

April 2017

final ODA data for 2015

Key findings

- There is no significant change in total official development assistance (ODA) levels reported in the final 2015 data compared with the preliminary figures.
- Total ODA reached a new peak in 2015 despite a significant fall in disbursements from the United States (US).
- Sub-Saharan Africa remains the region that received the greatest amount of ODA; however, ODA disbursements with no specified recipient increased significantly.
- Afghanistan is still the largest ODA recipient despite several years of falling ODA receipts.
- Other countries in South and Central Asia (e.g. India, Pakistan and Bangladesh) saw significant increases in ODA, as did the Democratic Republic of the Congo (DRC).
- ODA to least-developed countries (LDCs) increased somewhat, but it remains below 2010 levels.
- ODA loans continued to increase, driven by a substantial rise in lending from Germany.
- The low level of concessionality attached to loans from Germany (and, to a lesser degree, France) may adversely affect levels of reported ODA when new reporting rules come into effect.
- Levels of in-donor spending on refugees rose dramatically in 2015 and now accounts for over 9% of all reported ODA.
- For some donors, refugee costs make up between a quarter and a third of total reported ODA.
- The amount of ODA reported per refugee varies significantly between donors, making it difficult to compare total ODA levels from one donor to another.

Adjustments since preliminary data

The final figures for total net ODA in 2015 showed little significant movement for most donors compared with the preliminary data released in April 2016. The amount of net disbursement changed by less than 2% for 23 of the 29 Organisation for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC) members, and total DAC ODA at US\$131.4¹ billion was just 0.01% different from the figure published in April 2016.

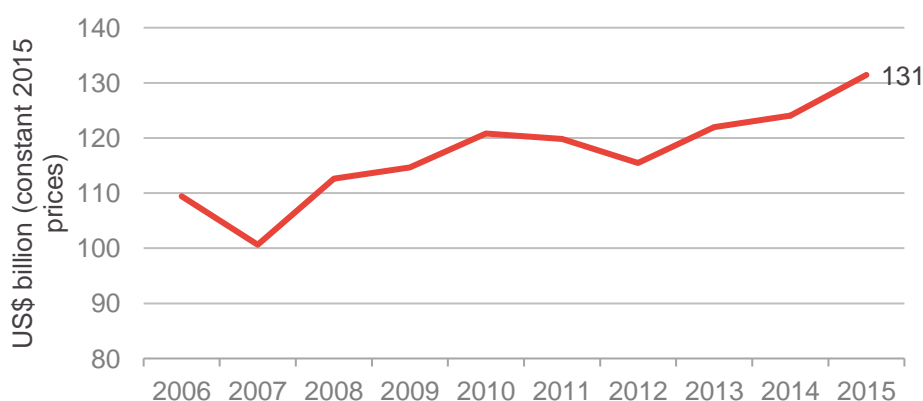
Table 1. Comparison of preliminary and final ODA figures

Donor	Final 2015 net ODA	Preliminary 2015 net ODA	Difference (\$)	Difference (%)
Australia	3,494	3,222	271	8.4%
Austria	1,324	1,207	116	9.6%
Belgium	1,905	1,894	11	0.6%
Canada	4,277	4,287	-10	-0.2%
Czech Republic	199	202	-3	-1.3%
Denmark	2,566	2,566	0	0.0%
Finland	1,288	1,292	-4	-0.3%
France	9,039	9,226	-187	-2.0%
Germany	17,940	17,779	161	0.9%
Greece	239	282	-44	-15.4%
Iceland	40	39	1	2.0%
Ireland	718	718	0	0.0%
Italy	4,004	3,844	160	4.2%
Japan	9,203	9,320	-117	-1.3%
Korea	1,915	1,911	4	0.2%
Luxembourg	363	361	1	0.4%
Netherlands	5,726	5,813	-87	-1.5%
New Zealand	442	438	4	0.9%
Norway	4,278	4,278	0	0.0%
Poland	441	442	-1	-0.3%
Portugal	308	306	2	0.8%
Slovak Republic	85	86	-1	-1.0%
Slovenia	63	62	1	1.4%
Spain	1,397	1,604	-207	-12.9%
Sweden	7,089	7,092	-3	0.0%
Switzerland	3,562	3,538	24	0.7%
United Kingdom	18,545	18,700	-155	-0.8%
United States	30,986	31,076	-91	-0.3%
TOTAL DAC-282	131,433	131,586	-153	-0.1%
EU Institutions	13,670	13,848	-178	-1.3%

Trend in total ODA

Total net ODA from the 28 DAC member nations rose by US\$7.4 billion (6%) in 2015 to a new peak of US\$131.4 billion. However, the great majority of this rise was due to an increase of US\$6.3 billion in the amount of in-donor spending on refugees classified as ODA.

Figure 1: Total net ODA reported by DAC donors reached a new peak level in 2015



As reported in the preliminary data, this increase in ODA was despite a large reduction in disbursements from the US. ODA from the US was US\$2.4 billion lower in 2015 compared with 2014.

This reduction was offset by large increases in ODA reported by other donors, especially European countries, which reported high levels of in-donor spending on refugees.

Germany reported the largest increase in ODA – US\$3.8 billion. However, this was due to a US\$2.9 billion increase in refugee costs coupled with a US\$1.8 billion increase in net lending. This means that other types of ODA from Germany (i.e. other than loans and refugee costs) actually fell in 2015.

Other donors that saw large increases in reported ODA were Sweden – a US\$1.9 billion rise (including a US\$1.5 billion rise in refugee costs); Netherlands – a US\$1.1 billion rise (including a US\$0.5 billion rise in refugee costs); and Italy – a US\$0.6 billion rise (including a US\$0.3 billion rise in refugee costs).

Two countries reported a substantial rise in ODA disbursements without large rises in refugee costs – Japan (a US\$0.7 billion increase) and Canada (a US\$0.6 billion increase).

Regional distribution³

After falling in 2014, ODA to sub-Saharan Africa rose by over US\$2 billion in 2015, mainly due to increased disbursements from multilateral bodies including the African Development Bank and UN agencies.

ODA to South and Central Asia rose as the continued tapering of ODA to Afghanistan was more than offset by large increases in ODA to India, Pakistan and Bangladesh (see below).

The very large rise in ODA with no recipient specified is almost entirely due to the rise in refugee costs spent in donor countries and reported as ODA (see below).

Table 2. Sub-Saharan Africa received more ODA than any other region, but ODA with no specified recipient increased very significantly

	2014	2015	Difference (\$)	Difference (%)
South of Sahara	42,036	44,062	2,025	4.8%
South and Central Asia	17,921	19,443	1,522	8.5%
Middle East	9,366	9,688	322	3.4%
Europe	7,243	6,524	-719	-9.9%
Far East Asia	5,528	5,438	-90	-1.6%
South America	4,282	4,902	620	14.5%
North and Central America	4,467	4,790	323	7.2%
North of Sahara	2,980	2,582	-398	-13.4%
Oceania	1,616	1,883	268	16.6%
Recipient unspecified	28,985	36,452	7,467	25.8%

Recipients of ODA in 2015

Once again, the top recipient of ODA was Afghanistan, although the amount of aid disbursed to Afghanistan declined for the 4th year in succession. Some other countries in South and Central Asia saw significant increases in ODA with Pakistan, India and Bangladesh each rising two places in the ranking of ODA recipients to 2nd, 4th and 8th places, respectively. The rise in ODA to these countries was mainly due to increased loan disbursements – from Germany to India, International Development Association (IDA) to Pakistan and a combination of IDA and Japan in the case of Bangladesh.

Among the countries of sub-Saharan Africa, DRC saw a large increase in reported ODA. This increase was almost entirely due to a single project funded by the US State Department for the “biometric registration of Rwandan refugees”. This project received over US\$500 million in 2015 and resulted in a doubling of US aid to DRC compared with 2014.

The fall in ODA to Viet Nam was due to a reduction in ODA loans from both Japan and IDA.

Turkey fell from being the 5th largest recipient of ODA in 2014 to the 11th largest in 2015 mainly due to a very large reduction in ODA loans from EU institutions.

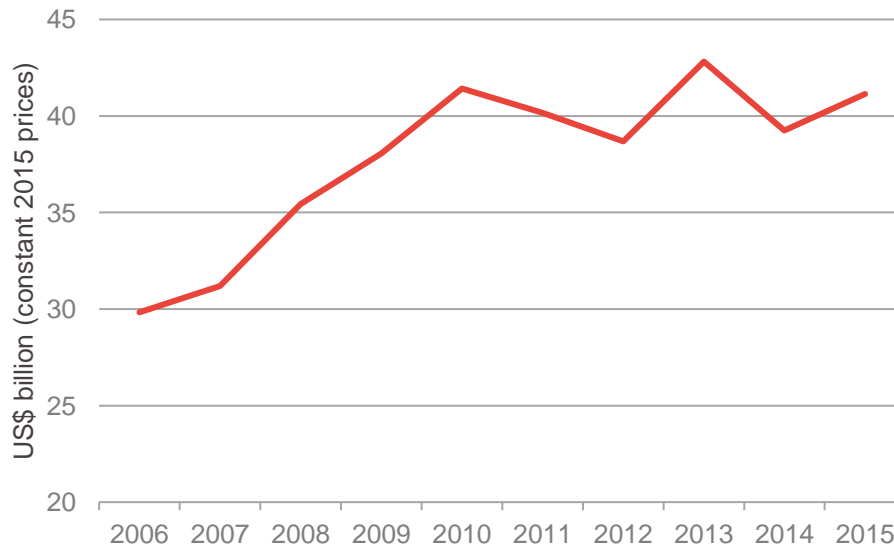
Table 3. Afghanistan remains the largest single recipient of ODA

Rank (2015)	Country	Net ODA (2015)	Net ODA (2014)	Rank (2014)	Difference 2014–15 (\$)	Difference 2014–15 (%)
1	Afghanistan	4,113	4,428	1	-315	-7%
2	Pakistan	3,669	3,206	4	463	14%
3	Ethiopia	3,224	3,261	3	-36	-1%
4	India	3,158	2,673	6	485	18%
5	Viet Nam	3,149	3,758	2	-609	-16%
6	DRC	2,600	2,173	11	427	20%
7	Tanzania	2,580	2,407	8	173	7%
8	Bangladesh	2,571	2,199	10	372	17%
9	Kenya	2,472	2,443	7	29	1%
10	Nigeria	2,430	2,280	9	150	7%

ODA to LDCs

ODA to LDCs rose by around 5% in 2015 after falling in 2014. However, ODA to LDCs remains lower in real terms than in 2010.

Figure 2. ODA to LDCs rose until 2010, but has fluctuated since

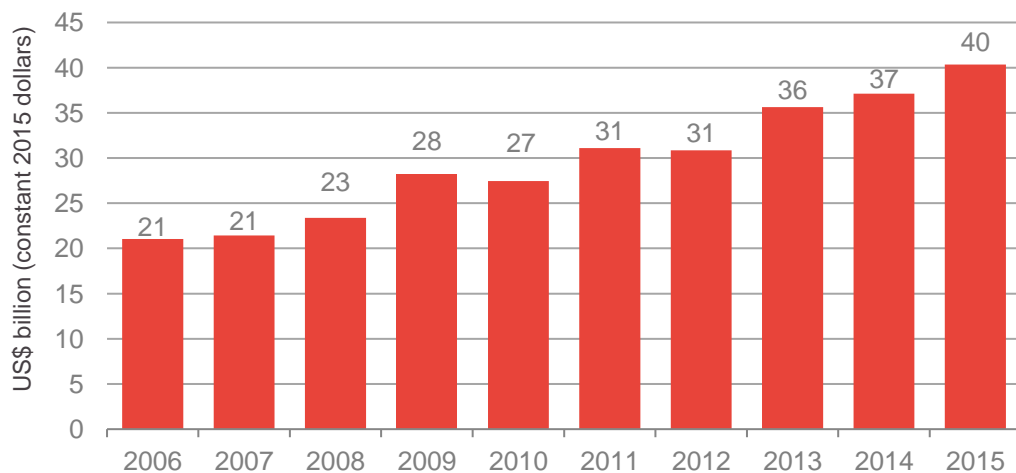


The composition of ODA

ODA loans

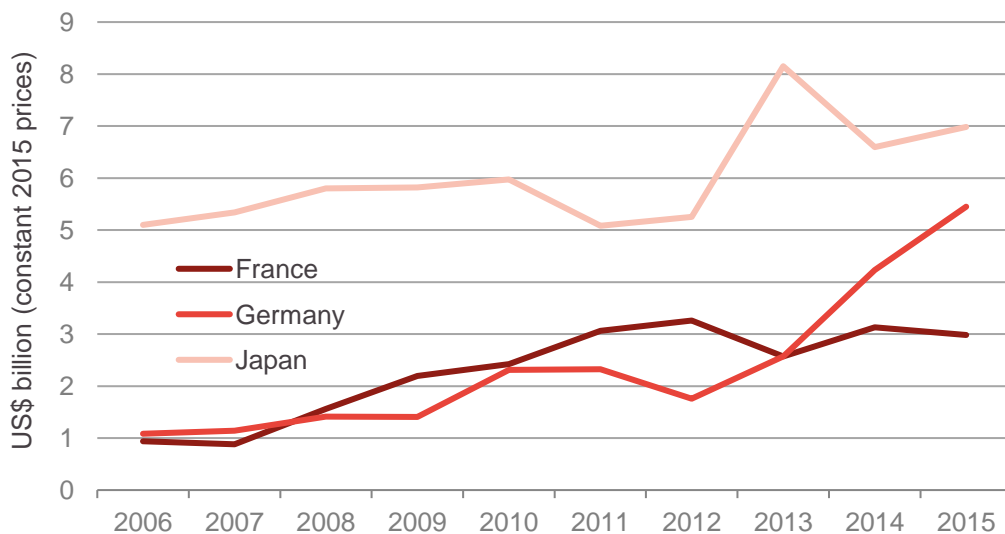
ODA loans continued their recent upward trend with over US\$40 billion of gross loan disbursements in 2015.

Figure 3. ODA loans continue to rise



Bilateral lending from DAC member states continues to be dominated by just three donors: Japan, Germany and France. These three donors between them accounted for 92% of gross ODA loan disbursements in 2015.

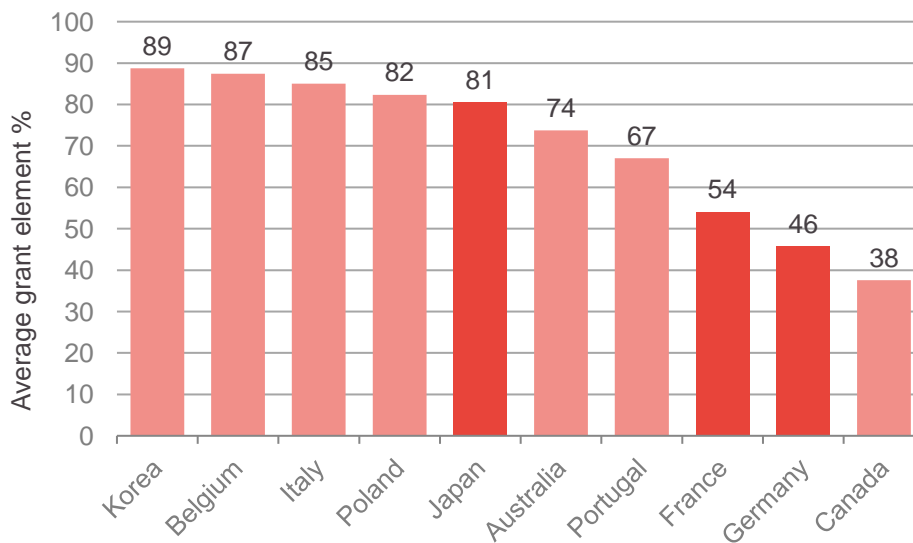
Figure 4. Lending by Germany to developing nations has trebled since 2012



Germany, in particular, has greatly increased its ODA loans in recent years, with annual gross loan disbursements trebling between 2012 and 2015. However, loans from Germany are among the least concessional of those from DAC donors. The average grant element⁴ of ODA loan commitments agreed by Germany in 2015 was 46%, compared with 54% for France and 81% for Japan.

The low levels of concessionality attached to German ODA loans could have implications for Germany's overall ODA levels when new ODA accounting rules take effect. This is because, from 2018 only the grant element of each loan will be counted in the ODA figures whereas, currently, the full face-value of the loan is counted⁵.

Figure 5. Loans from Germany and France, two of the largest bilateral lenders are not as concessional as loans from many other donors

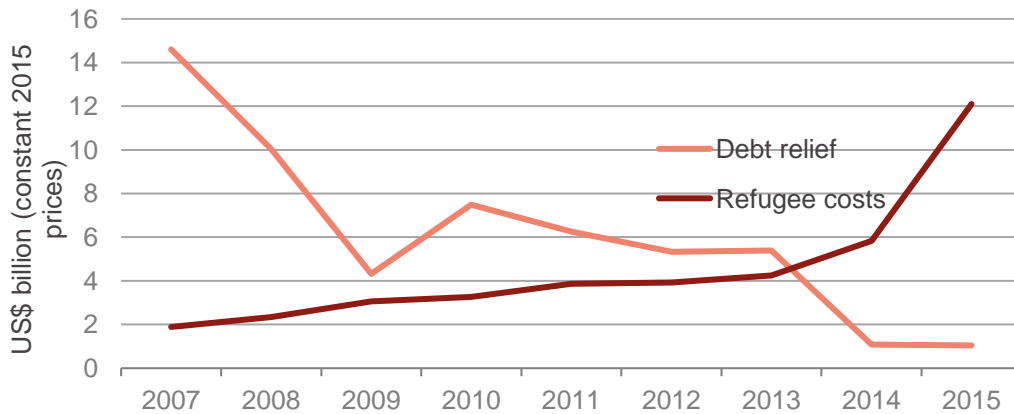


Debt relief and refugee costs

A decade ago, debt relief made up a significant proportion of reported ODA. This was a potentially distorting factor since the debt relief, although included in ODA, did not represent any new transfer of resources to developing countries, and some commentators decided to use data on ODA *excluding* debt relief when reporting on ODA⁶. In recent years the potential for debt relief to distort the ODA figures has declined as debt relief has fallen to the point where it now accounts for less than 1% of reported ODA.

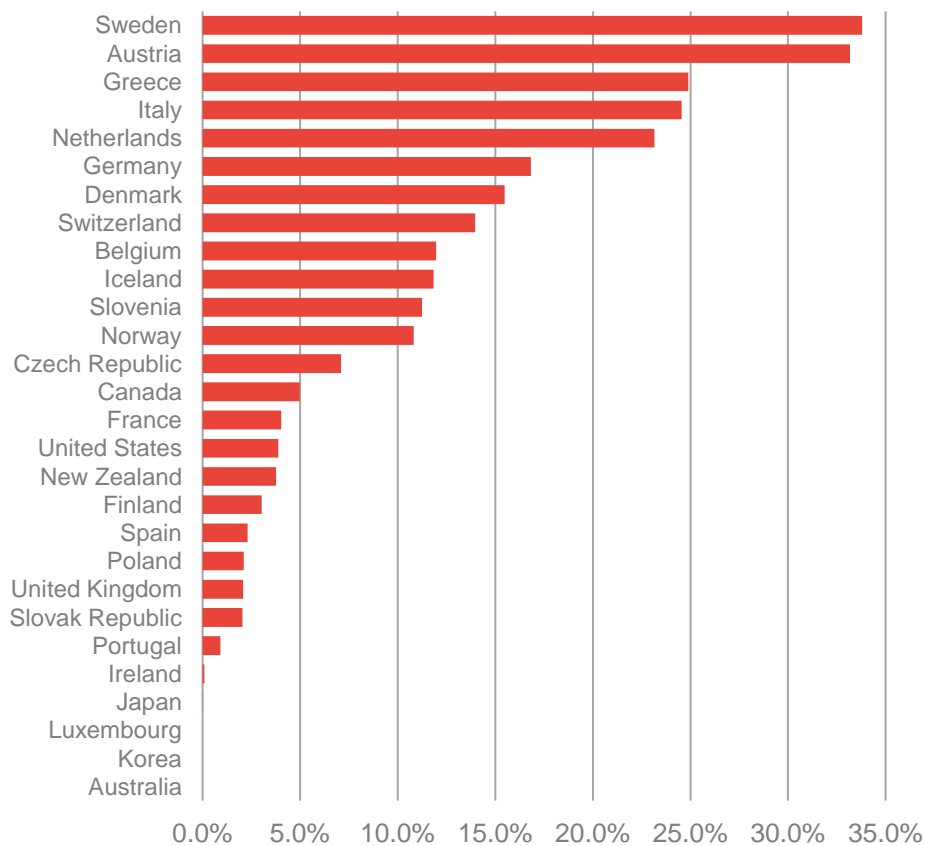
However, with the recent refugee crisis in the Middle East and Europe, donors have been including in their ODA totals very large amounts of spending on housing refugees within the borders of donor countries – another form of ODA that does not result in a transfer of resources to developing countries. In-donor refugee costs accounted for more ODA than debt relief for the first time in 2014. By 2015, in-donor refugee costs accounted for over 9% of total net ODA reported by DAC donors.

Figure 6. Refugee costs have risen sharply whilst debt relief has declined



For some donors, refugee costs now account for a very large proportion of reported ODA. In-donor refugee spending accounted for roughly one-third of ODA from Sweden and Austria and almost one-quarter of ODA reported by Greece, Italy and the Netherlands. The high level of refugee costs reported by the Netherlands has enabled that donor to report an ODA/GNI percentage of greater than 0.7% for the first time since 2012.

Figure 7. For some donors, refugee costs may account for a third of all reported ODA



The level of refugee costs reported by donors is further complicated by the fact that different donors appear to take very different approaches when calculating the amount of refugee spending to be counted as ODA.

Recent analysis from the OECD⁷ shows enormous variations in the amount of ODA per refugee reported by different donors. This will raise significant questions as to how comparable total ODA data is between donors.

German ODA spent on refugees within Germany rose from US\$146 million in 2014 to over US\$3 billion in 2015 – this probably indicates a change in Germany’s policy for reporting such ODA as much as any increase in refugee numbers.

The fact that refugee costs now form such a large part of ODA, coupled with the wide variances in donors’ apparent calculation of the amount spent on refugees means that care needs to be taken when analysing ODA expenditure, especially in the case of some European donors.

Table 4. The amount of ODA per refugee spent within donor countries varies dramatically from donor to donor

Donor	Average annual cost per refugee (US\$) ⁸
Netherlands	31,933
Belgium	25,536
Iceland	23,693
Switzerland	22,621
Denmark	21,791
Finland	18,450
Italy	16,950
Sweden	11,924–15,869
United States	14,708
Norway	13,924
Spain	13,687
New Zealand	13,544
France	12,190
Canada	10,713
Czech Republic	10,049
Germany	8,908
Poland	5,276
Austria	4,608
United Kingdom	3,261
Slovak Republic	2,980
Portugal	1,803
Japan	337
Greece	n/a

Notes

¹ Note: all ODA amounts in this briefing, with the exception of per-refugee costings, are stated in 2015 constant prices. Due to unusually large currency movements during 2015, amounts stated in 2015 constant prices appear significantly lower than amounts in 2014 constant prices.

² Hungary became the 29th country and, including the EU, the 30th full member of the DAC on 6 December 2016. Because its accession to the DAC was so late in the calendar year, Hungary still appears as a non-DAC provider in this release of the data and so is not included in this table.

³ When discussing ODA received by countries and regions, this briefing includes ODA disbursed by DAC members and multilateral institutions.

⁴ The grant element is the standard way of measuring how concessional a loan is. It can be viewed as the difference between the cost, in today's prices, of the future repayments a borrower will have to make on the loan in question and the repayments the borrower would have had to make on a non-concessional loan. This is therefore the amount of money that is considered to have been 'given away' by the donor, hence grant element. It is normally shown as a percentage of the value of the loan.

⁵ For a fuller treatment of the effect of the new rules on ODA loans, see Development Initiatives' 2015 report 'ODA loans – tracking a growing source of development financing' <http://devinit.org/#!/post/oda-loans-tracking-a-growing-source-of-development-financing>.

⁶ For example, the ONE Campaign's 'DATA Report' series.

⁷ DAC Secretariat (2016) 'ODA reporting of in-donor country refugee costs - Members' methodologies for calculating costs' <https://www.oecd.org/dac/stats/RefugeeCostsMethodologicalNote.pdf>.

⁸ Note that the amounts in this table are based on 2014 data. The per-refugee figure for Germany, at least, is likely to be higher than this in 2015 given the massive increase in Germany's reporting of refugee costs as ODA between 2014 and 2015.

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