan Africa	19.8	Sub-Saharan Africa	30.8
S. and C. Asia	17.6	S. and C. Asia	10.8	S. and C. Asia	15.8
Other Asia and Oceania	9.5	Other Asia and Oceania	10.7	Other Asia and Oceania	15.0
Middle East and North Africa	5.2	Middle East and North Africa	3.1	Middle East and North Africa	6.4
Latin America and Caribbean	11.8	Latin America and Caribbean	13.5	Latin America and Caribbean	14.4
Europe	0.1	Europe	1.5	Europe	1.9
Unspecified	28.7	Unspecified	40.5	Unspecified	15.7
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Denmark			
1987-88		1997-98	
Tanzania	6.8	Tanzania	3.9
India	4.2	Uganda	3.8
Kenya	3.4	Bangladesh	2.5
Bangladesh	3.3	India	2.5
China	2.3	Mozambique	2.3
Egypt	2.2	Viet Nam	2.2
Malawi	2.1	Ghana	2.2
Mozambique	1.7	South Africa	2.0
Botswana	1.6	Egypt	1.8
Yemen	1.3	Burkina Faso	1.6
Nicaragua	1.2	Nicaragua	1.6
Zimbabwe	1.1	Thailand	1.4
Somalia	1.0	Zimbabwe	1.3
Benin	1.0	Zambia	1.2
Sudan	0.9	Nepal	1.2
Total above	**34.1**	**Total above**	**31.4**
Multilateral ODA	45.2	Multilateral ODA	38.5
Unallocated	7.4	Unallocated	17.6
Total ODA USD mill.	**933**	**Total ODA USD mill.**	**1 711**
LDCs	50.6	LDCs	35.5
Other LICs	9.5	Other LICs	11.1
LMICs	23.4	LMICs	19.9
UMICs	3.0	UMICs	4.8
MADCT	0.0	MADCT	0.0
Unallocated	13.5	Unallocated	28.6
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	57.1	Sub-Saharan Africa	40.2
S. and C. Asia	17.2	S. and C. Asia	11.9
Other Asia and Oceania	6.3	Other Asia and Oceania	9.4
Middle East and North Africa	6.5	Middle East and North Africa	3.9
Latin America and Caribbean	2.9	Latin America and Caribbean	6.9
Europe	-	Europe	0.7
Unspecified	10.0	Unspecified	27.1
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**

StatLink http://dx.doi.org/10.1787/800288080854

Table 32

Major recipients of individual DAC members' aid *(cont.)*

Gross disbursements

Per cent of total ODA

2007-08		Finland 1987-88		Finland 1997-98		Finland 2007-08	
Tanzania	3.8	Tanzania	9.7	China	4.1	Tanzania	3.7
Uganda	3.5	Zambia	4.8	Mozambique	2.8	Mozambique	3.4
Mozambique	3.2	Kenya	4.0	Tanzania	2.8	Viet Nam	2.6
Nigeria	3.2	Egypt	2.9	Nepal	2.5	Afghanistan	2.1
Viet Nam	3.0	Somalia	2.9	Bosnia-Herzegovina	2.2	Nicaragua	1.9
Ghana	2.8	Sri Lanka	2.8	Viet Nam	2.1	Zambia	1.8
Kenya	2.0	Mozambique	2.7	Zambia	2.0	Kenya	1.4
Egypt	2.0	Sudan	2.6	Nicaragua	1.9	Nepal	1.4
Nepal	1.7	Nicaragua	2.4	Ethiopia	1.7	Ethiopia	1.2
Benin	1.7	Viet Nam	2.3	Namibia	1.7	Somalia	1.2
Afghanistan	1.6	Ethiopia	2.1	Thailand	1.6	Sudan	1.2
Bangladesh	1.6	Bangladesh	2.0	Kenya	1.2	South Africa	1.0
Burkina Faso	1.6	Nepal	1.5	Iraq	1.2	Serbia	1.0
Zambia	1.5	Zimbabwe	1.0	South Africa	0.9	Palestinian Adm. Areas	1.0
Nicaragua	1.5	Namibia	1.0	Zimbabwe	0.7	China	0.9
Total above	**34.8**	**Total above**	**44.8**	**Total above**	**29.5**	**Total above**	**25.7**
Multilateral ODA	34.1	Multilateral ODA	38.2	Multilateral ODA	46.0	Multilateral ODA	40.5
Unallocated	15.7	Unallocated	10.7	Unallocated	14.6	Unallocated	22.7
Total ODA USD mill.	**2 766**	**Total ODA USD mill.**	**522**	**Total ODA USD mill.**	**399**	**Total ODA USD mill.**	**1 075**
LDCs	41.0	LDCs	49.4	LDCs	28.3	LDCs	34.6
Other LICs	17.7	Other LICs	12.2	Other LICs	9.4	Other LICs	8.4
LMICs	15.4	LMICs	19.0	LMICs	31.3	LMICs	14.6
UMICs	2.2	UMICs	2.1	UMICs	4.0	UMICs	4.4
MADCT	-	MADCT	0.0	MADCT	-	MADCT	-
Unallocated	23.8	Unallocated	17.3	Unallocated	27.0	Unallocated	38.1
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	47.1	Sub-Saharan Africa	54.9	Sub-Saharan Africa	32.8	Sub-Saharan Africa	33.6
S. and C. Asia	10.8	S. and C. Asia	11.5	S. and C. Asia	9.1	S. and C. Asia	10.7
Other Asia and Oceania	8.0	Other Asia and Oceania	5.8	Other Asia and Oceania	19.2	Other Asia and Oceania	10.3
Middle East and North Africa	7.0	Middle East and North Africa	5.1	Middle East and North Africa	5.7	Middle East and North Africa	3.8
Latin America and Caribbean	5.7	Latin America and Caribbean	6.3	Latin America and Caribbean	6.7	Latin America and Caribbean	7.4
Europe	1.6	Europe	1.2	Europe	6.5	Europe	3.5
Unspecified	19.8	Unspecified	15.2	Unspecified	19.9	Unspecified	30.7
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Table 32 StatLink http://dx.doi.org/10.1787/800288080854

Major recipients of individual DAC members' aid
(cont.)

Gross disbursements — Per cent of total ODA

France					
1987-88		1997-98		2007-08	
French Polynesia	5.8	French Polynesia	5.5	Iraq	4.5
New Caledonia	5.2	New Caledonia	5.3	Cameroon	4.2
Morocco	3.4	Egypt	4.2	Mayotte	3.7
Cote d'Ivoire	3.4	Cote d'Ivoire	4.2	Morocco	3.1
Senegal	3.2	Cameroon	3.8	Tunisia	2.0
Madagascar	2.0	Morocco	3.3	China	2.0
Cameroon	1.9	Madagascar	3.1	Turkey	2.0
Egypt	1.6	Senegal	2.6	Congo, Rep.	1.8
China	1.6	Congo, Rep.	2.3	Senegal	1.8
Congo, Rep.	1.6	Algeria	1.8	Lebanon	1.7
Gabon	1.4	Mayotte	1.4	Algeria	1.7
Central African Rep.	1.4	Niger	1.3	Viet Nam	1.6
Chad	1.3	Tunisia	1.3	Egypt	1.5
Mali	1.3	Gabon	1.1	Mali	1.5
India	1.3	Burkina Faso	1.0	Burkina Faso	1.2
Total above	**36.6**	**Total above**	**42.4**	**Total above**	**34.1**
Multilateral ODA	22.1	Multilateral ODA	22.3	Multilateral ODA	35.1
Unallocated	16.3	Unallocated	13.2	Unallocated	10.3
Total ODA USD mill.	**5 568**	**Total ODA USD mill.**	**7 141**	**Total ODA USD mill.**	**12 019**
LDCs	28.2	LDCs	24.0	LDCs	20.6
Other LICs	7.4	Other LICs	7.7	Other LICs	6.1
LMICs	21.5	LMICs	29.3	LMICs	40.2
UMICs	7.3	UMICs	7.8	UMICs	17.2
MADCT	14.6	MADCT	14.2	MADCT	0.0
Unallocated	20.9	Unallocated	17.0	Unallocated	15.9
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	48.2	Sub-Saharan Africa	45.1	Sub-Saharan Africa	41.8
S. and C. Asia	4.0	S. and C. Asia	1.8	S. and C. Asia	3.5
Other Asia and Oceania	19.4	Other Asia and Oceania	19.0	Other Asia and Oceania	10.7
Middle East and North Africa	11.8	Middle East and North Africa	15.9	Middle East and North Africa	24.7
Latin America and Caribbean	4.5	Latin America and Caribbean	5.4	Latin America and Caribbean	4.7
Europe	0.9	Europe	0.9	Europe	4.6
Unspecified	11.2	Unspecified	11.8	Unspecified	9.9
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Germany			
1987-88		1997-98	
Turkey	5.6	China	6.4
India	4.6	Indonesia	4.3
Egypt	3.7	Egypt	4.2
Indonesia	3.1	India	3.4
Israel	2.1	Turkey	2.5
Brazil	2.0	Brazil	1.4
Pakistan	2.0	Tanzania	1.2
China	1.6	Peru	1.2
Tanzania	1.2	Morocco	1.1
Bangladesh	1.2	Iran	0.9
Morocco	1.2	Mozambique	0.9
Peru	1.1	Philippines	0.9
Kenya	1.1	Pakistan	0.9
Congo, Dem. Rep.	1.0	Ethiopia	0.9
Tunisia	1.0	Bolivia	0.8
Total above	**32.7**	**Total above**	**31.0**
Multilateral ODA	27.4	Multilateral ODA	31.8
Unallocated	8.6	Unallocated	8.9
Total ODA USD mill.	**5 256**	**Total ODA USD mill.**	**6 797**
LDCs	23.9	LDCs	18.5
Other LICs	7.4	Other LICs	6.8
LMICs	36.0	LMICs	49.9
UMICs	15.3	UMICs	10.8
MADCT	5.6	MADCT	0.9
Unallocated	11.8	Unallocated	13.1
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	25.8	Sub-Saharan Africa	22.1
S. and C. Asia	14.5	S. and C. Asia	10.8
Other Asia and Oceania	10.7	Other Asia and Oceania	22.0
Middle East and North Africa	17.1	Middle East and North Africa	14.6
Latin America and Caribbean	13.3	Latin America and Caribbean	13.0
Europe	10.7	Europe	6.4
Unspecified	8.1	Unspecified	11.2
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**

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Table 32

Major recipients of individual DAC members' aid
(cont.)

Gross disbursements

Per cent of total ODA

				Greece			
2007-08		1987-88		1997-98		2007-08	
Iraq	13.3			Bosnia-Herzegovina	9.3	Albania	8.4
Cameroon	4.5			Albania	8.7	Serbia	6.0
China	3.7			Palestinian Adm. Areas	2.4	Afghanistan	2.3
India	2.0			Armenia	1.5	Bosnia-Herzegovina	1.7
Afghanistan	1.7			Georgia	1.3	Egypt	1.6
Indonesia	1.7			Egypt	0.5	Turkey	1.0
Liberia	1.6			Serbia	0.5	Palestinian Adm. Areas	0.9
Botswana	1.5			Moldova	0.4	Syria	0.7
Egypt	1.4			Lebanon	0.3	Lebanon	0.7
Morocco	1.2			Jordan	0.3	Armenia	0.7
South Africa	0.9			Syria	0.2	China	0.7
Turkey	0.9			Madagascar	0.2	Jordan	0.7
Brazil	0.8			Macedonia, FYR	0.2	Georgia	0.7
Viet Nam	0.7			Morocco	0.2	Ukraine	0.5
Serbia	0.7			Iran	0.1	Sri Lanka	0.5
Total above	**36.6**	**Total above**	**-**	**Total above**	**25.9**	**Total above**	**27.0**
Multilateral ODA	31.2	Multilateral ODA	-	Multilateral ODA	71.7	Multilateral ODA	53.4
Unallocated	12.3	Unallocated	-	Unallocated	0.3	Unallocated	14.0
Total ODA USD mill.	**14 824**	**Total ODA USD mill.**	**-**	**Total ODA USD mill.**	**176**	**Total ODA USD mill.**	**602**
LDCs	15.6			LDCs	1.8	LDCs	9.5
Other LICs	4.7			Other LICs	1.8	Other LICs	2.2
LMICs	52.1			LMICs	90.7	LMICs	39.9
UMICs	9.6			UMICs	4.8	UMICs	18.4
MADCT	0.0			MADCT	0.1	MADCT	0.1
Unallocated	17.9			Unallocated	0.9	Unallocated	30.0
Total Bilateral	**100.0**	**Total Bilateral**	**-**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	24.1			Sub-Saharan Africa	3.9	Sub-Saharan Africa	7.4
S. and C. Asia	10.5			S. and C. Asia	11.0	S. and C. Asia	10.7
Other Asia and Oceania	12.5			Other Asia and Oceania	0.5	Other Asia and Oceania	3.5
Middle East and North Africa	28.4			Middle East and North Africa	15.2	Middle East and North Africa	11.8
Latin America and Caribbean	7.6			Latin America and Caribbean	0.8	Latin America and Caribbean	2.2
Europe	5.9			Europe	67.6	Europe	40.5
Unspecified	11.1			Unspecified	0.9	Unspecified	23.7
Total Bilateral	**100.0**	**Total Bilateral**	**-**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Table 32 StatLink http://dx.doi.org/10.1787/800288080854

Major recipients of individual DAC members' aid
(cont.)

Gross disbursements — Per cent of total ODA

Ireland 1987-88		1997-98		2007-08	
Lesotho	7.3	Ethiopia	8.5	Uganda	5.8
Tanzania	6.3	Tanzania	7.3	Mozambique	5.7
Zambia	5.7	Zambia	5.2	Ethiopia	5.2
Sudan	4.5	Uganda	4.8	Tanzania	4.7
Zimbabwe	1.6	Lesotho	3.8	Zambia	3.2
Bangladesh	0.5	Mozambique	3.7	Viet Nam	2.3
Rwanda	0.4	South Africa	2.4	Sudan	2.0
Uganda	0.3	Rwanda	1.9	South Africa	1.9
Kenya	0.3	Zimbabwe	1.3	Lesotho	1.6
Burundi	0.3	Sudan	1.2	Sierra Leone	1.3
Ethiopia	0.3	Kenya	1.0	Malawi	1.3
Swaziland	0.2	Palestinian Adm. Areas	0.8	Kenya	1.3
Sierra Leone	0.1	Nigeria	0.8	Congo, Dem. Rep.	1.3
India	0.1	Bosnia-Herzegovina	0.6	Zimbabwe	1.1
Afghanistan	0.1	Malawi	0.6	Liberia	1.0
Total above	**27.8**	**Total above**	**44.0**	**Total above**	**39.9**
Multilateral ODA	54.4	Multilateral ODA	36.8	Multilateral ODA	30.4
Unallocated	16.3	Unallocated	9.7	Unallocated	18.1
Total ODA USD mill.	**54**	**Total ODA USD mill.**	**193**	**Total ODA USD mill.**	**1 260**
LDCs	57.4	LDCs	66.5	LDCs	56.5
Other LICs	4.5	Other LICs	6.1	Other LICs	8.0
LMICs	2.0	LMICs	7.0	LMICs	6.0
UMICs	0.3	UMICs	5.1	UMICs	3.5
MADCT	-	MADCT	0.0	MADCT	-
Unallocated	35.7	Unallocated	15.3	Unallocated	25.9
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	64.4	Sub-Saharan Africa	73.6	Sub-Saharan Africa	62.0
S. and C. Asia	2.0	S. and C. Asia	2.4	S. and C. Asia	4.3
Other Asia and Oceania	0.8	Other Asia and Oceania	2.4	Other Asia and Oceania	5.5
Middle East and North Africa	0.2	Middle East and North Africa	1.7	Middle East and North Africa	1.9
Latin America and Caribbean	0.6	Latin America and Caribbean	2.7	Latin America and Caribbean	3.0
Europe	-	Europe	2.3	Europe	0.8
Unspecified	32.0	Unspecified	14.9	Unspecified	22.6
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Italy 1987-88		1997-98	
Mozambique	7.4	Madagascar	3.5
Somalia	7.3	Mozambique	3.4
Ethiopia	6.1	Haiti	2.3
Tanzania	4.7	Uganda	2.1
China	3.7	Ethiopia	2.0
Tunisia	2.8	Malta	1.3
Sudan	2.6	Albania	1.2
Egypt	2.6	Argentina	1.1
India	1.7	Ecuador	1.0
Senegal	1.6	China	1.0
Congo, Dem. Rep.	1.6	Eritrea	1.0
Pakistan	1.3	Egypt	0.9
Zambia	1.3	Senegal	0.8
Kenya	1.2	Cote d'Ivoire	0.7
Argentina	1.0	Kenya	0.7
Total above	**46.9**	**Total above**	**22.8**
Multilateral ODA	25.8	Multilateral ODA	62.0
Unallocated	8.6	Unallocated	2.6
Total ODA USD mill.	**2 947**	**Total ODA USD mill.**	**1 930**
LDCs	54.6	LDCs	50.7
Other LICs	5.0	Other LICs	5.3
LMICs	24.0	LMICs	25.9
UMICs	4.6	UMICs	7.7
MADCT	0.1	MADCT	3.5
Unallocated	11.6	Unallocated	6.8
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	58.5	Sub-Saharan Africa	51.2
S. and C. Asia	4.5	S. and C. Asia	0.8
Other Asia and Oceania	5.9	Other Asia and Oceania	3.5
Middle East and North Africa	10.2	Middle East and North Africa	10.5
Latin America and Caribbean	10.2	Latin America and Caribbean	18.8
Europe	0.9	Europe	8.9
Unspecified	9.8	Unspecified	6.2
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**

StatLink http://dx.doi.org/10.1787/800288080854

Table 32

Major recipients of individual DAC members' aid *(cont.)*

Gross disbursements

Per cent of total ODA

				Japan			
2007-08		**1987-88**		**1997-98**		**2007-08**	
Iraq	14.1	Indonesia	11.9	China	8.7	Iraq	9.0
Afghanistan	1.9	China	6.6	Indonesia	8.7	China	7.7
Ethiopia	1.5	Philippines	5.7	Thailand	5.5	Indonesia	7.7
Lebanon	1.4	Thailand	4.3	India	5.5	India	6.1
China	1.4	Bangladesh	3.9	Philippines	5.0	Viet Nam	5.0
Morocco	1.2	India	3.6	Pakistan	3.1	Philippines	3.9
Palestinian Adm. Areas	1.0	Pakistan	2.7	Malaysia	2.7	Bangladesh	3.5
Mozambique	0.8	Malaysia	2.6	Viet Nam	2.5	Tanzania	2.6
Albania	0.7	Myanmar	2.5	Bangladesh	2.4	Turkey	2.3
Sierra Leone	0.7	Korea	2.4	Sri Lanka	1.8	Sri Lanka	1.9
Angola	0.6	Sri Lanka	1.8	Brazil	1.0	Malaysia	1.7
Sudan	0.6	Turkey	1.8	Ghana	0.9	Afghanistan	1.0
St.Vincent & Grenadines	0.4	Egypt	1.6	Egypt	0.8	Peru	0.9
Serbia	0.4	Kenya	1.2	Jordan	0.8	Egypt	0.9
Guinea	0.4	Brazil	0.9	Uzbekistan	0.7	Morocco	0.9
Total above	**27.1**	**Total above**	**53.7**	**Total above**	**50.1**	**Total above**	**54.9**
Multilateral ODA	61.0	Multilateral ODA	26.4	Multilateral ODA	19.0	Multilateral ODA	15.0
Unallocated	3.4	Unallocated	3.7	Unallocated	9.5	Unallocated	11.3
Total ODA USD mill.	**4 693**	**Total ODA USD mill.**	**9 306**	**Total ODA USD mill.**	**12 870**	**Total ODA USD mill.**	**15 510**
LDCs	23.3	LDCs	19.4	LDCs	12.9	LDCs	17.9
Other LICs	2.3	Other LICs	7.4	Other LICs	11.1	Other LICs	8.8
LMICs	55.6	LMICs	55.3	LMICs	54.6	LMICs	52.3
UMICs	10.0	UMICs	9.1	UMICs	8.9	UMICs	7.7
MADCT	-	MADCT	3.9	MADCT	0.9	MADCT	0.0
Unallocated	8.8	Unallocated	5.1	Unallocated	11.7	Unallocated	13.3
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	19.3	Sub-Saharan Africa	11.7	Sub-Saharan Africa	9.1	Sub-Saharan Africa	12.7
S. and C. Asia	6.4	S. and C. Asia	21.3	S. and C. Asia	19.3	S. and C. Asia	18.4
Other Asia and Oceania	5.1	Other Asia and Oceania	47.8	Other Asia and Oceania	45.9	Other Asia and Oceania	35.0
Middle East and North Africa	49.5	Middle East and North Africa	5.6	Middle East and North Africa	5.3	Middle East and North Africa	14.5
Latin America and Caribbean	8.5	Latin America and Caribbean	6.7	Latin America and Caribbean	8.3	Latin America and Caribbean	5.4
Europe	4.4	Europe	2.5	Europe	1.2	Europe	3.1
Unspecified	6.7	Unspecified	4.5	Unspecified	10.9	Unspecified	11.0
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Table 32 StatLink http://dx.doi.org/10.1787/800288080854

Major recipients of individual DAC members' aid
(cont.)

Gross disbursements — Per cent of total ODA

Luxembourg 1987-88		1997-98		2007-08	
		Cape Verde	7.2	Senegal	4.7
		Namibia	4.9	Mali	4.7
		Tunisia	4.4	Cape Verde	4.5
		Viet Nam	3.5	Viet Nam	4.1
		Nicaragua	3.4	Nicaragua	3.8
		Niger	3.1	Burkina Faso	3.5
		India	3.0	Laos	3.2
		Rwanda	2.5	Niger	2.9
		Senegal	2.4	El Salvador	2.6
		Chile	2.4	Serbia	1.9
		Burkina Faso	2.0	Namibia	1.7
		El Salvador	1.8	Rwanda	1.7
		Mauritius	1.6	Palestinian Adm. Areas	1.6
		Bosnia-Herzegovina	1.4	Montenegro	1.1
		Peru	1.3	Congo, Dem. Rep.	0.9
Total above	-	**Total above**	**44.7**	**Total above**	**42.8**
Multilateral ODA	-	Multilateral ODA	30.7	Multilateral ODA	32.7
Unallocated	-	Unallocated	5.3	Unallocated	10.1
Total ODA USD mill.	-	**Total ODA USD mill.**	**103**	**Total ODA USD mill.**	**395**
		LDCs	27.3	LDCs	41.9
		Other LICs	5.8	Other LICs	7.4
		LMICs	49.8	LMICs	29.8
		UMICs	9.3	UMICs	5.8
		MADCT	0.1	MADCT	-
		Unallocated	7.6	Unallocated	15.1
Total Bilateral	-	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
		Sub-Saharan Africa	45.2	Sub-Saharan Africa	45.8
		S. and C. Asia	6.7	S. and C. Asia	4.3
		Other Asia and Oceania	10.5	Other Asia and Oceania	12.8
		Middle East and North Africa	9.6	Middle East and North Africa	3.6
		Latin America and Caribbean	17.3	Latin America and Caribbean	14.3
		Europe	3.4	Europe	5.8
		Unspecified	7.3	Unspecified	13.4
Total Bilateral	-	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Netherlands 1987-88		1997-98	
Indonesia	7.7	Netherlands Antilles	3.7
India	6.2	India	2.6
Tanzania	3.4	Bosnia-Herzegovina	2.5
Bangladesh	3.0	Tanzania	2.1
Netherlands Antilles	3.0	Bolivia	2.0
Sudan	2.8	Bangladesh	1.9
Kenya	2.7	Suriname	1.6
Mozambique	2.6	Yemen	1.6
Pakistan	1.6	Mozambique	1.4
Yemen	1.4	South Africa	1.2
Sri Lanka	1.3	Peru	1.2
Zimbabwe	1.3	Kenya	1.2
Burkina Faso	1.2	Ethiopia	1.1
Zambia	1.2	Burkina Faso	1.1
Peru	1.2	Mali	1.1
Total above	**40.5**	**Total above**	**26.4**
Multilateral ODA	29.7	Multilateral ODA	27.1
Unallocated	9.7	Unallocated	20.0
Total ODA USD mill.	**2 276**	**Total ODA USD mill.**	**3 174**
LDCs	31.7	LDCs	26.6
Other LICs	9.4	Other LICs	6.7
LMICs	35.2	LMICs	26.0
UMICs	4.0	UMICs	7.1
MADCT	5.9	MADCT	6.1
Unallocated	13.8	Unallocated	27.4
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	34.1	Sub-Saharan Africa	26.6
S. and C. Asia	17.9	S. and C. Asia	11.3
Other Asia and Oceania	15.1	Other Asia and Oceania	4.7
Middle East and North Africa	4.4	Middle East and North Africa	6.4
Latin America and Caribbean	16.4	Latin America and Caribbean	20.9
Europe	0.4	Europe	5.4
Unspecified	11.8	Unspecified	24.8
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**

StatLink http://dx.doi.org/10.1787/800288080854

Table 32

Major recipients of individual DAC members' aid *(cont.)*

Gross disbursements

Per cent of total ODA

2007-08		New Zealand 1987-88		1997-98		2007-08	
Sudan	2.7	Cook Islands	9.0	Papua New Guinea	4.5	Solomon Islands	5.9
Nigeria	2.6	Niue	5.9	Samoa	4.1	Tokelau	5.0
Indonesia	2.2	Samoa	4.1	Cook Islands	3.5	Papua New Guinea	4.5
Ghana	1.9	Tuvalu	4.0	Tonga	3.5	Niue	4.2
Tanzania	1.8	Tonga	3.1	Fiji	3.5	Indonesia	3.8
Afghanistan	1.5	Fiji	3.0	Solomon Islands	3.4	Tonga	2.7
Suriname	1.4	Tokelau	2.6	Vanuatu	3.2	Vanuatu	2.7
Mozambique	1.4	Papua New Guinea	2.5	Niue	2.7	Viet Nam	2.1
Bangladesh	1.4	Indonesia	2.3	Tokelau	2.7	Samoa	2.1
Ethiopia	1.2	Vanuatu	1.9	Indonesia	2.6	Afghanistan	1.7
Zambia	1.2	Kiribati	1.8	Philippines	1.8	Cambodia	1.6
Burkina Faso	1.1	Solomon Islands	1.6	Viet Nam	1.8	Cook Islands	1.4
Uganda	1.1	Thailand	1.2	Kiribati	1.6	Timor-Leste	1.2
Mali	1.1	Philippines	1.1	Tuvalu	1.2	Fiji	1.1
Palestinian Adm. Areas	0.8	Tanzania	0.3	China	1.0	Tuvalu	1.0
Total above	**23.3**	**Total above**	**44.3**	**Total above**	**41.0**	**Total above**	**41.1**
Multilateral ODA	25.0	Multilateral ODA	16.3	Multilateral ODA	25.6	Multilateral ODA	21.4
Unallocated	39.0	Unallocated	37.6	Unallocated	23.0	Unallocated	25.7
Total ODA USD mill.	**6 752**	**Total ODA USD mill.**	**95**	**Total ODA USD mill.**	**142**	**Total ODA USD mill.**	**334**
LDCs	25.7	LDCs	16.8	LDCs	23.6	LDCs	27.3
Other LICs	8.3	Other LICs	3.2	Other LICs	10.3	Other LICs	9.8
LMICs	11.1	LMICs	20.1	LMICs	23.1	LMICs	25.3
UMICs	2.9	UMICs	14.8	UMICs	11.6	UMICs	4.9
MADCT	-	MADCT	0.3	MADCT	0.5	MADCT	-
Unallocated	51.9	Unallocated	44.9	Unallocated	30.9	Unallocated	32.7
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	30.6	Sub-Saharan Africa	0.8	Sub-Saharan Africa	4.6	Sub-Saharan Africa	4.7
S. and C. Asia	6.1	S. and C. Asia	0.9	S. and C. Asia	2.9	S. and C. Asia	5.8
Other Asia and Oceania	4.8	Other Asia and Oceania	67.8	Other Asia and Oceania	83.4	Other Asia and Oceania	71.0
Middle East and North Africa	3.1	Middle East and North Africa	0.0	Middle East and North Africa	0.1	Middle East and North Africa	1.5
Latin America and Caribbean	5.1	Latin America and Caribbean	0.4	Latin America and Caribbean	1.8	Latin America and Caribbean	1.9
Europe	2.0	Europe	-	Europe	0.1	Europe	-
Unspecified	48.2	Unspecified	30.1	Unspecified	7.1	Unspecified	15.2
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Table 32 StatLink http://dx.doi.org/10.1787/800288080854

Major recipients of individual DAC members' aid (cont.)

Gross disbursements | Per cent of total ODA

Norway						Portugal			
1987-88		1997-98		2007-08		1987-88		1997-98	
Tanzania	8.2	Mozambique	4.0	Tanzania	3.1			Mozambique	30.0
Mozambique	4.3	Tanzania	3.6	Sudan	3.1			Angola	10.4
Zambia	3.8	Palestinian Adm. Areas	3.1	Afghanistan	2.9			Cape Verde	6.9
Bangladesh	3.7	Zambia	2.6	Palestinian Adm. Areas	2.9			Guinea-Bissau	5.3
Kenya	3.3	Bosnia-Herzegovina	2.6	Mozambique	2.3			Sao Tome & Principe	4.4
India	3.1	Bangladesh	2.4	Zambia	1.9			Brazil	0.2
Zimbabwe	2.4	Uganda	2.3	Uganda	1.9			Bosnia-Herzegovina	0.2
Botswana	1.9	Ethiopia	2.1	Malawi	1.6			Timor-Leste	0.2
Nicaragua	1.8	Angola	1.8	Nepal	1.4			Lebanon	0.1
Sri Lanka	1.7	South Africa	1.6	Philippines	1.3			Honduras	0.1
Ethiopia	1.5	Nicaragua	1.4	Peru	1.3			Palestinian Adm. Areas	0.1
Pakistan	1.2	Zimbabwe	1.1	Serbia	1.1			Algeria	0.0
China	1.0	Sri Lanka	1.1	Somalia	1.1			Central African Rep.	0.0
Mali	0.7	China	1.1	Sri Lanka	1.0			Zimbabwe	0.0
Sudan	0.7	Sudan	1.0	Ethiopia	0.9			Slovenia	0.0
Total above	**39.2**	**Total above**	**31.7**	**Total above**	**27.8**	**Total above**	**-**	**Total above**	**58.0**
Multilateral ODA	41.2	Multilateral ODA	28.9	Multilateral ODA	23.1	Multilateral ODA	25.6	Multilateral ODA	33.1
Unallocated	12.7	Unallocated	18.0	Unallocated	32.0	Unallocated	74.4	Unallocated	8.7
Total ODA USD mill.	**940**	**Total ODA USD mill.**	**1 318**	**Total ODA USD mill.**	**3 846**	**Total ODA USD mill.**	**62**	**Total ODA USD mill.**	**256**
LDCs	45.2	LDCs	39.8	LDCs	34.8	LDCs	-	LDCs	75.3
Other LICs	12.3	Other LICs	4.3	Other LICs	3.9	Other LICs	-	Other LICs	0.1
LMICs	16.5	LMICs	24.2	LMICs	15.5	LMICs	-	LMICs	11.0
UMICs	4.4	UMICs	6.3	UMICs	4.2	UMICs	-	UMICs	0.6
MADCT	0.0	MADCT	-	MADCT	-	MADCT	-	MADCT	0.0
Unallocated	21.5	Unallocated	25.4	Unallocated	41.6	Unallocated	100.0	Unallocated	13.0
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	56.0	Sub-Saharan Africa	40.3	Sub-Saharan Africa	30.2	Sub-Saharan Africa	-	Sub-Saharan Africa	95.1
S. and C. Asia	17.8	S. and C. Asia	10.0	S. and C. Asia	11.7	S. and C. Asia	-	S. and C. Asia	0.0
Other Asia and Oceania	4.8	Other Asia and Oceania	7.1	Other Asia and Oceania	6.0	Other Asia and Oceania	-	Other Asia and Oceania	0.4
Middle East and North Africa	0.2	Middle East and North Africa	6.9	Middle East and North Africa	5.4	Middle East and North Africa	-	Middle East and North Africa	0.3
Latin America and Caribbean	6.3	Latin America and Caribbean	8.6	Latin America and Caribbean	6.1	Latin America and Caribbean	-	Latin America and Caribbean	0.5
Europe	0.3	Europe	6.9	Europe	3.8	Europe	-	Europe	0.4
Unspecified	14.5	Unspecified	20.2	Unspecified	36.8	Unspecified	100.0	Unspecified	3.3
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

StatLink http://dx.doi.org/10.1787/800288080854

Table 32

Major recipients of individual DAC members' aid (cont.)

Gross disbursements

Per cent of total ODA

			Spain				
2007-08		1987-88		1997-98		2007-08	
Cape Verde	10.8	Ecuador	12.4	Morocco	3.7	Guatemala	3.9
Morocco	8.7	China	3.9	Madagascar	2.8	Honduras	2.9
Timor-Leste	7.8	Equatorial Guinea	2.6	Honduras	2.6	Nicaragua	2.3
Mozambique	4.3	Nicaragua	1.5	Angola	2.5	Peru	2.0
Angola	3.5	Peru	1.3	Cote d'Ivoire	2.4	Morocco	1.9
Bosnia-Herzegovina	3.1	Bolivia	1.2	Argentina	2.2	China	1.4
Guinea-Bissau	3.0	Venezuela	1.1	Palestinian Adm. Areas	2.2	Senegal	1.4
Serbia	3.0	Cuba	0.9	Colombia	2.1	Palestinian Adm. Areas	1.4
Sao Tome & Principe	2.4	Guinea-Bissau	0.8	Bolivia	2.0	Bolivia	1.3
Afghanistan	2.1	Honduras	0.8	Nicaragua	2.0	Ecuador	1.3
Lebanon	2.0	Tunisia	0.7	China	1.9	Algeria	1.3
Brazil	0.5	Morocco	0.7	Peru	1.8	Iraq	1.3
Chad	0.4	Mauritania	0.7	Indonesia	1.6	Colombia	1.3
Congo, Dem. Rep.	0.2	Argentina	0.6	Ecuador	1.5	Turkey	1.2
States Ex-Yugoslavia	0.2	Congo, Dem. Rep.	0.5	Philippines	1.5	El Salvador	1.1
Total above	**51.8**	**Total above**	**29.6**	**Total above**	**32.8**	**Total above**	**25.9**
Multilateral ODA	40.5	Multilateral ODA	43.3	Multilateral ODA	34.8	Multilateral ODA	29.9
Unallocated	6.5	Unallocated	23.2	Unallocated	11.7	Unallocated	23.6
Total ODA USD mill.	**552**	**Total ODA USD mill.**	**240**	**Total ODA USD mill.**	**1 447**	**Total ODA USD mill.**	**6 459**
LDCs	40.5	LDCs	10.1	LDCs	13.1	LDCs	14.6
Other LICs	0.1	Other LICs	-	Other LICs	7.2	Other LICs	2.8
LMICs	39.0	LMICs	43.1	LMICs	51.0	LMICs	41.8
UMICs	9.5	UMICs	5.8	UMICs	10.7	UMICs	7.2
MADCT	-	MADCT	-	MADCT	0.0	MADCT	-
Unallocated	11.0	Unallocated	41.0	Unallocated	18.0	Unallocated	33.7
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	43.8	Sub-Saharan Africa	11.3	Sub-Saharan Africa	20.8	Sub-Saharan Africa	16.1
S. and C. Asia	3.7	S. and C. Asia	-	S. and C. Asia	1.8	S. and C. Asia	2.7
Other Asia and Oceania	13.3	Other Asia and Oceania	7.2	Other Asia and Oceania	8.7	Other Asia and Oceania	6.0
Middle East and North Africa	18.3	Middle East and North Africa	3.5	Middle East and North Africa	14.6	Middle East and North Africa	11.9
Latin America and Caribbean	1.4	Latin America and Caribbean	36.8	Latin America and Caribbean	41.1	Latin America and Caribbean	39.2
Europe	10.6	Europe	0.3	Europe	1.8	Europe	3.7
Unspecified	9.0	Unspecified	41.0	Unspecified	11.3	Unspecified	20.4
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Table 32 StatLink http://dx.doi.org/10.1787/800288080854

Major recipients of individual DAC members' aid
(cont.)

Gross disbursements — Per cent of total ODA

Sweden

1987-88		1997-98		2007-08	
Tanzania	6.2	Tanzania	3.3	Tanzania	2.6
Mozambique	4.9	Mozambique	2.6	Mozambique	2.5
India	3.4	South Africa	2.2	Sudan	1.5
Viet Nam	3.2	Viet Nam	2.1	Afghanistan	1.4
Ethiopia	3.0	Ethiopia	2.1	Palestinian Adm. Areas	1.4
Nicaragua	2.3	Bosnia-Herzegovina	1.7	Uganda	1.3
Zambia	2.1	Bangladesh	1.6	Kenya	1.2
Bangladesh	2.0	Iraq	1.6	Zambia	1.2
Angola	1.9	Angola	1.5	Congo, Dem. Rep.	1.1
Zimbabwe	1.9	Zimbabwe	1.3	Ethiopia	1.0
Kenya	1.9	India	1.3	Viet Nam	0.9
Botswana	1.2	Nicaragua	1.2	Nicaragua	0.8
Laos	1.1	Uganda	1.2	Cameroon	0.8
Algeria	1.0	Cambodia	1.1	Serbia	0.8
Guinea-Bissau	0.9	Palestinian Adm. Areas	1.1	Bosnia-Herzegovina	0.7
Total above	**37.2**	**Total above**	**25.9**	**Total above**	**19.3**
Multilateral ODA	33.6	Multilateral ODA	31.8	Multilateral ODA	33.0
Unallocated	21.5	Unallocated	23.8	Unallocated	32.4
Total ODA USD mill.	**1 460**	**Total ODA USD mill.**	**1 656**	**Total ODA USD mill.**	**4 535**
LDCs	38.2	LDCs	29.4	LDCs	27.3
Other LICs	10.9	Other LICs	7.4	Other LICs	5.5
LMICs	15.6	LMICs	21.7	LMICs	15.5
UMICs	2.9	UMICs	6.7	UMICs	3.3
MADCT	-	MADCT	0.0	MADCT	-
Unallocated	32.4	Unallocated	34.9	Unallocated	48.5
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	46.0	Sub-Saharan Africa	33.2	Sub-Saharan Africa	30.8
S. and C. Asia	11.2	S. and C. Asia	7.3	S. and C. Asia	6.5
Other Asia and Oceania	8.6	Other Asia and Oceania	9.5	Other Asia and Oceania	6.0
Middle East and North Africa	2.7	Middle East and North Africa	5.0	Middle East and North Africa	4.0
Latin America and Caribbean	7.5	Latin America and Caribbean	9.4	Latin America and Caribbean	6.6
Europe	0.0	Europe	5.6	Europe	5.5
Unspecified	24.0	Unspecified	30.0	Unspecified	40.5
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Switzerland

1987-88		1997-98	
India	3.9	India	2.5
Madagascar	3.3	Mozambique	2.2
Indonesia	3.1	Tanzania	2.1
Bolivia	3.0	Bolivia	1.9
Tanzania	2.7	Bangladesh	1.8
Mozambique	2.5	Nepal	1.4
Nepal	1.9	Viet Nam	1.2
Rwanda	1.9	South Africa	1.2
Mali	1.6	Peru	1.1
Pakistan	1.6	Burkina Faso	1.1
Senegal	1.5	Pakistan	1.1
China	1.4	Bosnia-Herzegovina	1.1
Ethiopia	1.4	Egypt	1.1
Ghana	1.2	Rwanda	1.1
Peru	1.2	Chad	0.9
Total above	**32.3**	**Total above**	**21.6**
Multilateral ODA	28.2	Multilateral ODA	32.9
Unallocated	18.5	Unallocated	23.6
Total ODA USD mill.	**586**	**Total ODA USD mill.**	**912**
LDCs	37.5	LDCs	29.4
Other LICs	5.4	Other LICs	6.8
LMICs	28.7	LMICs	24.1
UMICs	2.3	UMICs	4.4
MADCT	0.3	MADCT	0.0
Unallocated	25.7	Unallocated	35.2
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	36.8	Sub-Saharan Africa	28.2
S. and C. Asia	14.2	S. and C. Asia	14.9
Other Asia and Oceania	9.0	Other Asia and Oceania	7.2
Middle East and North Africa	3.9	Middle East and North Africa	4.3
Latin America and Caribbean	13.8	Latin America and Caribbean	12.4
Europe	0.3	Europe	4.5
Unspecified	22.1	Unspecified	28.4
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**

StatLink http://dx.doi.org/10.1787/800288080854

Table 32

Major recipients of individual DAC members' aid *(cont.)*

Gross disbursements

Per cent of total ODA

		United Kingdom					
2007-08		1987-88		1997-98		2007-08	
Serbia	2.8	India	6.0	India	4.8	India	5.9
Iraq	2.5	Bangladesh	2.7	Guyana	3.1	Iraq	3.0
Tanzania	1.4	Kenya	2.7	Tanzania	2.9	Afghanistan	2.5
Mozambique	1.3	Tanzania	2.1	Zambia	2.4	Nigeria	2.3
Viet Nam	1.2	Malawi	2.0	Uganda	2.4	Ethiopia	2.3
Nepal	1.1	Mozambique	1.9	Bangladesh	2.2	Bangladesh	2.1
Burkina Faso	1.1	Ghana	1.8	Mozambique	1.7	Tanzania	2.1
Bangladesh	1.0	Sudan	1.6	Ghana	1.6	Pakistan	1.9
Nicaragua	1.0	Pakistan	1.6	Montserrat	1.4	Sudan	1.7
Afghanistan	0.9	Zambia	1.5	China	1.3	China	1.7
Cameroon	0.9	Uganda	1.3	Kenya	1.3	Congo, Dem. Rep.	1.3
Palestinian Adm. Areas	0.9	Sri Lanka	1.1	Indonesia	1.3	Mozambique	1.3
Pakistan	0.9	Ethiopia	1.0	South Africa	1.2	Ghana	1.3
Bosnia-Herzegovina	0.9	Zimbabwe	1.0	Pakistan	1.2	South Africa	1.3
Peru	0.9	China	1.0	Malawi	1.1	Malawi	1.2
Total above	**18.8**	**Total above**	**29.3**	**Total above**	**29.9**	**Total above**	**32.0**
Multilateral ODA	24.3	Multilateral ODA	43.2	Multilateral ODA	41.3	Multilateral ODA	35.5
Unallocated	35.8	Unallocated	11.8	Unallocated	13.2	Unallocated	19.6
Total ODA USD mill.	**1 873**	**Total ODA USD mill.**	**2 403**	**Total ODA USD mill.**	**3 874**	**Total ODA USD mill.**	**11 799**
LDCs	20.7	LDCs	33.7	LDCs	29.0	LDCs	32.2
Other LICs	6.5	Other LICs	14.4	Other LICs	10.0	Other LICs	13.2
LMICs	20.0	LMICs	20.5	LMICs	26.9	LMICs	20.1
UMICs	5.6	UMICs	7.8	UMICs	11.3	UMICs	4.0
MADCT	-	MADCT	2.8	MADCT	0.4	MADCT	0.0
Unallocated	47.3	Unallocated	20.7	Unallocated	22.5	Unallocated	30.4
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	19.7	Sub-Saharan Africa	39.4	Sub-Saharan Africa	34.3	Sub-Saharan Africa	34.4
S. and C. Asia	11.5	S. and C. Asia	22.1	S. and C. Asia	17.0	S. and C. Asia	22.0
Other Asia and Oceania	4.6	Other Asia and Oceania	8.2	Other Asia and Oceania	7.1	Other Asia and Oceania	7.2
Middle East and North Africa	6.4	Middle East and North Africa	3.4	Middle East and North Africa	3.0	Middle East and North Africa	6.4
Latin America and Caribbean	7.9	Latin America and Caribbean	5.6	Latin America and Caribbean	15.6	Latin America and Caribbean	1.7
Europe	8.8	Europe	1.6	Europe	2.5	Europe	0.8
Unspecified	41.3	Unspecified	19.6	Unspecified	20.6	Unspecified	27.5
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Table 32 StatLink http://dx.doi.org/10.1787/800288080854

Major recipients of individual DAC members' aid
(cont.)

Gross disbursements | Per cent of total ODA

United States 1987-88		United States 1997-98		United States 2007-08		Total DAC Countries 1987-88		Total DAC Countries 1997-98	
Israel	11.9	Egypt	8.5	Iraq	12.9	Indonesia	3.8	China	3.3
Egypt	9.3	Bosnia-Herzegovina	2.3	Afghanistan	7.2	Egypt	3.4	Indonesia	3.0
El Salvador	3.3	Peru	2.0	Sudan	3.1	India	2.9	Egypt	2.8
Pakistan	2.7	India	1.7	Egypt	2.7	Israel	2.9	India	2.7
Philippines	1.8	Jordan	1.5	Ethiopia	2.3	China	2.3	Philippines	1.6
India	1.7	Bolivia	1.5	Colombia	2.1	Bangladesh	2.0	Thailand	1.5
Northern Marianas	1.6	South Africa	1.1	Pakistan	1.6	Pakistan	1.9	Bangladesh	1.3
Honduras	1.5	Haiti	1.0	Kenya	1.5	Philippines	1.8	Viet Nam	1.2
Guatemala	1.4	Viet Nam	0.8	Palestinian Adm. Areas	1.4	Tanzania	1.6	Mozambique	1.2
Costa Rica	1.3	Palestinian Adm. Areas	0.8	Uganda	1.3	Mozambique	1.4	Tanzania	1.2
Bangladesh	1.3	Mozambique	0.8	Jordan	1.3	Kenya	1.2	Pakistan	1.1
Sudan	1.0	El Salvador	0.8	South Africa	1.2	Thailand	1.2	Bosnia-Herzegovina	1.0
Jordan	0.9	Micronesia, Fed. States	0.8	Nigeria	1.2	Turkey	1.2	Cote d'Ivoire	0.9
Indonesia	0.9	Philippines	0.7	Liberia	1.0	Sudan	1.0	Madagascar	0.8
Morocco	0.9	Ethiopia	0.6	Georgia	1.0	Ethiopia	0.9	Peru	0.8
Total above	**41.4**	**Total above**	**24.8**	**Total above**	**41.7**	**Total above**	**29.6**	**Total above**	**24.5**
Multilateral ODA	26.0	Multilateral ODA	27.1	Multilateral ODA	11.7	Multilateral ODA	28.6	Multilateral ODA	29.0
Unallocated	17.5	Unallocated	32.6	Unallocated	23.7	Unallocated	12.2	Unallocated	16.1
Total ODA USD mill.	**10 294**	**Total ODA USD mill.**	**8 800**	**Total ODA USD mill.**	**25 255**	**Total ODA USD mill.**	**46 932**	**Total ODA USD mill.**	**57 193**
LDCs	12.8	LDCs	11.1	LDCs	27.1	LDCs	25.7	LDCs	20.2
Other LICs	4.9	Other LICs	3.8	Other LICs	7.5	Other LICs	7.8	Other LICs	8.4
LMICs	34.8	LMICs	36.0	LMICs	33.5	LMICs	34.0	LMICs	38.4
UMICs	5.4	UMICs	4.4	UMICs	5.0	UMICs	7.5	UMICs	7.7
MADCT	18.4	MADCT	0.0	MADCT	0.0	MADCT	8.0	MADCT	2.7
Unallocated	23.7	Unallocated	44.7	Unallocated	26.9	Unallocated	17.0	Unallocated	22.7
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	10.9	Sub-Saharan Africa	12.1	Sub-Saharan Africa	25.7	Sub-Saharan Africa	27.6	Sub-Saharan Africa	23.5
S. and C. Asia	9.1	S. and C. Asia	6.4	S. and C. Asia	16.0	S. and C. Asia	12.7	S. and C. Asia	10.6
Other Asia and Oceania	6.9	Other Asia and Oceania	6.5	Other Asia and Oceania	4.5	Other Asia and Oceania	19.3	Other Asia and Oceania	21.9
Middle East and North Africa	32.5	Middle East and North Africa	15.8	Middle East and North Africa	22.8	Middle East and North Africa	13.9	Middle East and North Africa	9.6
Latin America and Caribbean	19.2	Latin America and Caribbean	19.4	Latin America and Caribbean	8.2	Latin America and Caribbean	10.9	Latin America and Caribbean	12.3
Europe	0.8	Europe	6.0	Europe	1.9	Europe	2.3	Europe	3.6
Unspecified	20.7	Unspecified	33.7	Unspecified	21.0	Unspecified	13.5	Unspecified	18.5
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

StatLink http://dx.doi.org/10.1787/800288080854

Table 32

Major recipients of individual DAC members' aid

(cont.)

Gross disbursements

Per cent of total ODA

2007-08		EC 1987-88		EC 1997-98		EC 2007-08	
Iraq	7.5	India	6.0	Morocco	4.0	Turkey	7.2
Afghanistan	2.8	Ethiopia	5.8	Egypt	3.9	Palestinian Adm. Areas	4.5
China	2.1	Cote d'Ivoire	5.5	Bosnia-Herzegovina	3.2	Ethiopia	3.1
Indonesia	2.0	Egypt	3.4	Algeria	2.6	Morocco	3.0
India	1.8	Senegal	3.3	Tunisia	2.2	Serbia	2.5
Viet Nam	1.4	Papua New Guinea	2.7	Palestinian Adm. Areas	1.8	Afghanistan	2.4
Sudan	1.4	Sudan	2.7	Turkey	1.8	Sudan	2.0
Tanzania	1.3	Kenya	2.4	Bangladesh	1.5	Egypt	1.7
Ethiopia	1.2	Bangladesh	2.2	Mauritania	1.5	Croatia	1.6
Cameroon	1.1	Mozambique	2.2	Ethiopia	1.5	Uganda	1.6
Egypt	1.1	Chad	2.0	Mozambique	1.4	Mozambique	1.5
Bangladesh	1.0	Tunisia	1.7	Madagascar	1.4	Tanzania	1.4
Mozambique	1.0	Uganda	1.7	Jordan	1.4	Congo, Dem. Rep.	1.4
Nigeria	0.9	Tanzania	1.6	South Africa	1.4	Tunisia	1.4
Palestinian Adm. Areas	0.9	Malawi	1.6	Senegal	1.4	Burkina Faso	1.3
Total above	**27.4**	**Total above**	**44.8**	**Total above**	**31.1**	**Total above**	**36.7**
Multilateral ODA	26.2	Multilateral ODA	0.0	Multilateral ODA	1.1	Multilateral ODA	2.4
Unallocated	19.4	Unallocated	19.3	Unallocated	21.0	Unallocated	18.3
Total ODA USD mill.	**125 855**	**Total ODA USD mill.**	**2 138**	**Total ODA USD mill.**	**5 455**	**Total ODA USD mill.**	**13 425**
LDCs	24.6	LDCs	42.7	LDCs	26.6	LDCs	32.3
Other LICs	7.7	Other LICs	12.2	Other LICs	6.9	Other LICs	5.5
LMICs	34.8	LMICs	20.8	LMICs	33.1	LMICs	26.5
UMICs	6.7	UMICs	4.4	UMICs	10.6	UMICs	17.0
MADCT	0.0	MADCT	0.6	MADCT	1.5	MADCT	0.0
Unallocated	26.2	Unallocated	19.3	Unallocated	21.2	Unallocated	18.7
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Sub-Saharan Africa	26.3	Sub-Saharan Africa	53.0	Sub-Saharan Africa	34.6	Sub-Saharan Africa	35.5
S. and C. Asia	12.4	S. and C. Asia	10.0	S. and C. Asia	7.0	S. and C. Asia	8.0
Other Asia and Oceania	12.7	Other Asia and Oceania	8.7	Other Asia and Oceania	6.7	Other Asia and Oceania	4.6
Middle East and North Africa	17.1	Middle East and North Africa	7.0	Middle East and North Africa	18.0	Middle East and North Africa	15.5
Latin America and Caribbean	7.9	Latin America and Caribbean	9.5	Latin America and Caribbean	11.7	Latin America and Caribbean	8.4
Europe	3.3	Europe	3.0	Europe	10.0	Europe	17.2
Unspecified	20.4	Unspecified	8.8	Unspecified	12.1	Unspecified	10.9
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

StatLink http://dx.doi.org/10.1787/800308582461

Table 33

ODA from non-DAC donors

Net disbursements | USD million

	2004	2005	2006	2007	2008	*Memo*: 2008 ODA/GNI (%)
OECD Non-DAC						
Czech Republic	108	135	161	179	249	0.12
Hungary	70	100	149	103	107	0.08
Iceland	21	27	41	48	48	0.47
Korea	423	752	455	696	802	0.09
Poland	118	205	297	363	372	0.08
Slovak Republic	28	56	55	67	92	0.10
Turkey	339	601	714	602	780	0.11
Arab countries						
Kuwait	161	218	158	110	283	..
Saudi Arabia	1 734	1 005	2 095	2 079	5 564	..
United Arab Emirates	181	141	219	429	88	..
Other donors						
Chinese Taipei	421	483	513	514	435	0.11
Israel [a]	84	95	90	111	138	0.07
Thailand	..	..	74	67	178	..
Other donors	22	86	121	188	343	..
TOTAL	**3 712**	**3 905**	**5 142**	**5 558**	**9 481**	**..**
of which: Bilateral						
OECD Non-DAC						
Czech Republic	63	64	78	81	117	
Hungary	35	40	84	33	15	
Iceland	16	20	28	37	36	
Korea	331	463	376	491	539	
Poland	25	48	119	156	84	
Slovak Republic	11	31	25	28	41	
Turkey	292	532	643	545	736	
Arab countries						
Kuwait	99	218	157	109	282	
Saudi Arabia	1 691	883	2 050	2 054	5 544	
United Arab Emirates	181	141	219	429	88	
Other donors						
Chinese Taipei	410	465	494	495	407	
Israel [a]	75	80	75	96	119	
Thailand	..	..	65	61	166	
Other donors	2	23	43	89	123	
TOTAL	**3 232**	**3 008**	**4 454**	**4 703**	**8 298**	

Note: The above table does not reflect aid provided by several major emerging non-OECD donors, as information on their aid has not been disclosed.

a) These figures include USD 47.9 million in 2004, USD 49.2 million in 2005, USD 45.5 million in 2006, USD 42.9 million in 2007 and USD 43.6 million in 2008 for first year sustenance expenses for persons arriving from developing countries (many of which are experiencing civil war or severe unrest), or individuals who have left due to humanitarian or political reasons.

Table 34 StatLink http://dx.doi.org/10.1787/800314604802

Share of debt relief in DAC members' total net ODA in 2008

	Net ODA (USD million)	Net ODA Debt Relief [(a)] (USD million)	*of which: Bilateral (USD million)*	Debt Relief as per cent of Net ODA	Net ODA Debt Relief for HIPC Countries[(b)] (USD million)	HIPC Debt Relief as per cent of Net ODA
Australia	2 954	256	*256*	8.7	-	-
Austria	1 714	739	*733*	43.1	27	1.6
Belgium	2 386	101	*101*	4.2	0	0.0
Canada	4 785	133	*133*	2.8	0	0.0
Denmark	2 803	96	*96*	3.4	1	0.0
Finland	1 166	9	*2*	0.8	9	0.8
France	10 908	1 021	*1 021*	9.4	597	5.5
Germany	13 981	2 622	*2 593*	18.8	316	2.3
Greece	703	-	-	-	-	-
Ireland	1 328	8	-	0.6	8	0.6
Italy	4 861	890	*890*	18.3	29	0.6
Japan	9 579	1 741	*1 741*	18.2	3	0.0
Luxembourg	415	-	-	-	-	-
Netherlands	6 993	198	*124*	2.8	108	1.5
New Zealand	348	-	-	-	-	-
Norway	3 963	42	*42*	1.1	16	0.4
Portugal	620	1	*1*	0.1	-	-
Spain	6 867	342	*342*	5.0	39	0.6
Sweden	4 732	6	-	0.1	6	0.1
Switzerland	2 038	99	*99*	4.9	11	0.6
United Kingdom	11 500	605	*549*	5.3	71	0.6
United States	26 842	218	*218*	0.8	205	0.8
TOTAL DAC	**121 483**	**9 127**	***8 941***	**7.5**	**1 445**	**1.2**

a) Comprises: 1) *Bilateral:* grants for forgiveness of ODA, Other Official Flows (OOF) or private claims; other action on debt such as debt conversions, debt buybacks or service payments to third parties; and new ODA resulting from concessional rescheduling operations; net of offsetting entries for the cancellation of any ODA principal involved; and 2) *Multilateral:* contributions to the HIPC Trust Fund (*source:* World Bank).

b) Bilateral debt relief to HIPC countries [includes all items described in footnote *a)*], plus multilateral contributions to the HIPC Initiative.

StatLink http://dx.doi.org/10.1787/800332522837

Table 35

Economic indicators for DAC member countries in 2008

	GNI per capita (USD)	Real GDP growth (%)	Inflation[a] (%)	Unemployment rate (%)	Budget surplus (+) or deficit (-) as % of GDP	Current external balance as % of GDP	Total government receipts as % of GDP
Australia	43 700	2.3	6.4	4.2	1.0	-4.6	35.3
Austria	48 000	1.9	2.2	4.9	-0.5	3.2	48.4
Belgium	46 600	0.8	1.9	7.0	-1.2	-2.5	48.9
Canada	44 100	0.4	3.9	6.1	0.1	0.5	39.8
Denmark	62 200	-1.2	4.0	3.3	3.4	2.2	55.0
Finland	49 900	0.8	2.0	6.4	4.4	2.8	53.4
France	45 500	0.3	2.5	7.4	-3.4	-2.3	49.3
Germany	44 500	1.0	1.5	7.2	0.0	6.6	43.8
Greece	29 700	2.0	3.5	7.7	-7.8	-14.6	40.6
Ireland	51 800	-3.0	-1.2	6.0	-7.2	-5.4	34.9
Italy	37 600	-1.0	2.8	6.8	-2.7	-3.4	46.0
Japan	39 700	-0.7	-0.9	4.0	-2.7	3.2	34.4
Luxembourg	87 500	0.0	5.0	4.4	2.5	5.5	40.2
Netherlands	52 700	2.0	2.7	2.9	0.7	4.8	46.6
New Zealand	26 800	-1.1	3.6	4.2	3.1	-8.8	44.2
Norway	93 900	2.1	9.6	2.6	18.8	19.4	58.8
Portugal	22 200	0.0	2.1	7.6	-2.8	-12.1	43.2
Spain	33 300	0.9	2.5	11.3	-4.1	-9.6	37.0
Sweden	52 200	-0.4	3.4	6.2	2.5	6.2	54.3
Switzerland	62 700	1.8	2.2	3.5	1.6	2.3	33.6
United Kingdom	43 700	0.6	2.9	5.7	-5.3	-1.6	42.2
United States	47 400	0.4	2.1	5.8	-6.5	-4.9	32.3
TOTAL DAC	**44 100**	**0.6**	**2.5**	**5.9**	**-3.5**	**-1.6**	**37.9**

a) GDP deflators.

Source: *OECD Economic Outlook*, November 2009 and country submissions.

Table 36

StatLink http://dx.doi.org/10.1787/800386240832

Deflators for resource flows from DAC donors[a] (2007 = 100)

	1992	1993	1994	1995	1996	1997	1998	1999
Australia	60.00	56.23	61.03	62.87	67.88	65.28	55.39	57.18
Austria	73.96	71.94	75.12	86.67	83.41	72.15	71.18	68.32
Belgium	69.41	67.16	70.80	81.29	77.80	68.13	68.49	65.86
Canada	65.63	62.38	59.60	60.65	62.02	61.81	57.46	58.38
Denmark	67.75	63.53	65.75	75.56	74.49	66.70	66.56	64.93
Finland	75.29	59.95	66.45	83.52	79.32	71.38	71.78	69.32
France	71.31	67.69	69.97	78.87	78.19	69.22	69.11	66.25
Germany	77.43	75.88	79.15	91.32	87.40	76.06	75.38	72.50
Greece	58.15	55.33	58.17	66.81	69.03	65.00	63.24	62.92
Ireland	57.43	51.95	53.90	59.56	60.82	59.80	59.90	59.24
Italy	74.34	60.55	61.10	63.50	70.26	65.29	65.71	63.91
Japan	104.89	120.14	129.92	140.39	120.73	109.21	100.98	114.56
Luxembourg	61.04	60.19	64.35	74.70	73.17	62.37	61.71	61.92
Netherlands	64.84	62.38	64.97	75.17	72.50	64.31	64.43	62.92
New Zealand	53.40	55.19	61.21	69.23	74.40	71.93	58.67	58.17
Norway	52.77	47.29	47.44	54.43	55.65	52.24	48.59	50.13
Portugal	62.75	56.54	58.68	67.22	67.05	61.28	61.82	61.12
Spain	68.57	57.69	56.92	64.17	65.34	57.89	58.14	57.08
Sweden	89.90	68.92	71.48	79.97	85.78	76.36	73.85	71.87
Switzerland	75.08	73.14	80.05	93.25	89.35	76.07	76.31	74.07
United Kingdom	60.53	53.27	55.16	58.41	59.84	64.56	66.75	66.55
United States	72.10	73.76	75.33	76.87	78.33	79.63	80.52	81.68
TOTAL DAC	**75.05**	**72.79**	**76.11**	**84.37**	**80.14**	**74.53**	**73.66**	**74.99**
EC	69.41	64.98	67.78	76.43	75.66	68.50	68.66	66.06

a) Including the effect of exchange rate changes, *i.e.* applicable to US dollar figures only.

StatLink http://dx.doi.org/10.1787/800386240832

Table 36

Deflators for resource flows from DAC donors[a] (2007 = 100) *(cont.)*

2000	2001	2002	2003	2004	2005	2006	2007	2008	
53.51	49.58	53.64	65.84	77.75	83.80	86.92	100.00	104.23	Australia
59.92	59.18	63.11	76.65	85.63	87.17	89.74	100.00	108.12	Austria
58.03	57.55	61.67	75.15	84.57	86.71	89.55	100.00	107.53	Belgium
60.81	58.98	58.80	68.11	75.62	83.93	91.89	100.00	103.23	Canada
57.72	57.50	62.08	75.65	85.03	87.50	90.09	100.00	108.93	Denmark
61.51	61.52	65.58	78.31	86.83	86.99	89.21	100.00	108.79	Finland
58.12	57.61	62.06	75.81	84.69	86.44	89.49	100.00	107.76	France
62.29	61.26	65.38	79.30	88.04	88.68	90.02	100.00	107.05	Germany
54.41	53.67	58.57	72.64	82.62	85.35	89.13	100.00	109.01	Greece
54.37	55.73	61.33	75.37	84.58	86.58	90.45	100.00	104.39	Ireland
56.33	56.36	61.25	75.71	85.45	87.26	89.66	100.00	109.48	Italy
118.94	104.23	99.59	105.86	112.28	108.88	102.00	100.00	112.66	Japan
54.22	53.26	56.86	72.16	81.57	84.92	90.12	100.00	106.92	Luxembourg
56.67	57.88	63.23	77.46	85.80	87.92	90.32	100.00	107.21	Netherlands
51.17	49.38	54.98	69.98	82.96	89.69	84.67	100.00	97.55	New Zealand
51.38	51.13	56.56	65.70	72.67	82.60	89.88	100.00	109.04	Norway
54.46	54.87	60.02	74.22	83.61	85.76	89.07	100.00	107.71	Portugal
51.08	51.72	56.77	70.87	81.07	84.58	88.87	100.00	108.93	Spain
65.70	59.45	64.25	78.72	87.27	86.56	89.06	100.00	104.91	Sweden
66.69	67.26	73.22	85.60	93.17	93.03	94.07	100.00	112.38	Switzerland
63.01	61.23	65.75	73.76	84.85	86.04	89.39	100.00	93.38	United Kingdom
83.46	85.46	86.96	88.81	91.36	94.34	97.38	100.00	102.24	United States
72.10	**68.53**	**71.18**	**81.02**	**88.37**	**90.85**	**92.57**	**100.00**	**105.05**	**TOTAL DAC**
57.92	57.65	62.22	76.20	85.37	87.07	89.65	100.00	107.95	EC

Table 37 *StatLink* http://dx.doi.org/10.1787/800404666365

Annual average dollar exchange rates for DAC members

1 USD =		2004	2005	2006	2007	2008
Australia	Dollars	1.3592	1.3128	1.3279	1.1952	1.2129
Austria	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
Belgium	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
Canada	Dollars	1.3011	1.2117	1.1343	1.0743	1.0753
Denmark	Kroner	5.9876	5.9961	5.9430	5.4426	5.1675
Finland	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
France	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
Germany	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
Greece	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
Ireland	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
Italy	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
Japan	Yen	108.1	110.1	116.4	117.8	103.5
Luxembourg	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
Netherlands	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
New Zealand	Dollars	1.5090	1.4208	1.5416	1.3609	1.4455
Norway	Kroner	6.7393	6.4414	6.4148	5.8584	5.7073
Portugal	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
Spain	Euro	0.8049	0.8046	0.7967	0.7305	0.6933
Sweden	Kroner	7.3460	7.4724	7.3733	6.7575	6.6797
Switzerland	Francs	1.2427	1.2459	1.2532	1.1998	1.0966
United Kingdom	Pound Sterling	0.5457	0.5501	0.5434	0.4997	0.5527
EU-12	*EURO*	*0.8049*	*0.8046*	*0.7967*	*0.7305*	*0.6933*

StatLink http://dx.doi.org/10.1787/800411736077

Table 38

Gross national income and population of DAC member countries

	Gross National Income (USD billion)				Population (thousands)			
	1997-1998 average	2006	2007	2008	1997-1998 average	2006	2007	2008
Australia	373	720	827	935	18 625	20 510	21 020	21 370
Austria	207	320	363	400	8 075	8 280	8 300	8 330
Belgium	248	396	458	498	10 190	10 540	10 580	10 690
Canada	588	1 254	1 410	1 473	30 120	32 730	33 090	33 390
Denmark	170	280	317	343	5 290	5 450	5 480	5 510
Finland	123	211	249	266	5 145	5 260	5 300	5 330
France	1 469	2 267	2 604	2 831	58 505	63 400	61 700	62 280
Germany	2 126	2 931	3 350	3 652	82 040	82 440	82 260	82 140
Greece	120	245	308	334	10 505	11 110	11 180	11 240
Ireland	63	189	216	225	3 685	4 240	4 340	4 340
Italy	1 156	1 847	2 091	2 233	56 990	58 750	58 880	59 340
Japan	4 181	4 486	4 524	5 064	126 330	127 740	127 750	127 660
Luxembourg	17	33	41	43	425	460	460	490
Netherlands	373	676	770	869	15 660	16 360	16 400	16 480
New Zealand	54	97	120	114	3 775	4 170	4 220	4 270
Norway	152	333	392	451	4 420	4 680	4 740	4 800
Portugal	104	187	214	229	9 965	10 340	10 340	10 340
Spain	545	1 210	1 400	1 537	39 345	44 710	45 200	46 160
Sweden	219	386	464	483	8 850	9 110	9 180	9 260
Switzerland	272	421	440	483	7 100	7 500	7 590	7 700
United Kingdom	1 358	2 424	2 844	2 666	59 125	60 200	60 580	60 970
United States	8 405	13 260	13 926	14 410	269 125	299 400	301 620	304 060
TOTAL DAC	**22 323**	**34 170**	**37 329**	**39 540**	**833 290**	**887 380**	**890 210**	**896 150**
of which:								
DAC-EU countries	8 298	13 600	15 690	16 610	373 795	390 650	390 180	392 900

Technical Notes

Notes on Definitions and Measurement

The coverage of the data presented in this report has changed in recent years. The main points are:

Changes in the ODA concept and the coverage of GNI

While the definition of official development assistance has not changed since 1972, some changes in interpretation have tended to broaden the scope of the concept. The main ones are the recording of administrative costs as ODA (from 1979), the imputation as ODA of the share of subsidies to educational systems representing the cost of educating students from aid recipient countries (first specifically identified in 1984), and the inclusion of assistance provided by donor countries in the first year after the arrival of a refugee from an aid recipient country (eligible to be reported from the early 1980s but widely used only since 1991).

Precise quantification of the effects of these changes is difficult because changes in data collection methodology and coverage are often not directly apparent from members' statistical returns. The amounts involved can, however, be substantial. For example, reporting by Canada in 1993 included for the first time a figure for in-Canada refugee support. The amount involved (USD 184 m) represented almost 8% of total Canadian ODA. Aid flows reported by Australia in the late 1980s, it has been estimated, were some 12% higher than had they been calculated according to the rules and procedures applying fifteen years earlier.*

The coverage of national income has also been expanding through the inclusion of new areas of economic activity and the improvement of collection methods. In particular, the 1993 system of national accounts (SNA) co-sponsored by the OECD and other major international organisations broadens the coverage of GNP, now renamed GNI – gross national income. This tends to depress donors' ODA/GNI ratios. Norway's and Denmark's ODA/GNI ratios declined by 6 to 8% as a result of moving to the new SNA in the mid-1990s. Finland and Australia later showed smaller falls of 2 to 4%, while some other countries showed little change. The average fall has been about 3%. All DAC members are now using the new SNA.

Recipient country coverage

Since 1990, the following entities were added to the list of ODA recipients at the dates shown: the Black Communities of South Africa (1991 – now simply South Africa); Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan (1992); Armenia, Georgia and Azerbaijan (1993); Palestinian Administered Areas (1994); Moldova (1997); Belarus, Libya and Ukraine (2005).

Over the same period, the following countries and territories were removed from the list of ODA recipients at the dates shown: Portugal (1991); French Guyana, Guadeloupe, Martinique, Réunion and St-Pierre and Miquelon (1992); Greece (1994); Bahamas, Brunei,

* S. Scott, "Some Aspects of the 1988/89 Aid Budget", in *Quarterly Aid Round-Up*, No. 6, AIDAB, Canberra, 1989, pp. 11-18.

Kuwait, Qatar, Singapore and United Arab Emirates (1996); Bermuda, Cayman Islands, Chinese Taipei, Cyprus, Falkland Islands, Hong Kong (China), and Israel (1997); Aruba, the British Virgin Islands, French Polynesia, Gibraltar, Korea, Libya, Macao, Netherlands Antilles, New Caledonia and the Northern Marianas (2000); Malta and Slovenia (2003); Bahrain (2005); Turks and Caicos Islands and Saudi Arabia (2008).

From 1993 to 2004, several CEEC/NIS countries in transition and more advanced developing countries were included on a separate list of recipients of "official aid". This list has now been abolished.

Donor country coverage

Spain and Portugal joined the DAC in 1991, Luxembourg joined in 1992 and Greece joined in 1999. Their assistance is now counted within the DAC total. ODA flows from these countries before they joined the DAC have been added to earlier years' data where available. The accession of new members has added to total DAC ODA, but has usually reduced the overall ODA/GNI ratio, since their programmes are often smaller in relation to GNI than those of the longer-established donors.

Treatment of debt forgiveness

The treatment of the forgiveness of loans not originally reported as ODA varied in earlier years. Up to and including 1992, where forgiveness of non-ODA debt met the tests of ODA it was reportable as ODA. From 1990 to 1992 inclusive it remained reportable as part of a country's ODA, but was excluded from the DAC total. The amounts so treated are shown in the table below. From 1993, forgiveness of debt originally intended for military purposes has been reportable as "Other Official Flows", whereas forgiveness of other non-ODA loans (mainly export credits) recorded as ODA is included both in country data and in total DAC ODA in the same way as it was until 1989.

The forgiveness of outstanding loan principal originally reported as ODA does not give rise to a new net disbursement of ODA. Statistically, the benefit is reflected in the fact that because the cancelled repayments will not take place, net ODA disbursements will not be reduced.

Debt forgiveness of non-ODA claims[1]

USD million

	1990	1991	1992
Australia	–	–	4.2
Austria	–	4.2	25.3
Belgium	–	–	30.2
France	294.0	–	108.5
Germany	–	–	620.4
Japan	15.0	6.8	32.0
Netherlands	12.0	–	11.4
Norway	–	–	46.8
Sweden	5.0	–	7.1
United Kingdom	8.0	17.0	90.4
United States	1 200.0	1 855.0	894.0
TOTAL DAC	**1 534.0**	**1 882.9**	**1 870.2**

1. These data are included in the ODA figures of individual countries but are excluded from DAC total ODA in all tables showing performance by donor. See Notes on Definitions and Measurement.

Reporting year

All data in this publication refer to calendar years, unless otherwise stated.

DAC List of ODA Recipients

Effective for reporting on 2008 flows

Least Developed Countries	Other Low Income Countries (per capita GNI < USD 935 in 2007)	Lower Middle Income Countries and Territories (per capita GNI USD 936-3 705 in 2007)	Upper Middle Income Countries and Territories (per capita GNI USD 3 706-11 455 in 2007)
Afghanistan	Côte d'Ivoire	Albania	* Anguilla
Angola	Ghana	Algeria	Antigua and Barbuda[1]
Bangladesh	Kenya	Armenia	Argentina
Benin	Korea, Dem. Rep.	Azerbaijan	Barbados[2]
Bhutan	Kyrgyz Rep.	Bolivia	Belarus
Burkina Faso	Nigeria	Bosnia and Herzegovina	Belize
Burundi	Pakistan	Cameroon	Botswana
Cambodia	Papua New Guinea	Cape Verde	Brazil
Central African Rep.	Tajikistan	China	Chile
Chad	Uzbekistan	Colombia	Cook Islands
Comoros	Viet Nam	Congo, Rep.	Costa Rica
Congo, Dem. Rep.	Zimbabwe	Dominican Republic	Croatia
Djibouti		Ecuador	Cuba
Equatorial Guinea		Egypt	Dominica
Eritrea		El Salvador	Fiji
Ethiopia		Georgia	Gabon
Gambia		Guatemala	Grenada
Guinea		Guyana	Jamaica
Guinea-Bissau		Honduras	Kazakhstan
Haiti		India	Lebanon
Kiribati		Indonesia	Libya
Laos		Iran	Malaysia
Lesotho		Iraq	Mauritius
Liberia		Jordan	* Mayotte
Madagascar		Macedonia, Former Yugoslav Rep. of	Mexico
Malawi		Marshall Islands	Montenegro
Maldives		Micronesia, Federated States	* Montserrat
Mali		Moldova	Nauru
Mauritania		Mongolia	Oman[1]
Mozambique		Morocco	Palau
Myanmar		Namibia	Panama
Nepal		Nicaragua	Serbia[3]
Niger		Niue	Seychelles
Rwanda		Palestinian Administered Areas	South Africa
Samoa		Paraguay	* St. Helena
São Tomé and Príncipe		Peru	St. Kitts-Nevis
Senegal		Philippines	St. Lucia
Sierra Leone		Sri Lanka	St. Vincent and Grenadines
Solomon Islands		Swaziland	Suriname
Somalia		Syria	Trinidad and Tobago[2]
Sudan		Thailand	Turkey
Tanzania		* Tokelau	Uruguay
Timor-Leste		Tonga	Venezuela
Togo		Tunisia	
Tuvalu		Turkmenistan	
Uganda		Ukraine	
Vanuatu		* Wallis and Futuna	
Yemen			
Zambia			

1. Antigua and Barbuda and Oman exceeded the high income country threshold in 2007. In accordance with the DAC rules for revision of this List, both will graduate from the List in 2011 if they remain high income countries until 2010.
2. Barbados and Trinidad and Tobago exceeded the high income country threshold in 2006 and 2007. In accordance with the DAC rules for revision of this List, both will graduate from the List in 2011 if they remain high income countries until 2010.
3. At present aid to Kosovo is recorded under aid to Serbia. Kosovo will be listed separately if and when it is recognised by the UN.

* Territory.

As of July 2009, the **Heavily Indebted Poor Countries (HIPCs)** are : Afghanistan, Benin, Bolivia, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Comoros, Congo (Dem. Rep.), Congo (Rep.), Côte d'Ivoire, Eritrea, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Kyrgyz Republic, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nicaragua, Niger, Rwanda, São Tomé and Príncipe, Senegal, Sierra Leone, Somalia, Sudan, Tanzania, Togo, Uganda and Zambia.

Glossary of Key Terms and Concepts

(Cross-references are given in CAPITALS)

AID: The words "aid" and "assistance" in this publication refer only to flows which qualify as OFFICIAL DEVELOPMENT ASSISTANCE (ODA).

AMORTISATION: Repayments of principal on a LOAN. Does not include interest payments.

ASSOCIATED FINANCING: The combination of OFFICIAL DEVELOPMENT ASSISTANCE, whether GRANTS or LOANS, with other official or private funds to form finance packages. Associated Financing packages are subject to the same criteria of concessionality, developmental relevance and recipient country eligibility as TIED AID credits.

BILATERAL: See TOTAL RECEIPTS.

CLAIM: The entitlement of a creditor to repayment of a LOAN; by extension, the loan itself or the outstanding amount thereof.

COMMITMENT: A firm obligation, expressed in writing and backed by the necessary funds, undertaken by an official donor to provide specified assistance to a recipient country or a multilateral organisation. Bilateral commitments are recorded in the full amount of expected transfer, irrespective of the time required for the completion of DISBURSEMENTS. Commitments to multilateral organisations are reported as the sum of: *i)* any disbursements in the year in question which have not previously been notified as commitments, and *ii)* expected disbursements in the following year.

CONCESSIONALITY LEVEL: A measure of the "softness" of a credit reflecting the benefit to the borrower compared to a LOAN at market rate (*cf.* GRANT ELEMENT). Technically, it is calculated as the difference between the nominal value of a TIED AID credit and the present value of the debt service as of the date of DISBURSEMENT, calculated at a discount rate applicable to the currency of the transaction and expressed as a percentage of the nominal value.

DAC (DEVELOPMENT ASSISTANCE COMMITTEE): The committee of the OECD which deals with development co-operation matters. A description of its aims and a list of its members are given at the front of this volume. Further details are given in the DAC at Work section of this volume.

DAC LIST OF ODA RECIPIENTS: For statistical purposes, the DAC uses a List of ODA Recipients which it revises every three years. The "Notes on Definitions and Measurement" give details of revisions in recent years. As at 1 January 2008, the List is presented in the following categories (the word "countries" includes territories):

- **LDCs:** Least developed countries. Group established by the United Nations. To be classified as an LDC, countries must fall below thresholds established for income, economic diversification and social development. The DAC List is updated immediately to reflect any change in the LDC group.

- **Other LICs:** Other low-income countries. Includes all non-LDC countries with per capita GNI USD 935 or less in 2007 (World Bank Atlas basis).
- **LMICs:** Lower middle-income countries, *i.e.* with GNI per capita (Atlas basis) between USD 936 and USD 3 705 in 2007. LDCs which are also LMICs are only shown as LDCs – not as LMICs.
- **UMICs:** Upper middle-income countries, *i.e.* with GNI per capita (Atlas basis) between USD 3 706 and USD 11 455 in 2007.
- When a country is added to or removed from the LDC group, totals for the income groups affected are adjusted retroactively to maximise comparability over time with reference to the current list.

DEBT REORGANISATION (also: **RESTRUCTURING):** Any action officially agreed between creditor and debtor that alters the terms previously established for repayment. This may include **forgiveness** (extinction of the LOAN), or **rescheduling** which can be implemented either by revising the repayment schedule or extending a new **refinancing** loan. See also "Notes on Definitions and Measurement".

DISAGGREGATED MONITORING: Means breaking down results from statistical monitoring by sex, sub-national region, ethnic and social groups.

DISBURSEMENT: The release of funds to – or the purchase of goods or services for – a recipient; by extension, the amount thus spent. Disbursements record the actual international transfer of financial resources, or of goods or services valued at the cost to the donor. In the case of activities carried out in donor countries, such as training, administration or public awareness programmes, disbursement is taken to have occurred when the funds have been transferred to the service provider or the recipient. They may be recorded **gross** (the total amount disbursed over a given accounting period) or **net** (the gross amount less any repayments of LOAN principal or recoveries on GRANTS received during the same period).

EXPORT CREDITS: LOANS for the purpose of trade and which are not represented by a negotiable instrument. They may be extended by the official or the private sector. If extended by the private sector, they may be supported by official guarantees.

FRAGMENTATION OF AID: Describes aid that comes in too many small slices from too many donors, creating unnecessary and wasteful administrative costs and making it difficult to target aid where it is needed most.

GRACE PERIOD: See GRANT ELEMENT.

GRANTS: Transfers made in cash, goods or services for which no repayment is required.

GRANT ELEMENT: Reflects the **financial terms** of a COMMITMENT: interest rate, MATURITY and GRACE PERIOD (interval to first repayment of capital). It measures the concessionality of a LOAN, expressed as the percentage by which the present value of the expected stream of repayments falls short of the repayments that would have been generated at a given reference rate of interest. The reference rate is 10% in DAC statistics. This rate was selected as a proxy for the marginal efficiency of domestic investment, *i.e.* as an indication of the opportunity cost to the donor of making the funds available. Thus, the grant element is nil for a loan carrying an interest rate of 10%; it is 100% for a GRANT; and it lies between these two limits for a loan at less than 10% interest. If the face value of a loan is multiplied by its grant element, the result is referred to as the **grant equivalent** of that loan (*cf.* CONCESSIONALITY LEVEL). (Note: in classifying receipts, the grant element concept is not applied to the operations of the multilateral development banks. Instead, these are classified as concessional if they include a subsidy ("soft window" operations) and non-concessional if they are unsubsidised ("hard window" operations).

GRANT-LIKE FLOW: A transaction in which the donor country retains formal title to repayment but has expressed its intention in the COMMITMENT to hold the proceeds of repayment in the borrowing country for the benefit of that country.

IMPUTED MULTILATERAL FLOWS: Geographical distribution of donors' core contributions to multilateral agencies, based on the geographical breakdown of multilateral agencies' disbursements for the year of reference.

LOANS: Transfers for which repayment is required. Only loans with MATURITIES of over one year are included in DAC statistics. The data record actual flows throughout the lifetime of the loans, not the **grant equivalent** of the loans (*cf.* GRANT ELEMENT). Data on net loan flows include deductions for repayments of principal (but not payment of interest) on earlier loans. This means that when a loan has been fully repaid, its effect on total NET FLOWS over the life of the loan is zero.

LONG-TERM: Used of LOANS with an original or extended MATURITY of more than one year.

MATURITY: The date at which the final repayment of a LOAN is due; by extension, the duration of the loan.

MULTILATERAL AGENCIES: In DAC statistics, those international institutions with governmental membership which conduct all or a significant part of their activities in favour of development and aid recipient countries. They include multilateral development banks (*e.g.* World Bank, regional development banks), United Nations agencies, and regional groupings (*e.g.* certain European Union and Arab agencies). A contribution by a DAC member to such an agency is deemed to be multilateral if it is pooled with other contributions and disbursed at the discretion of the agency. Unless otherwise indicated, capital subscriptions to multilateral development banks are presented on a **deposit basis**, *i.e.* in the amount and as at the date of lodgement of the relevant letter of credit or other negotiable instrument. Limited data are available on an encashment basis, *i.e.* at the date and in the amount of each drawing made by the agency on letters or other instruments.

NET FLOW: The total amount disbursed over a given accounting period, less repayments of LOAN principal during the same period, no account being taken of interest.

NET TRANSFER: In DAC statistics, NET FLOW minus payments of interest.

OFFICIAL DEVELOPMENT ASSISTANCE (ODA): GRANTS or LOANS to countries and territories on the DAC List of ODA Recipients and multilateral agencies that are undertaken by the official sector at concessional terms (*i.e.* with a GRANT ELEMENT of at least 25%) and that have the promotion of the economic development and welfare of developing countries as their main objective. In addition to financial flows, TECHNICAL CO-OPERATION is included in aid. Grants, loans and credits for military purposes are excluded. For the treatment of the forgiveness of loans originally extended for military purposes, see "Notes on Definitions and Measurement".

OFFICIAL DEVELOPMENT FINANCE (ODF): Used in measuring the inflow of resources to recipient countries: includes: *a)* bilateral ODA; *b)* GRANTS and concessional and non-concessional development lending by multilateral financial institutions; and *c)* those OTHER OFFICIAL FLOWS which are considered developmental (including refinancing LOANS) but which have too low a GRANT ELEMENT to qualify as ODA.

OFFSHORE BANKING CENTRES: Countries or territories whose financial institutions deal primarily with non-residents.

OTHER OFFICIAL FLOWS (OOF): Transactions by the official sector with countries on the DAC List of ODA Recipients which do not meet the conditions for eligibility as OFFICIAL DEVELOPMENT ASSISTANCE, either because they are not primarily aimed at development, or because they have a GRANT ELEMENT of less than 25%.

PARTIALLY UNTIED AID: Official development assistance for which the associated goods and services must be procured in the donor country or among a restricted group of other countries, which must however include substantially all recipient countries. Partially untied aid is subject to the same disciplines as TIED AID credits and ASSOCIATED FINANCING.

PARTNER COUNTRY: Refers to countries that receive development assistance provided by other countries to support their own development.

PARTNERSHIP PRINCIPLES: The Paris Declaration contains 56 partnership commitments. These are organised around five key principles:

- **Ownership:** Developing countries set their own development strategies, improve their institutions and tackle corruption.
- **Alignment:** Donor countries bring their support in line with these objectives and use local systems.
- **Harmonisation:** Donor countries co-ordinate their action, simplify procedures and share information to avoid duplication.
- **Managing for results:** Developing countries and donors focus on producing – and measuring – results.
- **Mutual accountability:** Donor and developing country partners are accountable for development results.

PRIVATE FLOWS: Consist of flows at market terms financed out of private sector resources (*i.e.* changes in holdings of private LONG-TERM assets held by residents of the reporting country) and private grants (*i.e.* grants by **non-governmental organisations** and other private bodies, net of subsidies received from the official sector). In presentations focusing on the receipts of recipient countries, flows at market terms are shown as follows:

- **Direct investment:** Investment made to acquire or add to a lasting interest in an enterprise in a country on the DAC List of ODA Recipients. "Lasting interest" implies a long-term relationship where the direct investor has a significant influence on the management of the enterprise, reflected by ownership of at least 10% of the shares, or equivalent voting power or other means of control. In practice it is recorded as the change in the net worth of a subsidiary in a recipient country to the parent company, as shown in the books of the latter.
- **International bank lending:** Net lending to countries on the DAC List of ODA Recipients by banks in OECD countries. LOANS from central monetary authorities are excluded.

Guaranteed bank loans and bonds are included under OTHER PRIVATE or BOND LENDING (see below) in these presentations.

- **Bond lending:** Net completed international bonds issued by countries on the DAC List of ODA Recipients.
- **Other private:** Mainly reported holdings of equities issued by firms in aid recipient countries.

In data presentations which focus on the outflow of funds from donors, private flows other than direct investment are restricted to credits with a MATURITY of greater than one year and are usually divided into:

- **Private export credits:** See EXPORT CREDITS.
- **Securities of multilateral agencies:** This covers the transactions of the private non-bank and bank sector in bonds, debentures, etc., issued by multilateral institutions.
- **Bilateral portfolio investment and other:** Includes bank lending and the purchase of shares, bonds and real estate.

SCALING UP: This term, used with reference to aid, refers not only to increased aid flows, but also to an increase in the impact and effectiveness of aid through several measures: better distribution of aid according to recipient country needs/priorities; wider coverage of aid to populations and geographic/thematic areas that receive proportionally too little; wider application of lessons learned for more effective aid delivery and management; greater follow through on commitments (in terms of amounts of aid, as well as improved mechanisms for delivery and management of aid); greater levels of ambition in overcoming recognised obstacles to aid effectiveness.

SHORT-TERM: LOANS with a MATURITY of one year or less.

TECHNICAL CO-OPERATION: Includes both: *a)* GRANTS to nationals of aid recipient countries receiving education or training at home or abroad; and *b)* payments to consultants, advisers and similar personnel as well as teachers and administrators serving in recipient countries (including the cost of associated equipment). Assistance of this kind provided specifically to facilitate the implementation of a capital project is included indistinguishably among bilateral project and programme expenditures, and is omitted from technical co-operation in statistics of aggregate flows.

TIED AID: Official GRANTS or LOANS where procurement of the goods or services involved is limited to the donor country or to a group of countries which does not include substantially all aid recipient countries. Tied aid loans, credits and ASSOCIATED FINANCING packages are subject to certain disciplines concerning their CONCESSIONALITY LEVELS, the countries to which they may be directed, and their developmental relevance so as to avoid using aid funds on projects that would be commercially viable with market finance, and to ensure that recipient countries receive good value. Details are given in the **Development Co-operation Reports** for 1987 (pp. 177-181) and 1992 (pp. 10-11).

TOTAL RECEIPTS: The inflow of resources to aid recipient countries includes, in addition to ODF, official and private EXPORT CREDITS, and LONG-TERM private transactions (see PRIVATE FLOWS). Total receipts are measured net of AMORTISATION payments and repatriation of capital by private investors. **Bilateral** flows are provided directly by a donor country to an aid recipient country. **Multilateral** flows are channelled *via* an international organisation active in development (*e.g.* World Bank, UNDP). In tables showing total receipts of recipient countries, the outflows of multilateral agencies to those countries is shown, not the contributions which the agencies received from donors.

UNDISBURSED: Describes amounts committed but not yet spent. See also COMMITMENT, DISBURSEMENT.

UNTIED AID: Official development assistance for which the associated goods and services may be fully and freely procured in substantially all countries.

VOLUME (real terms): The flow data in this publication are expressed in US dollars (USD). To give a truer idea of the volume of flows over time, some data are presented in constant prices and exchange rates, with a reference year specified. This means that adjustment has been made to cover both inflation in the donor's currency between the year in question and the reference year, and changes in the exchange rate between that currency and the United States dollar over the same period. A table of combined conversion factors (deflators) is provided in the Statistical Annex (Table 36) which allows any figure in the Report in current USD to be converted to dollars of the reference year ("constant prices").

Query Wizard for International Development Statistics (QWIDS)

The Query Wizard for International Development Statistics (QWIDS) was developed in 2007 by the Development Assistance Committee (DAC) to improve the accessibility and user-friendliness of its databases.* QWIDS provides easy access to statistics on aid flows. It is an intuitive system, designed to enable a novice user to easily navigate the system, search for and extract data. Users do not need to know about the structure of the underlying databases, which include seven different tables on aggregate aid flows by members of the DAC, and a database on individual aid activities stored in the Creditor Reporting System (CRS). The system is intelligent enough to find the best source of data for each request. QWIDS uses web services to extract data dynamically from OECD.Stat (the OECD data warehouse and repository for all International Development Statistics data).

To develop QWIDS, a thorough analysis of International Development Statistics (IDS) users was conducted and several typical user profiles (personas) were created. During the entire process, the system was tested against these personas to ensure that the application would provide core data that would respond to more than 90% of users' needs.

QWIDS contains many features, including metadata, bookmarking query results, pivot table functionalities, and an export to CSV function. It also provides a full text search on the CRS's descriptive data. Most individual datasets provided in OECD.Stat can be viewed in QWIDS and bulk downloads are available for users who wish to export all the data to another platform.

QWIDS went live in November 2008. Since then feedback has been extremely positive, and use of this new resource is growing.

For more information or to use QWIDS, visit: *http://stats.oecd.org/qwids/*.

* The development of QWIDS was made possible thanks to substantial assistance from the Bill and Melinda Gates and the William and Flora Hewlett Foundations. These foundations have jointly developed an Aid Resource Tracking Strategy to improve access to databases on global health and development flows, and recognise DAC statistics as the unique source of data on international aid flows.

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Development Co-operation Report 2010

The *Development Co-operation Report*, issued by the OECD Development Assistance Committee (DAC), is the key annual reference for statistics and analysis on the latest trends in international aid.

With only five years left to achieve the Millennium Development Goals (MDGs), much remains to be done. The task has become even more challenging given the economic, food and climate change crises of recent years. This report describes how the DAC has responded swiftly, putting the development dimension of these crises firmly on the political agenda and keeping the development community focused on providing more aid, and delivering it more effectively.

In times of economic uncertainty, it is particularly important for aid to provide value for money, and to ensure that it is not misused. The development community has responded by: sharpening its focus on corruption; targeting and communicating clear development impacts; working increasingly through developing countries' own systems to build capacity; and intensifying efforts in the poorest 30% of developing countries – a critical step toward achieving the MDGs. The report also describes how the DAC member countries intend to make their aid truly effective in the decades to come, by ensuring that climate change is addressed in each of their policy choices and by developing a broader, more inclusive approach.

This report is also published on line to improve the accessibility of key OECD DAC work and to respond to the needs of the aid community by giving prompt and easy access to its analyses and statistics.

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