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Co-operation
Report 2004**



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By Richard Manning,
Chair of the OECD Development Assistance Committee (DAC)

*Efforts and Policies
of the Members
of the
Development Assistance Committee*

Development Co-operation

2004
Report

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Chair of the **D**evelopment **A**ssistance **C**ommittee



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

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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:

- To achieve the highest sustainable economic growth and employment and a rising standard of living in member countries, while maintaining financial stability, and thus to contribute to the development of the world economy.
- To contribute to sound economic expansion in member as well as non-member countries in the process of economic development.
- To contribute to the expansion of world trade on a multilateral, non-discriminatory basis in accordance with international obligations.

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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, 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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Preface by the Secretary-General

During my stewardship of the Organisation, the OECD has been rapidly developing its outreach and engagement with all those involved in the vital but delicate task of managing a globalising planet in a constructive and sustainable way.

As we look outwards, the problems of the poorer and weaker countries pose particular challenges in a world where the old simplistic division between developed and developing countries has lost its meaning. OECD experience is seen as highly relevant by a steadily widening group of emerging economies. It is less susceptible to simple transfer to countries where the social, political and economic situation is vastly different, and where governments struggle to meet even the most basic of the reasonable expectations of their people.

The establishment of a “Development Cluster” in the OECD in 2002 was in part an attempt to bring together the Organisation’s main assets which had a focus on these poorer and less self-sufficient economies. I want to see the Cluster and the DAC within it both work closely with the rest of the Organisation to facilitate the application and adaptation of OECD experience to these challenging environments, and to help all relevant policy communities reflect on how their activities may support, or hinder, the efforts of poor countries. This “two-way-street” will help OECD members work more smartly together on issues that affect these poorer and weaker countries.

As this report emphasises, the problems of these countries demand steady attention over the long haul. The coherence and consistency of OECD members’ policies that affect them in areas such as trade, capital flows, migration and the environment will be very important for their progress.

Much is said in this report about aid, which remains a prime policy intervention, particularly for least-developed countries and other countries which are unable to attract private finance on a large scale. A central role of the DAC is to pursue the greatest possible effectiveness of this USD 70 billion a year – and growing – enterprise. I am particularly pleased that the DAC is now working extremely closely with the international financial institutions, the UN systems and the global funds on this range of issues, and that it is embarking on a new dialogue with bilateral donors outside the DAC and even outside the OECD. As elsewhere in the Organisation, I shall be looking to see how this work can deliver real results – particularly in the transfer of widely agreed principles into measurable improvements in the delivery of aid and its impact.

The year 2005 sees the first collective international stocktaking on progress towards the Millennium Development Goals. The goals are the reflection of an initiative taken in the DAC nearly ten years ago. I believe that in the debate on how to maximise progress towards their achievement, the OECD has a great deal to offer – both through the work of the Development Cluster, including the DAC, and through the contribution of many other policy communities to shaping an international framework within which poor people can improve their lives.

Donald J. Johnston
Secretary-General



Foreword

This report issues as the international community focuses increasing attention on the challenges inherent in a very unequal world, and hence on the absolute necessity to help the very poor improve their lives. The response by people all over the world to the horrific earthquake and tsunami in the Indian Ocean on 26 December 2004 shows the growing strength of feelings of international solidarity in tackling the plight of those who suffer.

As the High-Level Panel on Threats, Challenges and Change said in its report to the UN Secretary-General in December 2004, "Development makes everyone more secure". In September 2005, world leaders will have the opportunity to reflect on the challenges – including those set out in the Millennium Project Report – and to consider what individual and collective steps the nations of the world need to take to address them.

In this context, both the quantity and the quality of aid will matter, though aid can be fully effective only where it is complementary to the efforts of the people and governments of poor countries, and where the environment supports broad-based growth. The Paris High-Level Forum (28 February-2 March 2005), on "Aid Effectiveness: Harmonisation, Alignment and Results" is a crucial opportunity to assess progress in improving aid delivery and to agree further steps.

The OECD Development Co-operation Report 2004 is designed to offer a transparent account of aid flows to the latest available period (2003), and sets out the commitments that many DAC members have made to increase these flows. It provides a general overview of the work of the DAC, while at the same time seeking to clarify some of the contentious issues in the debate around security and development.

I hope that it will provide a useful input into the very important debates that will take place over the next few months.

I would like to pay tribute to the huge effort made by the Secretariat to enable the DAC to carry forward a very heavy agenda this past year. Many members of the Secretariat have made extraordinary efforts in order to sustain the momentum of DAC work. The timely production of this report is only one example. On behalf of the Committee, I sincerely thank them all.

Richard Manning
DAC Chair



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Chapter 1

Overview by the DAC Chair

This chapter examines what we know about progress towards the MDGs, gives an overview of DAC work on the important and sensitive issue of security and development, and contains an assessment of where the donor community currently stands on the key issues of aid volume and aid effectiveness.

Introduction

This chapter is designed to do three things:

- First, to look at the emerging picture of progress towards the Millennium Development Goals (MDGs), and what it would take to widen substantially the circle of countries making good progress towards them.
- Second, to discuss how to incorporate the dimension of security in a fuller way into thinking about sustainable development, using the concept of “human security” as a guide to the links between development and security.
- And third, to assess progress in increasing the volume and effectiveness of international aid, as one of the potential contributors to a better and more secure life for poor people.

The year 2005 – five years since the universal endorsement of the Millennium Declaration and ten years from the date by when most of the MDGs are supposed to be achieved – presents the international community with a decisive opportunity to improve the rate of progress in tackling deprivation and grinding poverty around the world. An unprecedented effort has been made over the last few years to track what is really going on, and reports from the UNDP, UN Specialised Agencies, the World Bank and not least the UN Millennium Project have brought a much clearer vision of both the achievements and the shortcomings since the baseline year of 1990. There is much scope to improve the data further. But we know enough to show that present trends are far from satisfactory. And indeed, there is also growing agreement on what needs to be done. 2005 will show how far we collectively and individually have a commitment to act.

The Millennium Development Goals

Choosing the right development strategies requires accurate data on development problems. Unfortunately these are often lacking. In many countries, births and deaths are largely unrecorded, and data on the availability of basic social services are sketchy. In some fields, true data are not available at all, and policies have to be developed based on the output of models that have many adjustable parameters, and which on closer inspection may prove to be seriously flawed. It is plain that an increased and sustained effort is needed to improve statistical systems in developing countries and I hope that donors will take seriously the importance of helping the development of sound National Strategies for the development of statistics, and better sectoral statistics. But given the present state of knowledge, what can we say with reasonable confidence about recent development trends?

Details are given in Chapter 3 of this report. Let us start by recognising some of the progress made since 1990. At world level, we can say with some confidence, perhaps for the first time in human history, that the absolute number of people living in the state of extreme destitution implied by the standard of an income of a dollar a day, has fallen over the last 15 years. And this happened while the number of people in the world rose from about 5.3 billion in 1990 to 6.3 billion in 2003. We can also say that more children are in

school across the world, both in absolute numbers and as a proportion of their age group, than ever before, and that the gap in rates of school attendance between boys and girls is lower than ever before. Similarly, at world level, infant and child mortality rates continue to fall, while access to clean water and sanitation continues to rise.

Nevertheless, the situation described by the available statistics adds up to an appalling catalogue of human misery. Some 1.1 billion people live on under a dollar a day, over 100 million children are not even attending primary school, let alone leaving with any useful education, the target of parity between the sexes in primary school enrolment in 2005 will not be met, and 10 million children under 5 die of preventable causes each year. In addition, the AIDS pandemic continues, and together with malaria, tuberculosis and other relatively neglected diseases, is slowing or reversing gains in life expectancy across much of sub-Saharan Africa. And the pressures on infrastructure and natural resources continue to increase with a growing population and increasing consumption.

What are the prospects for achieving the goals by the dates set for them? Starting from a global perspective, only the income poverty goal seems virtually certain to be achieved. That in itself is, of course, no mean feat. Present estimates suggest that the proportion of the developing world population living on under a dollar a day will fall to 13% by 2015, implying an absolute total of around 750 million, compared with the peak of some 1.5 billion in the early 1980s. But on most if not all the remaining goals, expected progress – and on each of them there is every reason to suppose that, at world level, progress will continue – is expected to fall short, even at world level, of the hopes of those who set the goals. The shortfall seems likely to be most significant in relation to the goals for health.

The relationship between income poverty and other measures of individual well-being is broadly a positive one, but with no simple automatic relationship. Overall, the decline in income poverty does not seem to be matched by equivalent progress in other indicators, but there are indicators and regions (*e.g.* education in the Middle East and North Africa) where progress on a social goal is more on track than is progress in reducing income poverty. One particular reason why those who devised the underlying targets may have underestimated the difficulty of reaching the social goals, and particularly those for health, may be that the full impact of HIV/AIDS was not fully appreciated, even in the early 1990s. Another may be that the large block of very poor people (including many with incomes under two dollars a day) are not, on average, getting sufficient access to services to make real inroads into their social conditions. There is certainly plenty of evidence in all countries of the vast disparities in health and education indicators between the richer and poorer sections of society.

At regional level, East Asia continues to have the strongest prospect for achieving most of the goals. Growth and the demographic transition in South Asia should also result in significant improvements in this region where nearly 40% of the world's poorest people still live. The Middle East and North Africa, and Latin America and the Caribbean, have made slower progress from a starting position in 1990 well ahead of South Asia: there is clearly potential for both regions to improve their performance greatly over the next ten years. Eastern Europe and central Asia appear to be recovering from the serious downturn in most indicators following the break-up of the former Soviet Union, and should also have good prospects of making real strides in the next ten years (as has already been happening in the new member States of the European Union). This continues to leave sub-Saharan Africa as the region with the weakest prospects, given its history of low growth in income

per head, political instability, small markets and very high levels of prevalence of infectious diseases, notably HIV/AIDS.

Now it is of course true that those who first assembled the International Development Goals as a set in the DAC in 1995-96 did not see them as blueprint targets to be achieved in every country, or indeed every continent. (Only the goal of Universal Primary Education was set out in terms that necessarily require a single objective to be met in every country.) Rather they were conceived as ways of accounting to our citizens whether the development enterprise was delivering real results across the developing world as a whole. The UN Resolution has similarly enshrined the Millennium Development Goals as a global undertaking, within which it must be for each country to set itself its own goals – over whatever time period it wishes, and in whatever form it likes. As the DAC said in its 1996 statement on *Shaping the 21st Century*, “While expressed in terms of their global impact, these goals must be pursued country by country through individual approaches that reflect local conditions and locally owned development strategies”. Many of these country goals will rightly, as countries progress, be more ambitious than the MDGs. In other cases, they may be less ambitious, though here the existence of the goals can reasonably be seen as setting standards to which the citizens of all countries may well feel that they have every right to aspire in the time frame set for the world as a whole. Yet it is clearly right that we cannot be satisfied if the poverty goals, say, are achieved worldwide but not in sub-Saharan Africa, or the health goals are achieved without a real improvement of the health status of the very poor. It is indeed very positive that the existence of the MDGs has led civil society, developing country governments and donors to raise their sights to the much harder task of seeking to meet them not only at global scale but also in every region and indeed every country. As the UN Millennium Project shows, this would require a massive scaling-up of efforts by both donors and recipients, but in principle it is also a highly desirable outcome. And we must also recognise that 2015 – whatever progress is made – is only a point on the path to eradicating extreme poverty and tackling the other objectives set out in the goals.

It is clear that on any basis – global, as well as regional or national – we must be seriously concerned about the likely shortfalls, given present patterns, of progress towards almost all the Millennium Development Goals. What would it take to radically improve the prospects of meeting more of them and in more places?

The starting point has to be the efforts and commitment of the people and governments of each country to its own progress. First and foremost, tough decisions have to be taken on competing priorities within a viable macroeconomic framework, on the roles of the State, private sector and civil society, on building competent institutions, and on encouraging transparency and open political debate.

Secondly, OECD countries have a particular responsibility to help give effect to their own commitment to the goals by helping to establish an international environment in which poorer countries can thrive – something that is also very much in their own long-term interest. The OECD has been paying increased attention to “policy coherence for development” over several years, including through DAC Peer Reviews of member countries. The Millennium Summit and the major conferences in Doha, Monterrey and Johannesburg have all given the subject greater profile. The OECD Ministerial Council Statement of 2002, “Action for a Shared Development Agenda”, called on the OECD to “consider trade-offs and potential synergies across such areas as trade, investment, agriculture, health, education, the environment and development co-operation, to

encourage greater policy coherence in support of the internationally agreed development goals". As Chair of the DAC, I am aware of an increased interest in some other OECD Committees in identifying areas of common concern, though I am under no illusions as to the difficulty of ensuring that sufficient weight is given to the interests of poor developing countries in international policy making.

Encouragingly, a number of member countries have taken action to improve the co-ordination between the different policy actors. A survey of how DAC members organise themselves to address these issues formed the basis of a high-level workshop last May which will I hope encourage the spread of good practice. Completion of the Doha Round in ways that justify its designation as a "Development Round" remains a key litmus test of policy coherence for development.

If both developed and developing countries take the right decisions, the scope for the mobilisation of private capital (domestic as much as foreign, remittances as well as investment) will be greatly enhanced. Work is in hand in the OECD on how to improve the environment for private investment, and on how development aid can best contribute to mobilising it. But we shall also need to tackle some more sensitive political issues, such as those around security and human rights, and deliver considerably more, but also more effective, aid as a support to developing countries that are serious about reform, and as a carefully targeted lifeline to disadvantaged people everywhere. The remaining sections of this chapter discuss these issues.

Security, human rights and development

When the DAC brought together the first set of International Development Goals (the precursors of the MDGs) in 1996, DAC members recognised that "Essential to the attainment of these measurable goals are **qualitative factors** in the evolution of more stable, safe, participatory and just societies". The DAC listed these as "capacity development for effective, democratic and accountable government, the protection of human rights and respect for the rule of law". This recognised the fact that development is inherently a political process, in which there may be winners and losers, at least in relative terms, and in which the ability to resolve conflicts in a fair and accepted manner and one which respects human rights is often crucial to sustainable results. Nowhere is this more evident than in the whole nexus of security and development.

We need to build a stronger consensus than at present exists about the links between security and development and about the practical consequences of a stronger recognition of their importance. This is all the more important if one believes that the security and development communities need to work better together to produce results that meet the objectives of each, while respecting the insights that each can bring to the table. The Human Security Commission's Report of 2003 to the UN Secretary-General is a landmark document in this respect.

As a starting point, let us consider the convenient slogan, "No development without security, no security without development". The first part of this proposition seems to me to recognise correctly, if perhaps too glibly, the fact that development has very seldom been sustained in countries or regions where serious instability is prevalent, or where poor people can have no confidence that their investments – say a field of rice, a small flock of chickens, or a market stall – will deliver them an income without seizure, expropriation or theft. Certainly poor people themselves rate insecurity as one of their most serious

concerns. Poor people seldom have the power to check rapacity by oppressors or by criminals, let alone by corrupt members of the forces of law and order. Where violent conflict breaks out, within or between countries, development is arrested. Related problems – such as trans-national crime and corruption, terrorism, the emergence of “war economies”, arms and drug trafficking, and the illicit proliferation of small arms and weapons of mass destruction – pose increased threats to people, nations and international security. Security is thus a vital concern for development. This is most explicitly enunciated in the human security agenda with its focus on building open and responsive states that ensure the livelihoods and safety of their people. Hence the importance, as argued by the DAC, of a more effective investment in well-functioning “security systems”, meaning everything from the courts to the military. Hence the importance of a stronger focus on conflict prevention and on peace building, as also argued in the report of the High-Level Panel. Hence also the importance of establishing and maintaining the rights of all citizens, including the poor, and of seeking to ensure that the latter have a real voice in defence of their interests.

The second half of the proposition suggests that there can be “no security without development”. Again, this needs unpacking. It should certainly not be interpreted to mean either that poor people are to be suspected of leanings towards terrorism or that the development process itself is likely to remove conflict in any predictable or linear way. But it does point to the very significant problems posed by the continued existence of vast discrepancies in living standards in a world where movement of goods, services, capital and indeed people has become steadily easier over the past 60 years. As the High-level Panel on Threats, Challenges and Change observes in its December 2004 report to the Secretary-General, “Development makes everyone more secure.” This remains a strong argument of long-term self interest for the development effort – which is in essence about facilitating and assisting this transition to an ultimately more balanced planet. But facile expectations about easily drained “swamps” should be discouraged. Development is for the long haul.

Against this background, OECD governments are rightly paying more attention to the risks inherent in “fragile states” and those countries where poverty, inequality, lawlessness and poor government are acute. This means that policy makers from various communities need to interact more and work together to produce policies and interventions which are coherent and sustainable. The development community – which in the past has often had little support in seeking to grapple with some of these problems – needs to be fully involved in the new focus on fragile states. At the same time this involvement has given rise to concerns, for example from civil-society organisations, over:

- Whether the counter-terrorism agenda will increasingly drive the allocation of development assistance.
- Whether the concept of official development assistance (ODA) will be rewritten in order to enable inappropriate security-related expenditure to be financed from limited aid budgets.
- Whether humanitarian aid will be – or already is in some cases – so linked to security-related interventions that hard-won humanitarian aid principles will be overturned, and aid workers put at serious risk on a wide scale.

Looking at the first of these issues, it is important to realise that the mantra of “no development without security” does not imply that (for example) developing countries should be encouraged to invest in heavy-handed security structures of the kind beloved by

anti-democratic governments. The issue for each country to address is what sort of security system will deliver reliable assurance of real security and protection of rights for all its citizens, including the poor. The role of the development community and of official development assistance is not to underpin noxious regimes, or to underwrite narrowly conceived security agendas, but to promote sustainable development, particularly for the poor. But it is also important to recognise that this still leaves a wide area for productive co-operation between the security and development communities in donor countries. This is particularly true for “fragile states”, where instability is often endemic. The development community cannot be expected to stabilise such situations on its own. Nor can the political/military community. All parties need to work together if effective and appropriate assistance is to be delivered to such states.

An interesting microcosm is displayed by the regional intervention in the Solomon Islands, at the request of the Solomon Islands Government, which began in July 2003. The intervention reflected not only the concerns of the government but also the security concerns of neighbouring states about the effect of instability in the Solomons. It also reflected the knowledge that no sustainable development was possible unless the instability and its underlying causes were addressed. This intervention required for its success an initial deployment of military force and a simultaneous start on a longer-term programme of institutional reform, not least of the security system (in the wide sense of the term), complemented with a major injection of development assistance in key sectors such as education. All these elements had to be delivered in a co-ordinated way for the objectives of any of the government agencies in the main countries concerned to be met.

It is for this reason that the DAC has stressed, in its 2004 report on Security System Reform, the need for a whole-of-government approach in tackling security issues. Such approaches should not mean that development agencies (or those on the political and military side of the street) abandon their own objectives, disciplines and accountability. Indeed, respecting the competences and constraints of each party is essential to any co-operative arrangement across government.

Of course, tensions can and will occur in any venture that requires departments with their own objectives to collaborate for common purposes. No *a priori* prescription can remove them. The best safeguard against possible abuse of the mandate of the agencies concerned is the maximum transparency about objectives, allocations and operations. DAC plays a role here in its regular publication of new aid commitments and the pattern of aid flows.

The second issue, that of the coverage of ODA, is itself part of the underpinning of transparency. The DAC has spent a good deal of time over the past 18 months in considering the adequacy of its definition of the boundaries of ODA in the area of security. This debate has been conducted in a way that respects both the political significance of any changes in the coverage of ODA, and the importance of definitions that are technically sound and likely to ensure consistent reporting, both between countries and over time. As Chair, it has been clear to me that the reporting instructions failed adequately to cover aspects which in principle all parties accepted were legitimate targets of aid (such as tackling the problem of child soldiers), but that any changes which involved scoring as ODA significant amounts of public expenditure that had not been so classified in the past would require very strong justification, in view of the need to ensure the continued credibility of ODA. I am pleased that the High-Level Meeting in April 2004 was able to reach a consensus on some of the items at issue (none of which in my view are likely to involve large amounts

of expenditure), and that the DAC is continuing its scrutiny of other proposals in a considered fashion. Despite concerns of some outside observers, I am confident that any consensus on change to the coverage will be such as to ensure that the credibility of the DAC definition of ODA is maintained. But wherever the line is drawn, OECD governments will need to invest from sources other than aid agencies in effective support for peace building and conflict resolution if they wish to achieve a safer world for all.

The third issue, that of securing the practical application of the principles of “good humanitarian donorship”, has assumed an increasing profile as OECD countries and international agencies have struggled with complex emergencies and unstable post-conflict situations. It seems to me extremely important to enable humanitarian agencies to perform their internationally accepted roles in ways that respect these principles and mitigate the physical risks to their staff. Individual humanitarian agencies have to take their own decisions on the risks that their staff can be expected to run in circumstances where full security may be impossible; but OECD governments have a responsibility, in all but the most extreme circumstances, to avoid actions that are likely to make the operations of such agencies impossible. The DAC has taken a preliminary step to become more engaged in humanitarian aid through focusing on the humanitarian aspects of the aid of two of its members whose programmes were reviewed in 2004, and will shortly review its future role in this area. It will also be considering proposals for much improved reporting of humanitarian activities in its statistics.

Changing aid in a changing world

As the authors of *Shaping the 21st Century* recognised, aid can by no means be regarded as a tool which can achieve the goals on its own. It can only complement the efforts of people and governments of the developing countries themselves and requires also the support of a broader set of pro-development policies in the economic, political and environmental areas. However, as they also stated, “Effective international support can make a real difference in achieving these goals”. How are we progressing on aid volume and aid effectiveness?

Aid volume

The Monterrey Conference on Financing for Development in March 2002 appears to have marked the start of a new trend in aid allocations. Following a sharp decline in ODA in real terms (and still more as a proportion of DAC Gross National Income) between 1992 and 1997, aid from DAC members had roughly stabilised as a proportion of DAC GNI at around 0.22% between 1997 and 2001, and thus returned to real growth, but at a very modest level. In 2002 itself, ODA grew in real terms by 7%, and in 2003 by a further 5%, bringing it to a level of 0.25% of DAC GNI in that year and finally surpassing the real value of aid in 1992, the previous peak year. This report issues before the outturn for 2004 is known, but there is every reason to suppose that real growth of some significance will have occurred for the third year running. The pledges made at Monterrey would imply that by 2006, DAC ODA will have reached some 0.30% of DAC GNI, or some USD 88 billion in 2003 US dollars. This would represent a real increase of some 50% over 2001. Table 1.1 gives the latest DAC Secretariat estimates for 2006.

This welcome prospective increase needs to be carefully qualified. First, we have yet to see whether DAC members will in fact deliver on their pledges. Last year, I published a

Table 1.1. Simulation of ODA prospects for 2006

	Net ODA disbursements in 2003 (USD m)	ODA/GNI in 2003	Commitment/Announcement/Assumption	Year to be attained	Net ODA disbursements in 2006 (in millions of 2003 USD)	ODA/GNI in 2006	Real change in ODA in 2006 compared with 2003 (at 2003 prices and exchange rates) ¹	
							(USD m)	Per cent
Austria	505	0.20%	0.33%	2006	877	0.33%	372	74
Belgium ²	1 853	0.60%	0.7%	2010	2 099	0.64%	245	13
Denmark	1 748	0.84%	> 0.7%	n.a.	1 838	0.83%	89	5
Finland ^{2, 3}	558	0.35%	0.44%	2007	706	0.41%	148	26
France ²	7 253	0.41%	0.5% (0.7% by 2012)	2007	8 791	0.47%	1 538	21
Germany	6 784	0.28%	0.33%	2006	8 381	0.33%	1 597	24
Greece	362	0.21%	0.33%	2006	642	0.33%	280	77
Ireland ²	504	0.39%	0.7%	2007	821	0.61%	318	63
Italy	2 433	0.17%	0.33%	2006	5 092	0.33%	2 659	109
Luxembourg	194	0.81%	Long term goal 1% (assume 0.87% in 2006)		221	0.87%	28	14
Netherlands	3 981	0.80%	0.8%	Already	4 240	0.80%	259	7
Portugal	320	0.22%	0.33%	2006	510	0.33%	190	59
Spain ³	1 961	0.23%	0.5% (with 0.33% in 2006)	2008	2 940	0.33%	979	50
Sweden	2 400	0.79%	1%	2006	3 206	1.00%	806	34
United Kingdom ³	6 282	0.34%	0.47%	2007-08	8 455	0.42%	2 173	35
EU members, total	37 139	0.35%	0.39%	2006	48 818	0.44%	11 679	31
Australia ⁴	1 219	0.25%	0.26%	2004-05	1 360	0.26%	142	12
Canada	2 031	0.24%	8% annual increase	to 2010	2 558	0.27%	527	26
Japan	8 880	0.20%	2001-2003 av. level (USD 9.5 bn) in 2006		9 500	0.22%	620	7
New Zealand	165	0.23%	Future level is under review		202	0.26%	37	22
Norway	2 042	0.92%	1%	2006-09	2 359	1.00%	317	16
Switzerland ²	1 299	0.39%	0.4%	2010	1 359	0.38%	60	5
United States ⁵	16 254	0.15%	See footnote 5		22 290	0.19%	6 036	37
DAC members, total	69 029	0.25%			88 446	0.30%	19 417	28

1. Assumes average real growth in GNI of 2% p.a. (3% for Canada and US, 4% for Greece, zero for Japan, and 3.25% for UK) from 2003 to 2006.

2. ODA/GNI ratio for 2006 interpolated between 2003 and year target scheduled to be attained.

3. Finland aims to achieve 0.7% by 2010 "subject to economic circumstances"; Spain aims for a minimum of 0.5% by 2008, with the intention then to aim for 0.7% by 2012; the UK has noted that increases at the presently planned rate would bring its ratio to 0.7% by 2013.

4. As aid volume determined in annual budgets, assumes same ratio in forward years.

5. Assumes 5% nominal GNI growth and 2% inflation to 2006, and for 2006 includes estimated expenditure of over USD 1.5 billion from the Millennium Challenge Account, of nearly USD 2 billion for the Global AIDS initiative, increased multilateral aid, and rephased expenditure on reconstruction in Iraq.

Table 1.2. Anticipated net ODA disbursements in 2006
(Billions of USD at 2003 prices and exchange rates)

	Net ODA 2003	Anticipated net ODA 2006	Increment
United States	16.3	22.3	6.0
Italy	2.4	5.1	2.7
United Kingdom	6.3	8.5	2.2
Germany	6.8	8.4	1.6
France	7.3	8.8	1.5
Sub-total	39.1	53.1	14.0
All other DAC members	30.0	35.4	5.4
TOTAL	69.0	88.4	19.4

table showing the distance still to be travelled by the largest contributors to the planned increase. An updated version is at Table 1.2.

The latest budget decisions by the contributors which promised the largest increments of aid at Monterrey are mixed. In the United States, where there was a particularly large increase in ODA disbursements between 2002 and 2003, Congress seems likely to appropriate a further increase in FY 2005 compared with FY 2004, even though not meeting the Administration's request in full. In the European Union, delivery by member States of the Barcelona commitment in 2002 to a minimum ODA/GNI percentage of 0.33% by 2006 is of particular significance. Most EU donors are making good progress towards this goal. Indeed, of the donors listed above, France and the United Kingdom have both announced commitments that extend their Barcelona undertakings, both in amount and time scale. The German budget for 2005 is consistent with some further move from its performance of 0.28% in 2003 towards the target of 0.33% in 2006. Italy, however, still has a long distance to travel to reach the target on schedule.

Second, even the estimated figure for 2006 falls far short of the estimates of what it would take to reach the full range of Millennium Development Goals at global, let alone regional or country level. Reports prepared in 2001 for the United Nations and for the IMF/World Bank concurred that adequate progress would require an approximate doubling of aid in real terms. This would imply a figure close to USD 120 billion in 2006, or more than USD 30 billion higher current projections for that year, and USD 50 billion higher than actual ODA in 2003.¹ Preliminary projections from the forthcoming Report of the Millennium Project (the final version was not available when this report went to press) suggest an even higher funding gap: of the order of USD 40 billion in 2003 dollars. It should be emphasised here that the focus on ODA is not intended to obscure the great significance of other flows to developing countries, including foreign direct investment, remittances (see the Annex 2.1 to Chapter 2), or private voluntary flows. For some developing countries, for example, foreign investment far outweighs official aid. However, official aid continues to provide an essential form of support to many of the poorer and weaker economies, and its size and effectiveness are therefore critical to progress towards the Millennium Development Goals.

Third, the estimates of future aid levels are calculated on the basis of the DAC definition of official development assistance. This covers a number of items that have

generally not been included in estimates of need based on resource transfers for development, such as:

- Emergency aid – some USD 5 billion from bilateral donors, or over 6 billion including multilateral aid, annually in 2002-03.
- Technical co-operation – nearly USD 17 billion in annual bilateral aid in 2002-03.²
- Debt relief – over USD 8 billion in net bilateral aid in 2003, up from over USD 5 billion in 2002.
- General aid administration – at least USD 3 billion in annual bilateral aid in 2002-03.
- Cost of extending to developing country students subsidised domestic fees in DAC tertiary education institutions – up to USD 1 billion in annual bilateral aid in 2002-03.
- The first-year costs of public support for refugees in DAC member countries – more than USD 1 billion in annual bilateral aid in 2002-03.

This does not mean that such categories of expenditure are not necessary – technical assistance is obviously a contributor to capacity development, for example – but it does have implications for how far DAC figures correspond to calculations of real resource transfer (see Chapter 2, Table 2.1). In general, it means that total ODA as calculated by DAC would need to be significantly higher than the estimates of the various studies referred to, if the same results are to be expected.

An important question, therefore, is whether the categories of aid referred to above are likely to expand or shrink over the next few years. Examination of their levels over the past ten years shows little evidence of lasting trends. Bilateral emergency aid fluctuates according to needs between about USD 1.5 billion and USD 5 billion, and may well reach higher levels in 2005, following the devastating Indian Ocean tsunami at the end of 2004. General administration costs have crept up a little, but student subsidies have declined as some members, particularly among English-speaking countries, have increased foreign student tuition fees. The only large trend that looks likely to continue in the immediate future is a sharp rise in debt relief since 2001. This has been driven by the Enhanced Heavily Indebted Poor Countries (HIPC) initiative, which offers up to 90% forgiveness of poor countries' outstanding debts to both bilateral and multilateral creditors.

As of September 2004, debt-reduction packages had been approved for 27 of the roughly 40 countries initially targeted for HIPC assistance, amounting to USD 54 billion in total. The initiative was subject to a “sunset clause” which imposed a deadline by which eligible countries would need to adopt an IMF or IDA-supported programme that would qualify them for debt-reduction action. In September 2004 the sunset clause was extended for the fourth time, and is now due to expire at the end of 2006. This implies continued high levels of debt-forgiveness action by DAC members over the next two years, since more than half the total estimated costs of the HIPC initiative were in respect of countries that had not yet reached their “completion points” by August 2004.

Debt relief will also be further boosted by the action in favour of Iraq, which owes very large sums in commercial debt to several DAC members. Brief details are given in Chapter 4.

This discussion of debt relief is not intended in any way to minimise the value of the relief of excessive debt. Debt forgiveness, where it relates to debts which are being serviced, equates to a predictable and untied transfer over the life of the debt being serviced. In the 27 HIPC countries that have reached “completion point”, social sector spending increased between 1999 and 2003 from USD 5.8 billion to about USD 9.3 billion, not least as a result of

the use of resources that would otherwise have gone to creditors. Even where debts are not being serviced, there is some value in cleaning up the books, not least in positioning countries to benefit from new investment. But in interpreting the DAC figures, it is important to bear in mind that they do not equate to dollar-for-dollar real transfers to the countries concerned. This is for two reasons. First, as pointed out above, not all debts forgiven were being serviced. Secondly, DAC reporting conventions allow for the full stock of forgiven non-ODA debt to be shown in the ODA calculations at face value in a single year: the *flow* of debt relief typically takes place over a long period.

For the period to 2006, the highest priority must be for donors to deliver their Monterrey commitments, and for those donors which did not make such commitments, most of whom are in the lower part of DAC membership in terms of ODA/GNI performance, to build significant increases into their forward planning. Beyond 2006, if the estimates of aid requirements are to be met, there needs to be a significant further increase in ODA as traditionally provided and as measured by the DAC, particularly if proposals for non-conventional forms of aid, such as accessing bond markets (the International Finance Facility proposal) or new revenue-raising instruments (the proposals made by Presidents Chirac, Lagos, Lula and Zapatero in September 2004) do not deliver significant flows in the near future. In the light of the apparent success of the Monterrey commitments in mobilising additional ODA, a new set of targets for aid expenditure to perhaps 2010 would be a useful part of any decisions taken at or before the High-Level Session of the UN General Assembly in September 2005.

Such an approach would be facilitated by the welcome increase in the number of DAC members who have set out medium or long-term plans for expanding their aid programmes. A list of currently stated commitments is included in Table 1.1. Eleven countries – half of the DAC country membership – have either reached the 0.7% target or have set some kind of timetable for reaching it.

Delivery of these commitments would suggest that total ODA from DAC members should rise to USD 100 billion in 2003 terms by 2010, on reasonable hypotheses of economic growth. This would still fall below the estimated requirements already mentioned, particularly in the light of the differences of coverage.

To state the obvious, increases of this order will not be easy. They would imply for most DAC members that ODA would be among the fastest rising public expenditure programmes, year in and year out, for the next six years. Those DAC members with medium-term plans that mean a significant increase in aid as a proportion of GNI have indeed committed themselves to make aid one of their fastest-growing public expenditure programmes over the medium term. But in terms of aid as a share of GNI or of public expenditure, the average DAC level in 2010 would be no higher on average than in 1992.

However donors respond to the challenge, aid will remain a scarce commodity. How it is allocated and how it can be made as effective as possible are therefore two essential questions, to which I now turn.

Aid allocation

The way aid is allocated is one important element of its effectiveness in helping to achieve the Millennium Development Goals. Much evidence suggests that aid is particularly effective in sound policy environments, and that its leverage on the conditions of the poor will be greater if its allocation also reflects the distribution of the poor across

the world. In 2004, the *Development Co-operation Report* showed that, on average, DAC donors were increasing the proportion of their aid to better-performing countries (to about 70% to those countries in the highest two quintiles), and a DFID *Long-Term Poverty* report provided a new measure (discussed in Chapter 2) of how individual donors' aid allocations related to the distribution of poor people in the world. Putting both elements together, Dollar and Levin also produced in 2004 indices of aid selectivity that showed large differences among DAC members on both dimensions.³ Denmark, for example, showed a particularly high measure of selectivity on both poverty and policy, France a relatively low measure on both, and Japan a much stronger one on policy selectivity than on poverty selectivity.

As pointed out in last year's *Development Co-operation Report*, there are good reasons not to forget the need for assistance also to fragile states, which include some 500 million people, most of whom are living near or under the absolute poverty threshold of a dollar a day. Assistance to this group includes humanitarian aid, which is indeed concentrated on such states, but may also include a variety of other interventions, some of which may be very considerable, not least in the rehabilitation stage, as in Bosnia and Rwanda in the mid-1990s, or more recently in Sierra Leone, Afghanistan and Iraq. The level of ODA spending in Afghanistan, for example, rose from USD 0.4 billion in 2001 to USD 1.5 billion in 2003, and Iraq from USD 0.1 to USD 2.3 billion. Both will climb further. A significant proportion of this increase, particularly from the United States and Japan, would appear to be funds voted additionally to other planned aid interventions, though complete additionality is always hard to demonstrate.

Of course, neither on poverty nor on policy does the situation remain static. Some major recipients of aid, particularly in East Asia and notably China (which received an average of USD 1.4 billion in 2002-03), have been growing at a rapid rate, reducing poverty sharply and accumulating international reserves of a very considerable size. It seems hardly likely, despite the persistence of poverty in parts of the country, that China will benefit from increases even in gross ODA over the next few years: indeed net ODA to China (that is, taking account of China's rising repayments of past loans and credits) has already shrunk by 40% over the past five years and could well fall further in the medium term, not least as past IDA commitments reach closure. Aid to some other middle-income countries in east and south-east Asia such as Malaysia or Thailand has fallen even further, to less than a third of peak levels, and they are also unlikely to see increases in aid inflows. South Asia seems likely to remain a major user of international aid for a longer period, not least in view of the new Indian Government's decision to amend the policy of its predecessor which would have limited its donor community to about six main players. But some overall reduction in Asia's share of net ODA seems likely.

This analysis is consistent with the results of an admittedly partial survey of DAC members' plans for aid spending in 2006 carried out in late 2003, which suggested that the region most likely to benefit from increased aid flows in that year would be sub-Saharan Africa, also of course the region with furthest to go to approach the MDGs.

In general, however, the present geographical allocation of aid remains sub-optimal from the point of view of achieving the MDGs. Even if one excludes China and India from the calculation for the reasons given above, there appear to be substantial biases against larger countries and considerable scope for further concentration of aid on countries with the largest shares of absolute poor. A trend of greater concentration on poor countries is however observable and welcome, though it is important also to take account of the large amount of

poverty (about a quarter of all those under a dollar a day) in countries classified as Lower Middle Income. The issue of geographical allocation is discussed in more detail in Chapter 2.

In terms of sectoral allocation, last year's *Report* demonstrated the rise in the proportion of aid for some of the social sectors, notably health, and for governance-related expenditure, balanced by declines in funding of the productive sectors and several categories of infrastructure. It would be simplistic to assume that there is a straightforward match between, say, more spending on the health sector and better health outcomes, which certainly require also better education, clean water, sanitation, transport and empowerment of poor people and of women and mothers in particular. Analysis of Poverty Reduction Strategies and Medium-Term Expenditure Frameworks suggests that successful policies require a balance between categories of public and of private spending that can only be found at country level. This is very consistent both with the findings of the Millennium Project and with the work of DAC's own Poverty Network.

The same applies to the balance between capital and recurrent spending, where much history shows the unwisdom of capital investment with no attention to maintenance and operating costs. DAC figures do not however enable one to estimate with any precision the balance of donors' spending as between capital and recurrent costs.

It is even more difficult to assess the optimum balance between financial aid and technical co-operation. It is clear enough that capacity constraints exist in many developing countries to the rapid absorption of additional finance, something already being demonstrated as much greater funds flow at last into HIV/AIDS programmes. However, capacity constraints are neither exogenous nor static. Over time, capacity has demonstrably increased in many developing countries, even while it has fallen in some affected by brain drain and high incidence of AIDS. We remain short of a really good analysis of how donors' technical assistance programmes have responded to the evolving needs.

Aid effectiveness

Last but not least, let us consider the effectiveness with which aid is delivered. There is a wide measure of agreement between developing countries and donors that the present delivery mechanisms can be and need to be significantly improved. Most donor offices and their counterparts in the aid-receiving branches of recipient governments are working extremely hard to deliver and receive aid. Missions, co-ordination meetings, aid talks with donors individually or collectively, and the like take up vast amounts of time in countries where the capacity to handle large inflows of assistance is often weak. None of this is popular with the public in either recipient or donor countries, though some of it does reflect continuing concerns about accountability on the side of donor countries.

Two obvious channels for progress present themselves. The first is to consider some reduction in "donor fragmentation". World Bank analysis (*Global Monitoring Report*, 2004) suggests that on an index of 0-100, where the degree of fragmentation rises as the number of donors rises, as their aid shares become more equal, or both, fragmentation rose from about 56 in 1975 to about 67 in 1995, since when the figure has oscillated around this level. A number of DAC members are putting in place policies that are designed to limit significantly the number of focus countries, and this would seem a desirable development, so long as it does not increase the number of "donor orphans". A further measure in the same direction would be to increase significantly the flow of resources to major multilateral funds. As demonstrated in last year's *Report*, the multilateral share of aid has

changed very little (though its composition has) over the past 15 years. One might think that if the strong focus on multilateral effectiveness over that period has had any success, conditions should be ripe for a significant increase in the multilateral share, particularly if bilateral agencies become stretched by the challenge of delivering larger programmes, but last year's partial DAC analysis suggested that there would in fact be little change, at least to 2006. Donors should consider this issue further.

The second channel is to move forward aggressively on the harmonisation and alignment agenda agreed at the High-Level Forum in Rome in 2003. Donors and recipients will be taking stock of progress since Rome at the High-Level Forum in Paris in March 2005. Evidence from the field suggests that there is a considerable increase in common donor approaches in support of poverty-reduction strategies and the like, for example through budget and sector support, but that the approach still involves almost every individual actor wishing to participate in every decision. As long as this continues, the transaction costs, at least to donors, and very probably also to recipients, will remain high. Experience in Tanzania, one of the leaders in promoting more harmonised approaches, does however suggest that transaction costs to the recipient can be reduced by a combination of promoting less transaction-intensive forms of aid, such as budget support, clear government leadership, and the establishment of "quiet times" or mission-free periods at busy times of the host country's own decision-making cycle.

A counterpart to greater harmonisation, and to a sustained revival of more programmatic forms of assistance, has to be a clearer focus on results. As has been well observed, if donors are to move to less "accounting by inputs", there needs to be more robust "accounting for outputs", and ultimately for outcomes such as the MDGs. Appropriate principles were drafted at the MDB/DAC forum on Managing for Development Results held in Marrakesh in February 2004. There is an urgent need to progress on practical country-based action. This should be supported by a more collaborative approach among donor agencies to looking collectively at the results of collective endeavours. This should not mean complex and unwieldy multi-donor evaluations, but rather recipient-led evaluations with the support of perhaps one or two donor evaluation departments mandated to operate on behalf of the wider group. A similar approach is needed for audit, and it is encouraging that some donor audit agencies are indeed thinking in exactly these terms. With some fifteen donors jointly funding the budget of Mozambique, or a dozen the basic education sector in Bangladesh, for example, it is essential to find new and smarter ways of accounting collectively for results on a credible basis.

At the broader macro level, an important study by Clemens, Radelet and Bhavnani⁴ for the Center for Global Development finds that when aid flows are disaggregated, those elements intended to have an economic impact in the short term – especially budget support and aid to infrastructure and production – do in fact boost growth substantially. The growth effect of this "short-term aid" is found to be two to three times greater than has emerged from previous studies of aid as a whole. The paper is recent and it remains to be seen whether its detailed conclusions stand up to scrutiny. But it does raise useful questions for aid policy, in particular as to the appropriate balance between the long-term benefits of interventions in social services and the short-term growth impact of investments in agriculture, industry, communications and utilities. Relevant work is in hand in DAC's Poverty Network on the role of agriculture, infrastructure and private sector development in growth and poverty reduction.

Table 1.3. **Keeping the score**

Target for 2006	2002 baseline	Latest indicator (2003 unless otherwise shown)	Progress (+ or -)
Donors deliver at least USD 75 billion (at 2002 prices and exchange rates) in net disbursements	USD 57.6 billion	USD 59.2 billion	+
Proportion of ODA to LDCs and other low income countries rises significantly from proportion in 2002	Bilateral net ODA: 44% Total net ODA: 50%	Bilateral net ODA: 48% Total net ODA: 50%	+ ..
Higher share of ODA to countries with relatively good performance and large numbers of poor	Bilateral net ODA: 18% Total net ODA: 22%	Bilateral net ODA: 18% Total net ODA 21%	.. -
Well considered interventions in poor performing countries where effective transfers possible	n.a.	n.a. (to be assessed through qualitative means)	
Emergency and humanitarian relief is on a downtrend at least as a proportion of total aid	7%	9%	-
Higher proportion of aid is untied (Data are available for financial aid only; coverage limited)	Untied aid: 42.8% Tied aid: 7.6% Not reported: 49.6%)	Untied aid: 41% Tied aid: 3.6% Not reported: 55.3%	+ ²
Recipients expand provision of services but also raise domestic resource mobilisation by several percentage points	Public expenditure on health as % of GDP 2000: 2.7% ¹ Public expenditure on education as % of GDP 2000: 4.1% ¹ Current revenue as % of GDP 2000: 17.1% ¹	Public expenditure on health as % of GDP: 2001: 2.7% ¹ Public expenditure on education as % of GDP: 2001-2002: 3.8% ¹ Current revenue as % of GDP 2001: 16.4% ¹	.. - -
Much more aid clearly aligned to local priorities, programmes and systems, and shown in recipients budgets	n.a.	To be assessed from indicators to be set by Paris High-level Forum	
Indicators of harmonisation shows quantum leap from 2002-03 baseline	n.a.		
Bulk of increased flows involves genuine transfer of resources in balance of payments terms <i>Amounts shown at 2002 prices and exchange rates</i>	Maximum potential ODA through recipients' budgets USD 27.5 billion 48% of total net ODA <i>Memo in addition to above: Net debt relief: USD 5.4 billion</i>	Maximum potential ODA through recipients' budgets USD 25.9 billion 44% of total net ODA <i>Memo in addition to above: Net debt relief: USD 7.3 billion</i>	- +
TC expenditure demonstrably more efficient (including through more use of local or other southern skills) and more effective	n.a.		
Increased and more effective support beginning to be translated into more progress towards the harder-to-reach MDGs, not least in SSA.	n.a.	To be assessed from <i>Global Monitoring Report</i>	

1. Source World Development Indicators, 2003, 2004.

2. Ratio of untied to tied aid improving.

In the 2003 *Development Co-operation Report* I proposed 12 indicators of more effective aid, to be achieved by 2006. Table 1.3 provides a first look at progress based on data for 2003 and 2004.

Not surprisingly, progress in a single year is modest. Some indications are positive, but there is still much to do.

Notes

1. *Report of the High-Level Panel on Financing for Development* (“Zedillo Report”), United Nations, New York, 2001, and *Financing for Development*, prepared by the staff of the World Bank and the IMF for the Development Committee, 18 September 2001. These and other estimates of the costs of meeting MDGs were reviewed at pp. 74-78 of the 2001 edition of this Report.
2. While technical co-operation does not provide a financial transfer, about half of it, notably the provision of experts and consultants, does address capacity to meet the MDGs.
3. Dollar, D. and V. Levin (2004), “The Increasing Selectivity of Foreign Aid, 1984-2002”, *World Bank Policy Research Working Paper*, No. 3299, 6 May.
4. Clemens, M.A., S. Radelet and R. Bhavnani (2004), “Counting Chickens when they Hatch: The Short-term Effect of Aid on Growth”, Center for Global Development Working Paper No. 44, <http://ssrn.com/abstract=567241>, 12 July.

Chapter 2

Aid Allocations by Recipient

Aid receipts have risen steadily since their low point in 1997 and are now at their highest-ever real level. But the national income of most large aid recipient countries has also risen rapidly over recent years, leaving the ratio of aid receipts to developing world income little changed. Total aid inflows to recipient countries are fairly predictable from year to year, though greater certainty on medium-term commitments would assist recipients' budget planning. Small countries receive considerably more aid per capita than large ones, but it is generally only in Least Developed Countries that aid receipts represent a significant share of imports. As average developing country income rises, aid is increasingly concentrated on the poorest countries, which receive mainly grants, and relatively little technical co-operation. Evidence from a variety of sources suggests that better targeting of aid on cost-effective interventions in disease control, nutrition, agriculture and water supply would relieve human misery and contribute to the achievement of the Millennium Development Goals.

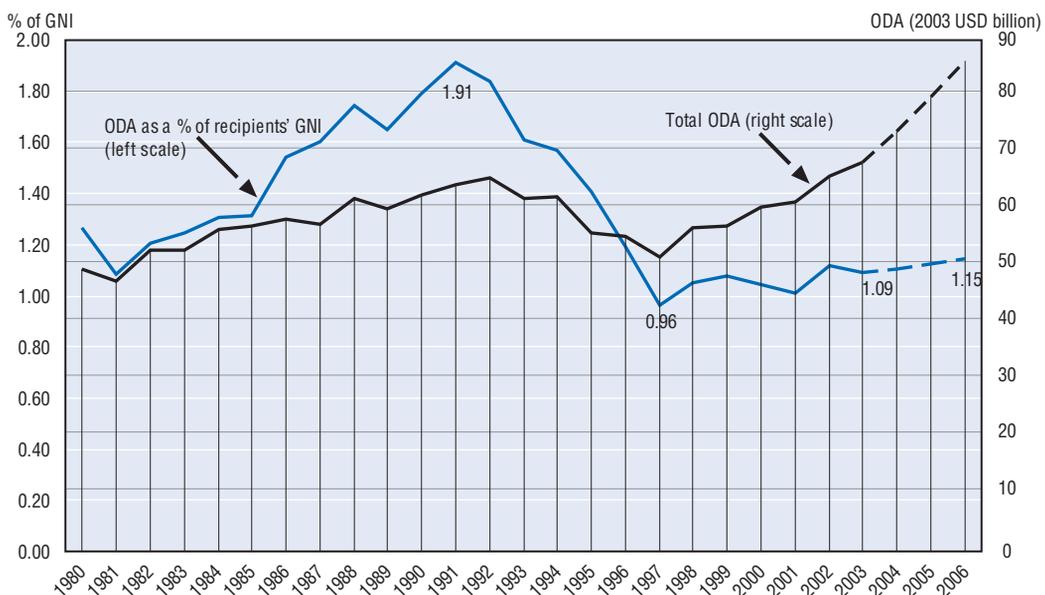
Introduction

This report usually analyses aid flows from the donors' standpoint. This is natural as the DAC is a donor grouping, and DAC statistics all come from donors. But aid inputs are only the beginning of the story. This chapter assesses how much aid developing countries can expect to receive, how predictable the flow will be, and whether poor countries are receiving their fair share. It also looks at how aid modalities are adapted to recipients' situations, and poses the question whether better targeting of aid on certain sectors and activities could improve development results. It includes a note on trade capacity building, a focus section on aid to water supply and sanitation, and an annex on remittances as development finance.

Overall aid volume and predictability

Figure 2.1 shows ODA both in real terms and as a percentage of recipients' national income since 1980, with projections for 2004-06 based on members' announced commitments. In real terms, total aid (official development assistance, or ODA) changes little from year to year. Over the medium term, however, there can be significant rises or falls. As previous editions of this report have shown, the major cause of these medium-term trends is economic conditions in donor countries. Thus it was the policies of fiscal consolidation in DAC member countries that led to the major fall in aid between 1992 and 1997, whereas the subsequent upturn coincided with lower fiscal deficits, or in some cases, surpluses.

Figure 2.1. Net ODA receipts rising again



Aid has, however, continued to rise in 2001-03, despite increasing budget pressure in DAC countries. In fact, aid reached its highest ever level in real terms in 2003, surpassing the previous peak at the end of the Cold War in the early 1990s. This reflects a renewed international commitment to aid, expressed in the broad acceptance of the aims of the 2000 Millennium Declaration, and by the specific undertakings on aid volume made at the Monterrey conference in 2002. Several studies have estimated that the cost of meeting the goals in the declaration will exceed Monterrey commitments. Nevertheless, donors' clear progress towards the Monterrey targets marks the first period since the 1970s during which targets set after consideration of recipients' needs have had a significant impact on aid volume.

The picture is rather different if one considers ODA as a share of recipients' economies. Here we see that the ratio of aid to recipients' national income has only recovered slightly from its low point in 1997. Even the substantial real aid increases projected to 2006 will only marginally raise the ODA receipts/GNI ratio.

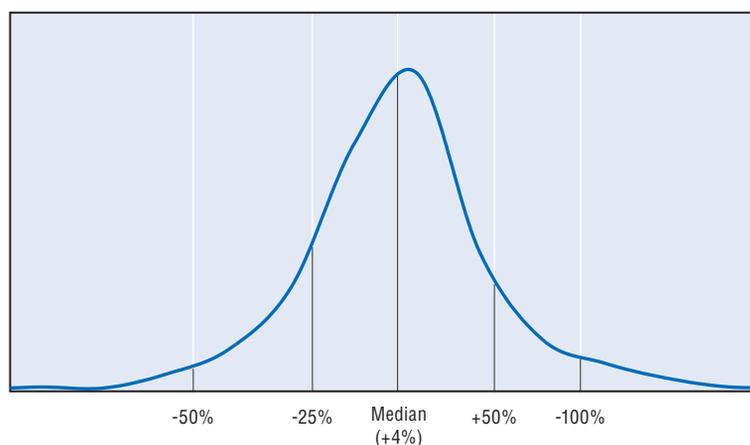
One should nevertheless be wary of making too pessimistic an interpretation of the ODA receipts/GNI trend. After all, the steepest rise in this indicator came during the 1980s, often seen as the "lost decade" for development. The rise then was, in fact, more the result of sluggish income growth in developing countries than of increased ODA. By contrast, the virtually flat trend in the ODA receipts/GNI ratio projected for 2002-06 reflects a combination of rising ODA and rising recipient GNI – especially in China, but also in India and other low-income countries.

Predictability at country level

From a recipient's viewpoint, the overall evolution of aid spending is less important than the year-to-year predictability of its own inflows. Forward programming of aid is vital for recipients' fiscal planning, and has always played a key role in the World Bank Consultative Groups and UNDP Round Table discussions of countries' development challenges.

Figure 2.2 shows how individual recipients' ODA varies from year to year. It is based on an examination of over 900 records of gross ODA inflows in real terms¹ from the years 1998 to 2002. On average, recipients experienced a 4% annual real increase in ODA per year. But the striking feature of the figure is that it shows how predictable aid is from one year to the

Figure 2.2. **Little year-to-year variation in ODA receipts at country level**



next. In 43% of cases, annual ODA was between 90 and 120% of the previous year's level. Only 13% of the time did ODA fall by more than 25% from one year to the next, and only 4% of the time did it fall by more than 50%. Even in these rare cases the fall is often predictable – resulting, for example, from a restriction of aid because of long-expressed governance concerns, or simply from the completion of a large project or relief operation.

These data have been analysed in more detail in the case of African recipients. As could be expected, volatility is lower in more stable countries and higher in those prone to crises or which are the subject of governance concerns. Thus, a substantial share of recipients experience year-to-year variations of ODA averaging only 10-20%, whereas the figure can rise to 50% or more for recipients suffering conflict or unrest. Details will appear in the forthcoming Mutual Review of Development Effectiveness which the DAC is preparing jointly with the UN Economic Commission for Africa.

While overall aid flows are reasonably predictable from year to year, the situation appears less encouraging at the level of programme-type assistance, particularly if the time frame is extended to cover three or five years. Here, donors' annual budget cycles may prevent them from giving firm multi-year commitments to recipients. The absence of such commitments undermines the credibility of recipients' medium-term budget planning, which is intended to provide the centrepiece for donor-supported Poverty Reduction Strategy Plans (PRSPs).

Aid per capita

As Box 2.1 explains, aid allocation formulas have long recognised the tendency to supply a minimum amount of aid to even the smallest recipients. This “small-country bias” also means that, as a general rule, aid plays a far more important role in the economies of smaller recipients than of larger ones.

For example, the combined aid receipts of countries with less than 10 million people each account, over the period 1998-2002, for about 30% of total aid receipts, even though these countries only account for 6% of the population of aid recipient countries as a whole. Looked at another way, the countries with a population of less than 10 million receive, on average, over USD 46 in net aid per head per year, whereas the countries whose populations exceed 10 million receive only USD 7 per head per year.²

Small-country bias is not quite so marked if one considers aid as a share of the economy. This is because small recipients, on average, are somewhat wealthier than large ones. Data gaps on small recipients' GNI preclude precise quantification, however, and in practice it is more instructive to compare the contribution of aid across regions.

Figure 2.3 shows that annual net aid in 2002 amounted to USD 28 per head in sub-Saharan Africa and over USD 20 per head in North Africa and the Middle East. Between them, these regions accounted for almost half of total ODA, although their combined populations amount to only just over 1 billion out of a total developing world population of 5 billion. The level of per capita receipts varies considerably within these regions, with a relatively small number of countries accounting for a surprisingly high share of the total. For example, Côte d'Ivoire, Ethiopia, Mozambique and Tanzania between them accounted for over 30% of total net ODA to the 50 countries in sub-Saharan Africa in 2002, while Egypt accounted for over 40% of flows to North Africa, and the Palestinian Administered Areas accounted for a similar share of ODA to the Middle East.³

Per capita ODA is correspondingly lower in other major developing regions; it is only USD 6 per head in South and Central Asia, the total population of which is larger than that

Box 2.1. Aid allocation formulas

Many attempts have been made to look beyond the year-to-year fluctuations of aid and to predict the average level of aid by recipient country from first principles.

One of the early efforts in this direction was published in the 1969 edition of this report. Observing “a marked tendency for each recipient country to receive a minimum amount, regardless of its size, plus a certain amount related to the size of its population”,¹ it calculated an allocation formula based on a minimum amount per recipient country plus a flat amount for each inhabitant. While noting that this was an *ex post* phenomenon, rather than the result of policy, it pointed out that the formula was noteworthy because of the “high degree to which it provides a statistical explanation of distribution”.²

Informal work on allocation formulas continued for some years and more sophisticated formulas were developed that took account not only of population, but also of historical ties, commercial interests, geographic proximity, poverty and other factors to predict net ODA. Some were surprisingly accurate, but this very accuracy pointed to a fundamental tension between the descriptive and normative functions of such formulas. The more successful they were at predicting actual aid levels, the less useful they could be in suggesting desirable changes in those levels. On the other hand, where formulas were developed based on policy desiderata, their results diverged so widely from actual aid levels as merely to demonstrate that the donors concerned did not follow the desiderata.

Subsequent work has never satisfactorily resolved this tension. A recent review drew attention to it again and also highlighted the ambiguities and subjectivity that are unavoidable in aid allocation formulas.³ Should aid be allocated mainly according to need, or mainly according to its likely impact? Should countries with “good policies” be rewarded, or should attention focus on crisis countries where human misery is most extreme? Should it consider the number of poor people in a country, or the average level of income? Should poverty reduction be the only aim, or do political and security concerns have a legitimate role? Recent aid allocation proposals give a surprising variety of answers to these questions, and there is a corresponding divergence of views on how aid might be redirected. A later section of this chapter briefly examines suggestions that have been made concerning the poverty focus of aid.

1. *Development Assistance, 1969 Review*, OECD, Paris, p. 178.

2. *Ibid.*

3. Cf. M. McGillivray (2004), “Descriptive and Prescriptive Analyses of Aid Allocation: Approaches, Issues and Consequences”, *International Review of Economics and Financing*, Vol. 13, No. 3, pp. 275-292.

of Africa and the Middle East combined. Small country bias is evident in the fact that on average, recipients in Oceania receive over USD 80 in annual aid per head. Redistributing this aid to more populous regions would, however, make little difference to them, as Oceania accounts for less than 2% of total net ODA receipts.

The only recipient region in which real per capita aid significantly increased over the past decade was Europe. This was primarily driven by humanitarian aid to the states of the former Yugoslavia, but there were also substantial amounts of aid to Albania. Help to the former Soviet bloc states, which started around 1990 and is not technically reckoned as ODA, concentrated mainly on debt relief and technical co-operation. As Figure 2.4 shows, ODA to Europe peaked in 2002 with exceptionally high aid to Bosnia and Herzegovina, Serbia and Montenegro (including Kosovo) and Turkey.

Figure 2.3. ODA per capita varies widely between regions

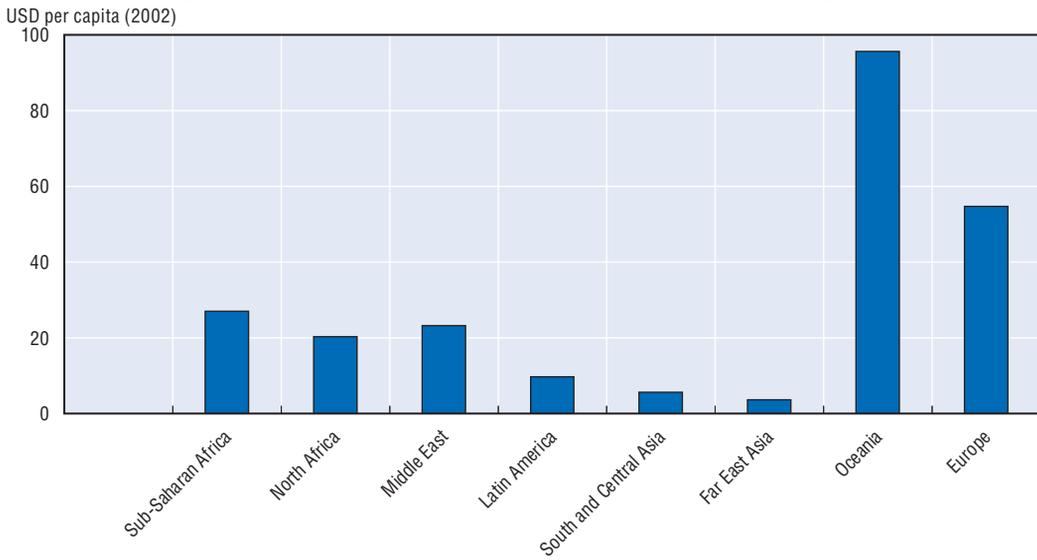
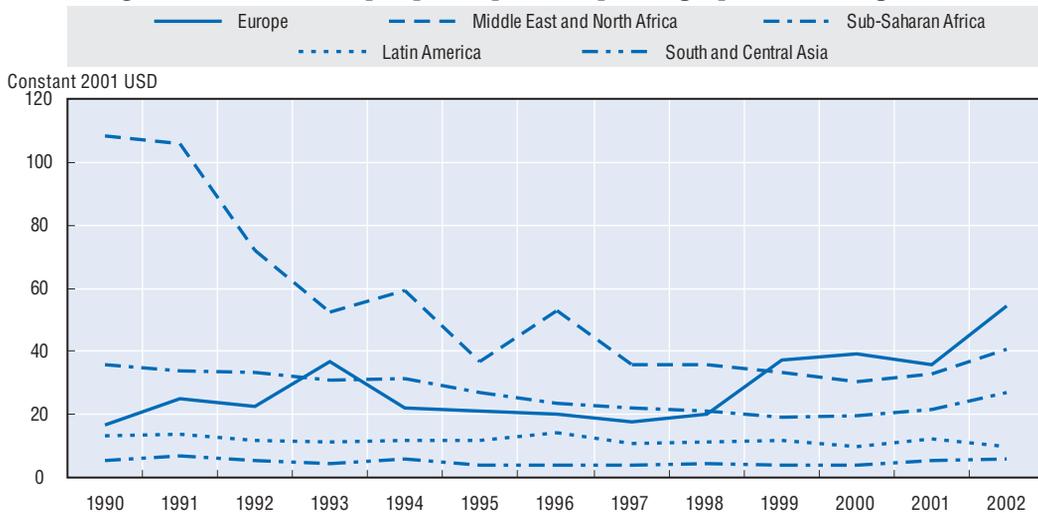
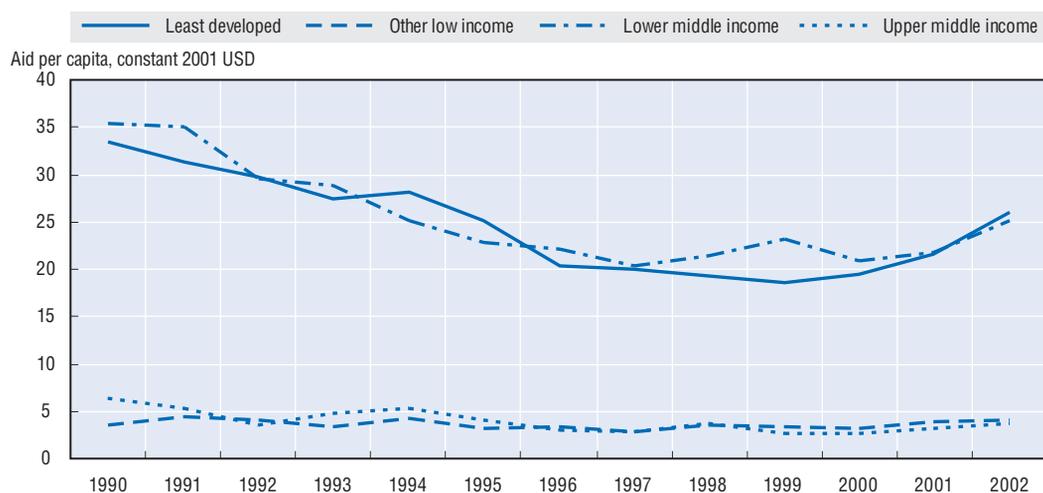


Figure 2.4. ODA receipts per capita are picking up in most regions



Aid per capita fell substantially in most other regions over the past decade. Net annual real ODA to Africa fell by USD 17 per head between 1990-91 and 2001-02. The fall was even larger for the Middle East and North Africa, but this was from an unusually high starting point, caused by exceptional debt relief to the countries of the region at the time of the first Gulf War. Aid to Latin America and South and Central Asia also fell slightly over the period, but from much lower bases. Even the 41 so-called Heavily Indebted Poor Countries (HIPC), which have benefited from accelerated debt reduction over the past few years, still received nearly USD 9 less per head per year in 2001-02 than 11 years before. The latest data are discussed in Chapter 4.

Figure 2.5. **Small countries receive more aid per capita**

Aid per capita can also be considered according to the income groups of recipients (Figure 2.5). This brings out a little more clearly the long slide and recent recovery in aid levels. It also produces a rather striking pattern, with Least Developed and Lower Middle Income countries both consistently receiving about five times as much per head as the Other Low Income and Upper Middle Income countries. The receipts of the Other Low Income countries are thus anomalously low, in the sense that those countries are poorer than the Lower Middle Income countries. The Other Low Income group, however, includes very large countries such as China, India and Indonesia that have relatively diverse and increasingly dynamic economies.⁴ Their aid receipts, while large in absolute dollars, are tiny in per capita terms.

The weight of aid in recipients' economies

As Figure 2.1 showed, total ODA volume peaked in 1992, fell to 1997, and recovered by 2003 to surpass its 1992 level. Over this period, however, recipients' economies have expanded considerably – by an average of over 40% in real terms. Thus, the recent recovery still leaves aid at a level where it is making a significantly smaller financial contribution to recipients' economies than was the case in the early 1990s. The only major region where aid still makes a major contribution to recipients' national income is sub-Saharan Africa, and even here, the aid/GNI ratio has declined significantly over the past decade.

The same general point could be made in regard to aid as a share of recipients' budgets, since government outlays as a share of developing countries' economies have changed little over the period. But it remains unclear whether there is any trend in the share of aid actually reaching recipients' budgets. The announced intention of several donors to provide more aid in the form of budget and sector support should improve recipients' control over aid, but it is difficult to discern this in the statistics as they are currently constructed. Current collaborative work between the DAC and the Strategic Partnership for Africa aimed at improving the predictability and budgetary programming of aid suggests that only a minority of aid reaches recipients' budgets. See Table 2.1, which presents some initial findings by income group. This can, of course, be no more than an impressionistic assessment, given the difficulties of categorisation of the flows involved.

Table 2.1. **Estimating ODA transfers available to recipient government budgets**

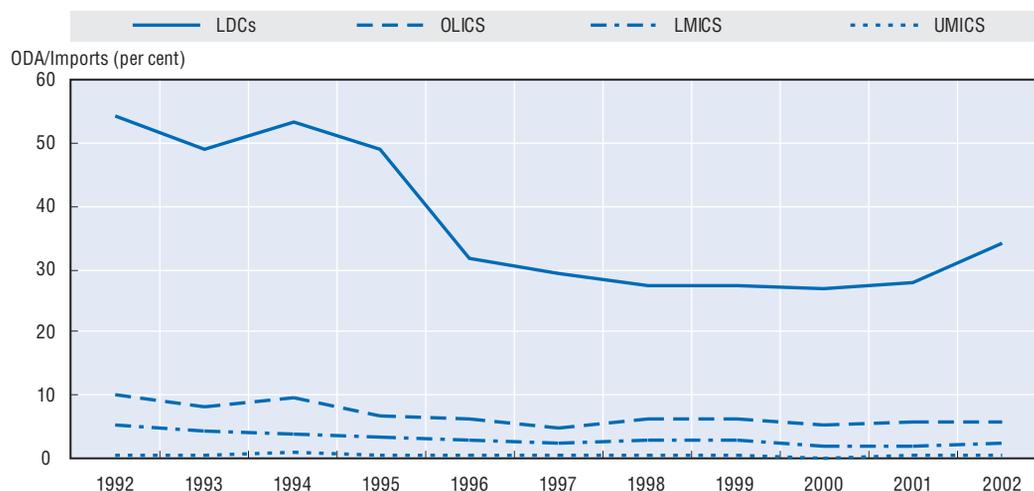
2002-03 average, USD billion

	All developing countries ¹		of which:	
			LICs (incl. LDCs)	MICs
ODA grants	(1)	41.7	25.0	16.7
Gross ODA loans	(2)	19.7	13.3	6.3
Gross ODA (1) + (2)	(3)	61.4	38.4	23.0
of which: <i>Technical co-operation</i> ²	(4)	14.2	6.8	7.4
<i>Developmental food aid</i>	(5)	1.3	1.0	0.3
<i>Emergency aid</i>	(6)	4.4	3.1	1.2
<i>Grants for debt forgiveness</i>	(7)	7.2	5.8	1.4
<i>ODA channelled through NGOs</i>	(8)	1.9	1.0	0.9
Maximum gross ODA paid into gov. budgets				
(3) – (4) – (5) – (6) – (7) – (8)	(9)	32.5	20.7	11.8
<i>Principal repayments actually made</i>	(10)	-11.2	-5.2	-5.9
<i>Interest repayments</i>	(11)	-3.9	-1.8	-2.2
Maximum net transfer of ODA to gov. budgets				
(9) + (10) + (11)	(12)	17.4	13.7	3.7
Percentage of gross ODA (12)/(3)		28%	39%	18%

1. Excluding amounts unallocated by country.

2. Technical co-operation reporting varies between donors. Work is underway to harmonise its coverage.

Trends in the contribution of aid to recipients' balance of payments positions vary according to one's point of reference. On the one hand, freer world trade has increased the volume of imports and exports, even as a share of recipients' growing economies. In this sense, aid's importance to recipients' balance of payments has declined even faster than its contribution to their budgets (see Figure 2.6). On the other hand, the merchandise trade balances of developing countries have generally improved over the past decade, so that the same real level of aid represents a larger share of whatever gap remains between imports and exports. Regardless of the point of comparison, Figure 2.6 shows that, as a general rule, aid is only significant as a share of trade flows in the case of the least developed countries.

Figure 2.6. **ODA is a substantial share of imports in least developed countries**

Even in the next poorest group, the other low-income countries, imports are now nearly 20 times larger than net ODA inflows.

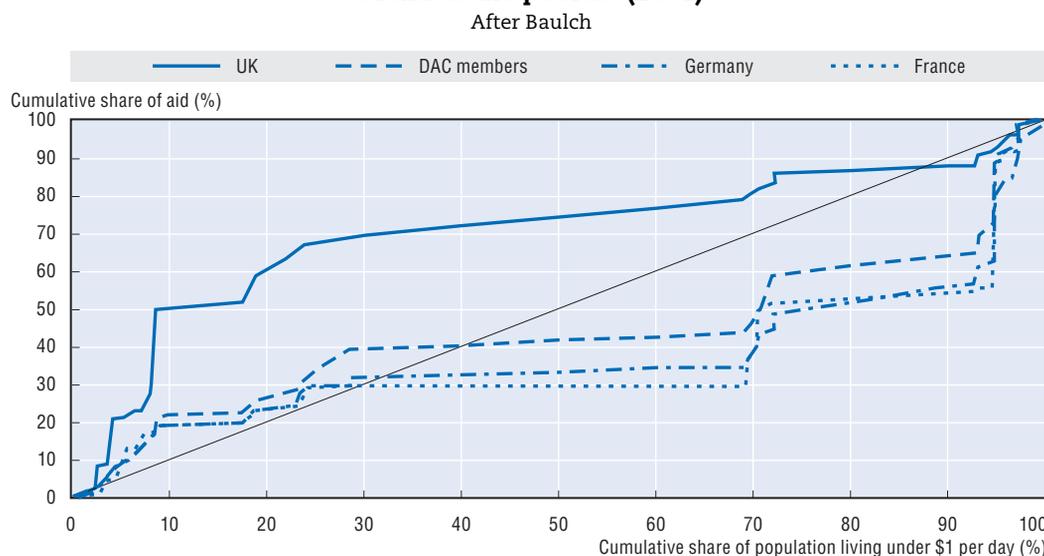
The poverty focus of aid

This is a perennial topic, on which there is a huge literature. Here we flag some recent work on questions related to whether the distribution of aid is conducive to poverty reduction.

As Figure 2.5 shows, aid per capita does not decrease linearly as the per capita income of recipients increases. The major disturbing factor is country population, with small recipients receiving much more, on average, than large countries with similar per capita incomes.

However, income per capita is a rather crude measure of poverty. In recent years, many inter-country comparisons in this field have instead been made on the basis of World Bank estimates of the numbers of persons living on under one or under two “international dollars” a day. Figure 2.7 is taken from one such study.

Figure 2.7. **Aid concentration curves show varying donor shares of aid to the poorest (2001)**



Source: Bob Baulch, “Aid for the Poorest?: The distribution and maldistribution of international development assistance”, *Chronic Poverty Research Centre Working Paper No. 35*, Manchester, 2003.

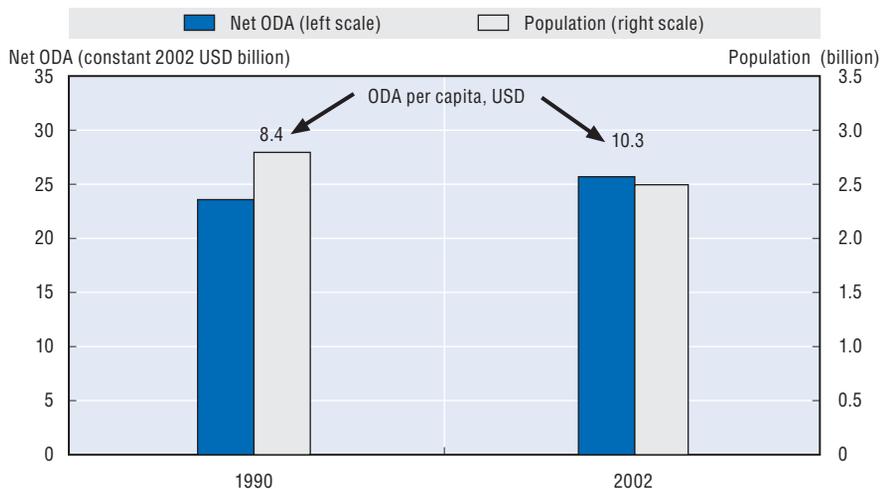
The figure compares cumulative shares of aid with cumulative shares of the population living on under a dollar a day. If aid were allocated exactly in proportion to the numbers of poor people in each country, then the curve for each donor would follow the diagonal. Curves running above the diagonal mean that poorer countries, which are counted first moving from left to right, are receiving more aid than their proportional share of poor people – in other words, that aid favours the poorest.

The curves shown in Figure 2.7 for selected donors appear to show that the aid concentration curve of the United Kingdom is “broadly progressive [...] in that they [the

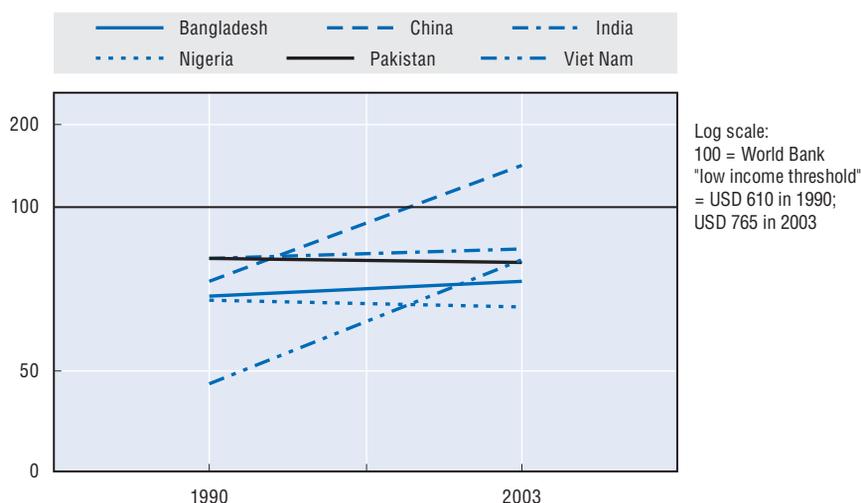
United Kingdom] give large amounts of aid (relative to their numbers of poor people) to a number of poor African countries, such as Ghana, Mozambique and Tanzania”.⁵ The same verdict generally applies to the Nordic countries and the Netherlands. However, since the largest donors – the United States, Japan, France and Germany – give somewhat more aid to middle-income countries, the curve for DAC countries as a whole is “moderately regressive”. This does not mean that aid is skewed away from poor countries: rather, it means that it is not allocated in full proportion to the large share of people living in absolute poverty in those countries.⁶

There is considerable debate as to whether the poverty focus of aid has sharpened over the years. Some studies have pointed to evidence that ODA to the poorest countries has fallen since 1990. But such analyses often fail to allow for important changes in income levels of recipients over recent years. For example, as Figure 2.8 shows, total aid to low-income countries rose a little in real terms between 1990 and 2002, while the total population of the countries in the group fell. Thus aid per capita to low-income countries as a whole actually rose by more than 20% over the period, once one adjusts for the changing composition of the group.

Figure 2.8. **More aid per capita to a declining number of poor countries**

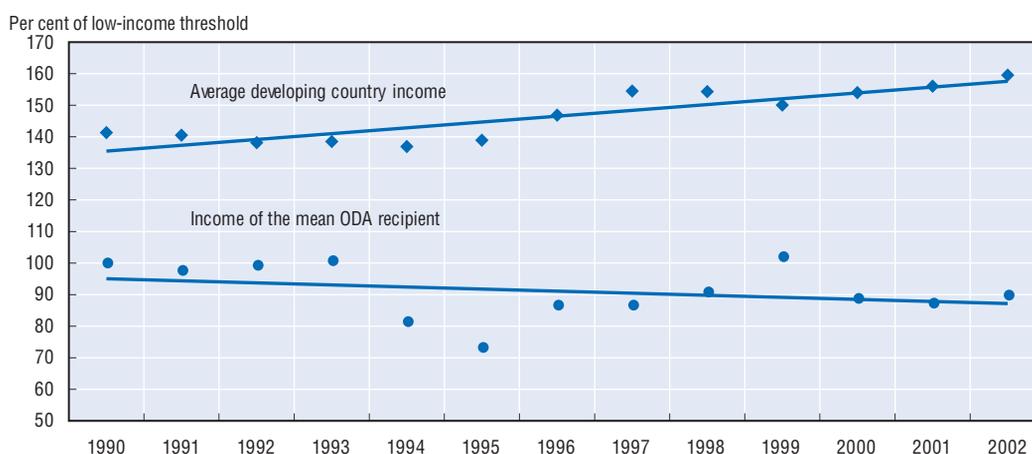


This result arises partly from the fact that China passed from the low-income to the lower-middle income category over the period, which more than compensated both for population increase in other low-income countries and for additions to the low-income group, which came mainly from among the Asian successor states of the former Soviet Union. But the rise in per capita income in poor countries is not confined to China. Over the past decade, a new middle class has emerged in the Indian sub-continent as well as in the poorer countries in south-east Asia. Of the six largest low-income countries in 1990, two (China and Viet Nam) more than doubled their real per capita income by 2003. Two more (India and Bangladesh) raised real per capita income by around 10%. The only two falls (in Nigeria and Pakistan) were both less than 5% (Figure 2.9). Thus, on the whole, the relative need for aid in large poor countries has fallen.

Figure 2.9. **Real per capita income rising in large poor countries**

So ODA to poor countries has risen somewhat while some of the largest poor countries have experienced rising income. But has the share of aid going to poor countries risen or fallen? Figure 2.10 offers a simple global measure of the poverty concentration of aid over the past decade. The upper line shows the average per capita income in developing countries. The lower line shows the per capita income of the median aid recipient, i.e. the income level at the point where the middle dollar of aid was received, counting from the richest to the poorest recipient countries.⁷ As in Figure 2.9, the lines are normalised to the low-income country threshold so as to measure real movements after allowing for inflation and exchange rate changes. The figure shows that while the average per capita income of potential aid recipients has risen by some 15% since 1990, the median dollar of aid now goes to a slightly poorer recipient than it did then.

Some studies argue that the poverty focus of aid should be further sharpened by increasing aid to sub-Saharan Africa where needs are greatest, or to the large poor

Figure 2.10. **Aid is going to poorer countries as average developing country income rises**

countries that, as Baulch showed (Figure 2.7) are receiving less than their share of the very poor would suggest. Leaders of G8 countries meeting in Kananaskis, Alberta in 2002 envisaged spending more than half of future additional aid on African recipients, “assuming strong African policy commitments”, and the United States’ Millennium Challenge Account, among other donor initiatives, has “rewarding good policies” in poor countries as a key principle. But while few would dispute the general desirability of greater poverty focus, some practical reservations also apply, including:

- There are major obstacles to delivering aid to the poor countries that still need it most. As previous editions of this report have pointed out, some states in sub-Saharan Africa have become so lawless and chaotic that it is difficult even to deliver emergency aid, let alone pursue development projects.
- Countries higher up the income scale may have legitimate and urgent needs for aid. These needs may arise from natural calamities – for example, Central America after Hurricane Mitch in 1998 and Turkey after the earthquakes of 1999 – or post-conflict reconstruction (Afghanistan, Iraq, Yugoslavia).
- As shown above, some of the largest poor recipients have shown that, despite low aid per capita, they can achieve impressive growth performances by opening their economies to the dynamics of global trade and investment.

The general conclusion is that, despite the new demands on aid from transition economies, the concentration of aid on poor countries has actually increased somewhat over the last decade. While a further sharpening of the poverty focus might be desirable, aid can only be as effective as conditions and policies in the recipient countries allow, and should not try to compete with private investment.

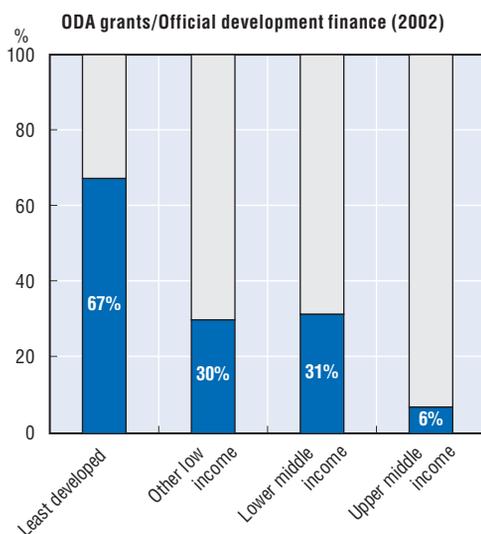
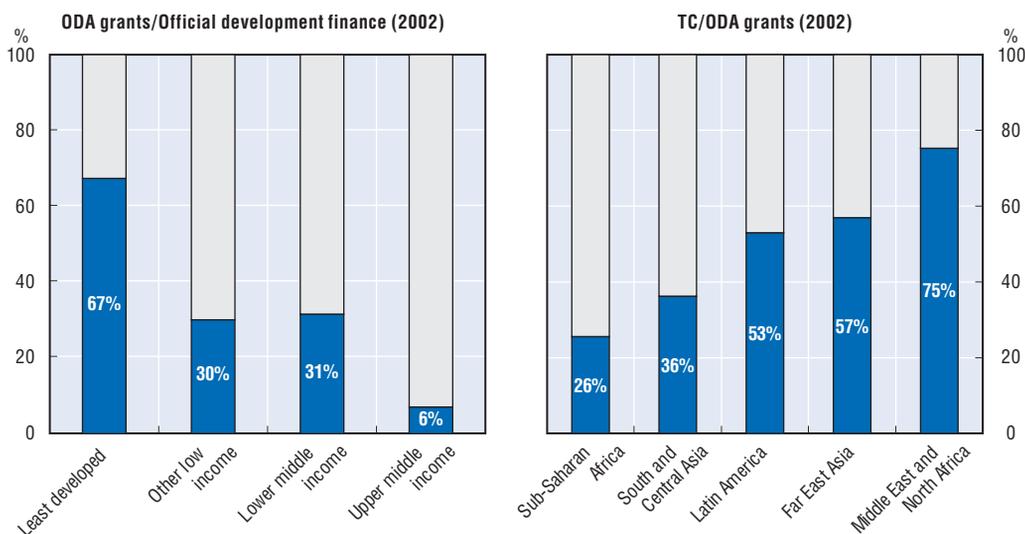
Forms and types of aid by recipient

Different types of aid respond to different development situations. Donors adjust the concessionality and form of their aid to recipients’ capacities and situations.

This can be seen first in the shares of grants and loans received by different categories of recipients. Poorer countries, especially those with limited export potential, receive mainly grants, with better-off recipients receiving progressively higher shares of loans. Figure 2.11 illustrates this. It takes account not only of loans that are sufficiently concessional to qualify as ODA, but also of other official loans, including those from multilateral agencies like the World Bank, that are targeted on development activities.⁸

The appropriate role of loans in development assistance has long been debated. In the 1960s and 1970s, the DAC set a series of targets to raise the grant element of total ODA, which can be achieved either by reducing the share of loans or by softening their terms. Further pressure on loan programmes arose after the 1982 Mexican debt crisis focused attention on the financial sustainability of lending to developing countries, and several DAC members wound up their ODA lending over the succeeding years. But a number of major donors, led by France, Germany and Japan, have continued with ODA loans. They believe that the discipline of loan repayment sharpens the focus on the cost/benefit of prospective projects, and provides an incentive to ensure that the funds are used effectively.

Types of aid are also adjusted to meet recipients’ situations. Poorer countries have urgent needs for infrastructure which cannot be met from domestic resources or international borrowing, so aid for capital projects plays a relatively important role. In better-off recipients, aid tends to shift towards meeting needs for skilled manpower. Thus

Figure 2.11. **The poorest countries mainly receive ODA grants**Figure 2.12. **Technical co-operation focuses on more advanced recipients**

we see a progressive increase in the share of technical co-operation in aid grants as we move up the income scale of recipients (see Figure 2.12). As Chapter 1 points out, technical co-operation does not involve a financial transfer, and has generally not been included in estimates of funding requirements to meet the Millennium Development Goals. However, it appears that since the goals focus primarily on basic needs in poor countries, the call on additional technical co-operation may be modest.

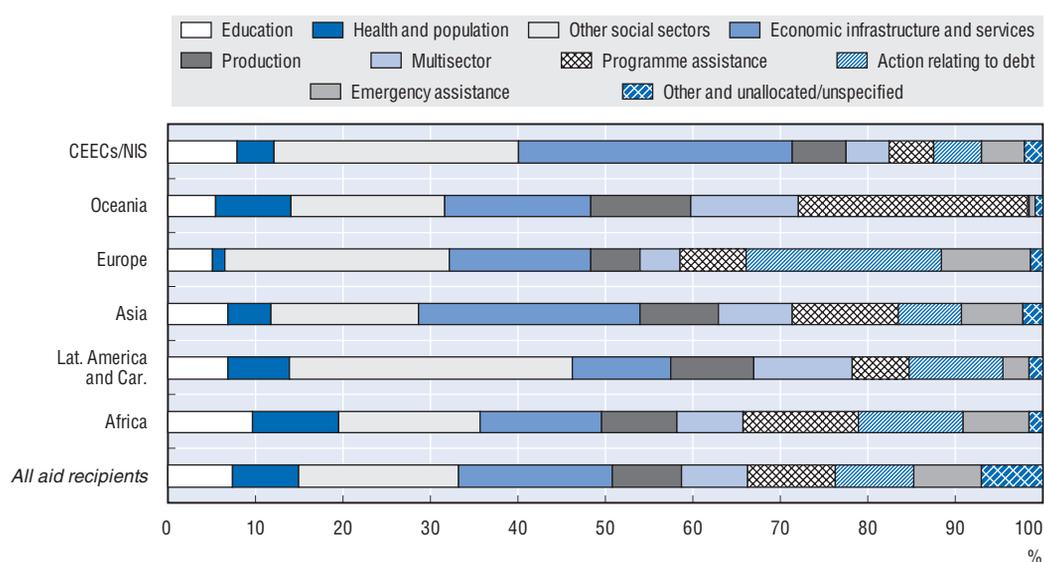
Aid sectors and activities

There is also some variation in aid sectors between recipient regions. Aid to economic infrastructure is more significant in programmes to aid recipients in Asia and (south-east) Europe, whereas social sectors are more prominent in aid to Africa (Figure 2.13). On the whole, however, the sectoral distribution of aid is rather homogenous, even at the level of individual developing countries, with most receiving a broad range of assistance in social, infrastructure and production sectors.

Are the sectors and the specific interventions currently financed by aid likely to produce the best development outcomes? Given the prospect of considerably increased aid flows over the next few years, what would be the most productive use of the extra funds?

Fresh approaches to this question have recently come from a number of quarters. The MDGs discussed in the next chapter are an important benchmark. In addition to addressing poverty reduction, they concentrate on improving basic health and education, especially through primary health care, clean water supply and primary schooling. But the MDGs also include many ancillary targets, and there is no ranking according to either the seriousness of the problems or the likely cost-benefit of the interventions available to achieve them.

One attempt to fill this gap in prioritisation is the so-called Copenhagen Consensus. Eight leading economists from around the world met in Copenhagen in June 2004 to

Figure 2.13. **Substantial regional variation in sectors of aid (2002)**

consider expert papers on over 30 specific proposals for spending a notional additional USD 50 billion in global resources. The group decided that, based on feasibility and cost-effectiveness, nine interventions could be rated as either good or very good. These are set out in Table 2.2 below according to traditional aid sectors, together with DAC data on relevant ODA commitments in 2002.

Table 2.2. **Commitments to sectors targeted by “Copenhagen Consensus” proposals**

	2002 ODA commitments, millions of USD		
	Commitments to the sector	% of total sector allocable ODA	% of total ODA
Health			
HIV/AIDS control ¹	2 178	5.5%	3.5%
Malaria control	392	1.0%	0.6%
Nutrition and Agriculture			
Providing micro nutrients	74	0.2%	0.1%
Developing new agricultural technologies and Research on water productivity in food production	178	0.5%	0.3%
Water Supply and Sanitation			
Small scale water technology for livelihoods	606	1.5%	1.0%
Community managed water supply and sanitation	310	0.8%	0.5%
Governance			
Trade liberalisation ²	557	1.4%	0.9%
Lowering the costs of starting a business	713	1.8%	1.2%
Total	5 008	12.7%	8.1%

1. Average annual commitments 2000-02.

2. Data relate to aid to trade liberalisation in developing countries only. Several initiatives are under way to increase this aid, as Box 2.2 shows.

Box 2.2. Trade-related technical assistance and capacity building

Bilateral donors and multilateral agencies significantly increased their aid commitments for trade-related technical assistance and capacity building (TRTA/CB) in 2003, year of the 5th WTO Ministerial Conference. Commitments to activities aimed at supporting beneficiary countries in the area of *trade policy and regulations* increased by 48% to reach almost USD 1 billion in 2003, while the volume of aid committed to *trade development* rose by 34%, to almost USD 1.8 billion.¹ In addition to these TRTA/CB activities, donors and agencies committed over USD 8 billion to support economic infrastructure – transport, energy and telecommunications – which is essential for international trade.

The share of TRTA/CB in total aid commitments also progressed, from 3.6% in 2002 to 4.2% in 2003.² Within *trade policy and regulations*, the categories for which assistance rose most in 2003 were technical barriers to trade and sanitary and phytosanitary standards; trade mainstreaming in development plans, and trade facilitation. Within aid to *trade development*, support increased most significantly for trade promotion in industrial and agricultural sectors and for market development in the industry and service sectors.

Bilateral and multilateral agencies increased their funding to multilateral trust funds and programmes – such as the Doha Development Agenda Trust Fund (DDAGTF), the Integrated Framework and the JITAP – by 24% between 2002 and 2003. This is consistent with the commitments made in the framework of the Doha Declaration to increase longer-term funding and co-ordination.³ Donors also focused a greater share of their assistance on Least Developed Countries (LDCs), the income group that benefited the most from the recent increase in TRTA/CB. In 2003, LDCs represented 40% of total commitments for support to *trade policy and regulations* – in line with their share of total aid – and 27% of commitments for support to *trade development*.

The TRTA/CB Survey conducted by the DAC Secretariat confirms that bilateral donors and multilateral agencies have become much more active in TRTA/CB over the last few years, particularly since the Doha Ministerial Meeting (November 2001). This increased activity is not only reflected in increased funding for TRTA/CB, but also in the number of donors or agencies with explicit strategies for TRTA/CB; enhanced awareness among donors of the importance of TRTA/CB for development and poverty reduction; and the strengthened, and sometimes institutionalised, dialogue between development and trade practitioners.

In addition, several donors and agencies have recently embarked on ambitious reviews of their own bilateral TRTA/CB programmes and their participation in multilateral programmes, in order to assess the effectiveness of their TRTA/CB activities and strategies. Many challenges, however, exist in monitoring and assessing mid- and long-term results of donor-funded TRTA/CB, due to, among other things, the lack of baseline data, attribution problems, time lags and problems in assessing often intangible institutional changes. The DAC has recently initiated collaborative work on this issue in order to address some of these challenges and help donors and agencies share lessons learnt regarding effectiveness of TRTA/CB.

Box 2.2. Trade capacity building (cont.)

Overall, donors and agencies perceive TRTA/CB as an important means – alongside market access and complementary domestic policy reforms – to promote greater participation of developing countries in the multilateral trading system and the world economy, in line with poverty-reduction and development strategies. Multilateral agencies and multidonor schemes – such as the Integrated Framework for Trade-Related Technical Assistance to LDCs, and the Joint Integrated Technical Assistance Programme – are the main TRTA/CB channel for many donors, though some of the larger ones also have substantial bilateral programmes. There are also efforts under way to put more emphasis on trade in donors’ bilateral country-programme processes, but the outcome depends on the priorities of the partner countries.

1. *Trade policy and regulations*: include support to aid recipients’ effective participation in multilateral trade negotiations; analysis and implementation of multilateral trade agreements; mainstreaming of trade strategies and policies in broader development or poverty-reduction plans; understanding, complying and participating in the setting of technical barriers to trade and sanitary and phytosanitary standards; trade facilitation, including simplification of tariff structures and support to customs departments; support to regional trade arrangements and (general) human resources development in trade. *Trade development* covers business development and activities aimed at improving the business climate, access to trade finance, and trade promotion in the productive sectors (agriculture, forestry, fishing, industry, mining, tourism, services), at the institutional and enterprise level.
2. OECD estimate, calculated as shares of sector-allocable Official Development Assistance (ODA).
3. This is also in line with similar commitments made in the frame of the Monterrey Consensus (2002) and in the Rome Declaration on Harmonisation (2003).

Source: 2004 WTO/OECD Joint Report on Trade Related Technical Assistance and Capacity Building (www.oecd.org/dac/trade/); Trade Capacity Building Database (<http://tcdb.wto.org>).

In several cases, only a broad statistical category is available to indicate the level of aid flows to the sector of the interventions proposed. Thus, if anything, the amounts shown are overestimates. Yet total aid committed to these nine top priorities is only one-eighth of sector-allocable assistance, and only one-twelfth of total bilateral ODA. While any list of priorities is open to debate, and the Copenhagen Consensus was not specifically designed as an aid allocation blueprint, the general impression is that considerably more funds could be allocated productively to a number of acute development problems that have a direct bearing on poverty. Similar conclusions are emerging from the UN’s Millennium Project, which has identified key “clusters” of challenges in health, nutrition, agriculture, water supply and governance that need increased aid funding if the ambitions of the MDGs are to be reached. The choice among these priorities will, of course, have to be determined at national level.

The view that key interventions to reduce poverty are underfunded is reinforced specifically by recent DAC work on aid to the water sector (see Special Focus section). It emerges that, although the total allocation to the water sector is substantial, it has not increased in line with the recent recovery in overall aid levels. More seriously still, many poor recipients with low rates of access to clean water and sanitation receive little or no assistance in this sector.

Another DAC study on aid to HIV/AIDS control and treatment showed a more encouraging trend in aid to combat this disease, and it is now receiving about 60% of the financing flowing from the Global Fund to Fight AIDS, Tuberculosis and Malaria. There are concerns, however, that this leaves little remaining to boost aid to fight the other two major diseases covered. Moreover, health in the developing world is also threatened by many other infectious diseases, some of which “have been progressively marginalised by

research programmes in both private and public sectors. These ‘neglected diseases’, such as leishmaniasis, trypanosomiasis and Chagas disease have a devastating impact on the world’s poor – but because they affect only the poor, they do not constitute a market lucrative enough to attract investment in research and development of new drugs”.⁹

The problem of neglected diseases is further evidence of room for improvement in the poverty focus of aid at the activity and sectoral levels. It is also a reminder that aid cannot do everything. Progress against such diseases, as with progress in developing more nutritious staple crops, depends heavily on harnessing technical know-how in the private sector, *e.g.* through public-private partnerships, and on the capacities and policies of developing countries themselves. Aid may be able to play a catalytic role. But its final effectiveness will depend on how well it is integrated with private actors, with recipient policies and administrations, and with the dynamic economic forces that have already lifted hundreds of millions of people out of poverty over the last decade.

Notes

1. The figure is based on gross ODA from all donors, except for debt relief, which does not generate new financial transfers. Flows are measured in volume terms, *i.e.* at constant prices and exchange rates.
2. Based on total net ODA or OA receipts from all sources 1998-2002; population taken as at mid-2002.
3. Aid to Israel is no longer counted as ODA, and so is not included in these data. In 2002, net aid to Israel was USD 754 million, compared with USD 1 616 million to the Palestinian Administered Areas; the latter figure is, however, exceptional, being approximately double the average level in recent years.
4. Figure 2.5 is based on income groups determined by 1998 per capita income, as used elsewhere in this volume, except for Figure 2.8. By 2003, several of the countries that were classified as low income in 1998 had graduated to the lower-middle income group (Armenia, China, Honduras, Indonesia). Their aid receipts had declined accordingly.
5. *Ibid.*, p. 9.
6. *Ibid.*, p. 5. Note that the shape of the curves is determined by the order in which the recipients are taken from right to left, in this case, per capita income on a purchasing power basis. The curves would be different had the countries been taken in another order, *e.g.* share of population living on under a dollar a day. All the curves show the small-country bias of aid already noted. The long straight lines in each curve represent countries with large shares of the world’s poorest people. India, in the middle, stands out, with Nigeria on its left and China on its right. In all cases, these long straight lines are inclined at less than the angle of the diagonal, indicating that large countries concerned receive, from each donor, less than the amount they could expect if total world aid were divided equally according to the numbers people in each country on under a dollar a day.
7. All aid recipients are included, regardless of their status on the DAC List presented at the end of this volume.
8. It shows ODA and OA grants as a share of the total of gross ODA and gross other official flows, excluding export credits.
9. Drugs for Neglected Diseases Initiative, see www.dndi.org.

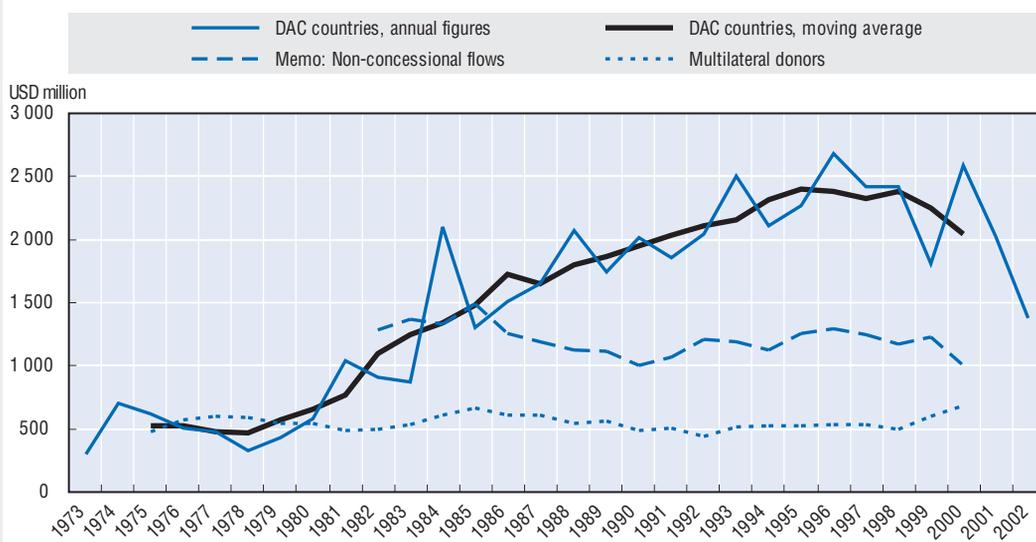
Special Focus on Aid for Water Supply and Sanitation

Figure 2.14 illustrates the evolution of bilateral and multilateral aid to water supply and sanitation¹ in developing countries since 1973. DAC members' bilateral aid for the water sector increased for two decades at an annual average rate of 9%. A downward trend is observed since the middle of the 1990s. This reflects cuts in ODA in general – the share of aid for water supply and sanitation in total ODA remained relatively stable in the 1990s. However, in 2001-02 the trend in ODA reversed whereas aid for water continued to decline. The share of aid for water in DAC countries' bilateral sector-allocable ODA² dropped from 9% in 1999-2000 to 6% in 2001-02 due to substantial decreases in commitments by the majority of donors.³ In real terms, bilateral commitments were at their lowest level in 2002 since 1985.

Yet clean water and basic sanitation have been at the top of the international development agenda since the adoption of the Millennium Development Goals. The investments required to reach the MDG Target 10 have been estimated, starting with the unit cost of boreholes, standpipes and pit latrines, multiplying these by the number of new connections to be provided up until 2015 and allowing for variations in unit costs between regions. Strategies for financing the investments have been discussed in several international conferences. These have resulted in a common agreement that financing access to water and sanitation requires fundamentally different strategies in different countries. Work is ongoing to transform the general principles into guidelines that would be relevant at the country level. Systems to monitor the progress towards the targets are being put in place. In view of all these efforts, the decline in aid for water seems paradoxical.

Figure 2.14. Trends in aid to water supply and sanitation, 1973-2002

5-year moving averages, constant 2002 prices



Some explanations for the trend in recent years were put forth at the “Water for the Poorest” seminar, organised during the Stockholm World Water Week in August 2004. First, water supply and sanitation had not been incorporated in poverty reduction strategies (PRSPs) and could therefore not attract financing through this mechanism. The lack of viable projects was another problem. Water projects were generally considered as risky and programme managers in donor agencies, accountable for their portfolios, were seen as reluctant to take too many risks. Furthermore, funding of projects in countries most in need had been constrained as aid was conditional on governance reforms. Aid had been targeted, not to the poor communities where the needs were greatest, but rather to areas where the criteria for donor success were in place.

Data on the implementation of water projects suggest yet another explanation. In the water sector there is a lag of several years between commitments and disbursements, and project implementation takes on average at least eight years. But project preparation is lengthy too. Donors’ actions with regard to their political pledges (MDG Target 10) may become visible in the data on commitments of aid for water only a few years from now. Disbursements in the water sector may rise in the near term following large commitments made by donors in the middle of the 1990s, but in 4-5 years from now disbursements will probably decline as a result of cuts in commitments of aid for water in recent years.

The Millennium Project Task Force on Water and Sanitation has analysed ODA to water supply and sanitation and noted that it has heavily focused on the provision of urban infrastructure to middle-income countries. For many of them borrowing from the private sector is now a viable financing option. Similarly, some low-income countries, such as India, China and Indonesia, have relatively sizeable domestic resources for financing water and sanitation. The Task Force therefore considers that “countries most in need of aid for water” are those low-income countries where the majority of population lacks access and lives in absolute poverty. Sub-Saharan Africa requires substantial external finance as it is

Figure 2.15. **Main recipients’ aid to water supply and sanitation in 2001-02**

Breakdown by type of flow

Average annual commitments 2001-02

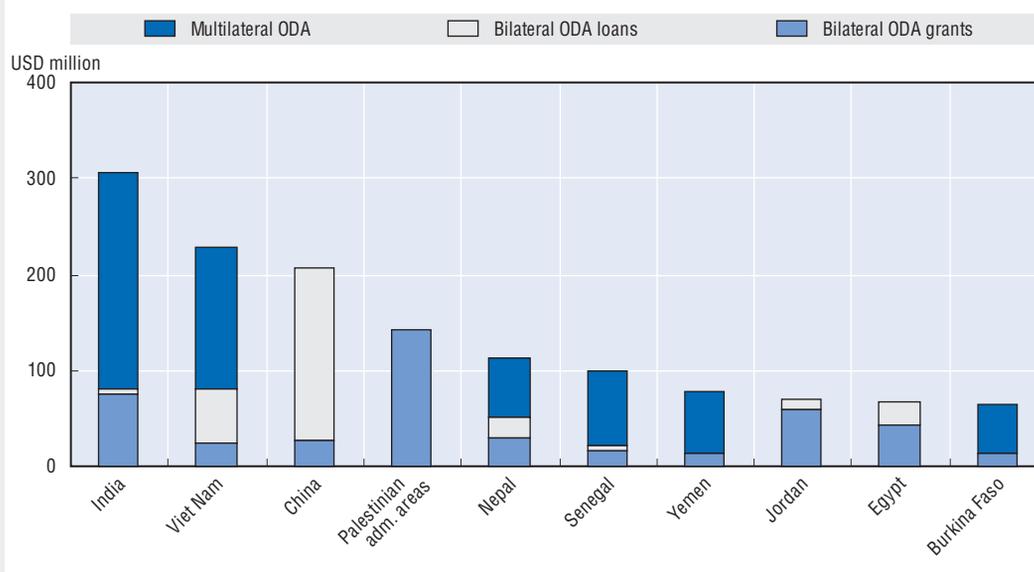
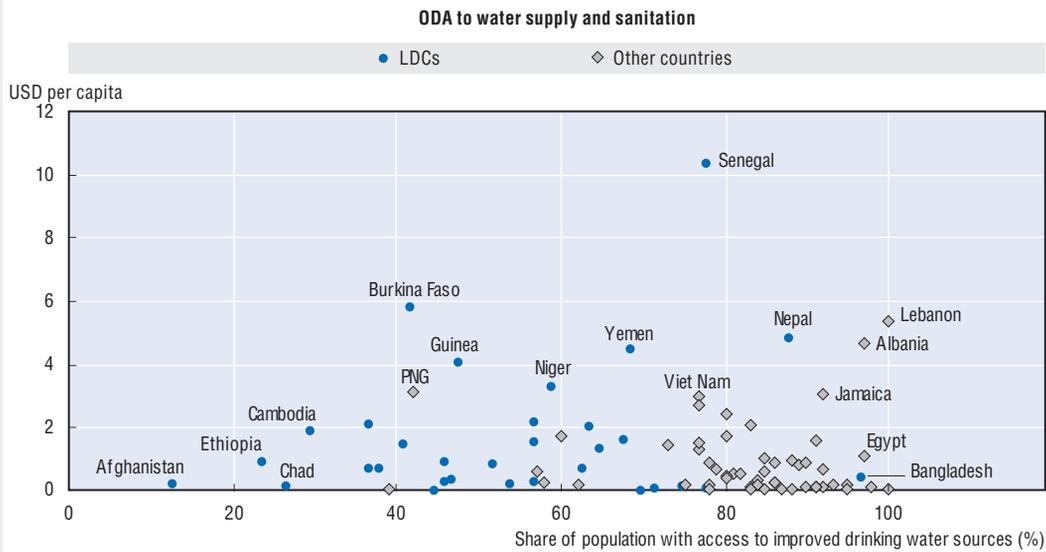


Figure 2.16. **ODA to water supply and sanitation and access to water by recipient, per capita commitments 2001-02**



highly unlikely that the investment gap be filled by the private sector.⁴ Improved mechanisms for domestic resource mobilisation, such as improved tariff schemes, are important but cannot alone raise sufficient funds. This implies that in some countries donors may also have to fund substantial shares of operating costs.

ODA for water is concentrated in relatively few recipient countries. Figure 2.15 illustrates the top ten recipients of aid to water supply and sanitation in 2001-02. Half of total commitments in 2001-02 to this sector were allocated to these countries. But this is an improvement on 1990-91, when the top ten recipients obtained 60% of aid allocations in the water sector. Another positive observation is that four of the top ten recipients in 2001-02 were LDCs (two in 1990-91).

Figure 2.16 addresses targeting aid for water to countries most in need.⁵ ODA to water supply and sanitation per capita is plotted against the indicator on access to improved

“Focus on aid for water” pages on the DAC statistics website (www.oecd.org/dac/stats) make available the most frequently requested data on aid to water supply and sanitation in ready-made tables and figures. Two recent analytical reports on aid for water (March 2003, August 2004) prepared by the DAC Secretariat are also included. The International Development Statistics online database (www.oecd.org/dac/idsonline) allows users to create statistical presentations corresponding to their needs.

- The annual aggregate DAC statistics contain data on total aid for water supply and sanitation by donor.
- The CRS Aid Activity database provides for detailed analyses by recipient and by sub-sector, both at the level of individual projects and in table form.
- Advice on statistical methods and terminology and practical guidance for data search can be found in the User's Guide (www.oecd.org/dac/stats/crs/guide).

drinking water sources,⁶ distinguishing between LDCs and other countries. Examined from this angle, six countries (Senegal, Burkina Faso, Nepal, Yemen, Guinea and Niger) of the top ten recipients could be considered as countries most in need. However, the figure does not demonstrate a strong focus on the countries most in need (few dots on the upper left) although the annual average per capita allocation to LDCs is higher than it is for other countries (USD 1.7 and USD 0.9, respectively).

The fall in total commitments to the water sector, the focus on urban infrastructure in middle-income countries, and the small share of aid going to countries suffering most from lack of clean water all suggest an urgent need to reorient priorities in aid to the water sector.

Notes

1. The DAC defines aid to water supply and sanitation as including water resources policy, planning and programmes, water legislation and management, water resources development, water resources protection, water supply and use, sanitation (including solid waste management) and education and training in water supply and sanitation. The definition excludes dams and reservoirs primarily for irrigation and hydropower and activities related to river transport (classed under aid to agriculture, energy and transport respectively).
2. About 65-70% of DAC members' bilateral ODA is sector allocable. Contributions not susceptible to allocation by sector (*e.g.* general budget support, actions relating to debt, emergency assistance, internal transactions in the donor country) are excluded from the denominator to better reflect the sectoral focus of donors' programmes.
3. Multilateral aid to water supply and sanitation rose from 6% to 8% of sector-allocable ODA.
4. The private sector can of course play an important role in the provision and operation of water and sanitation infrastructure.
5. Countries with a population less than 3 million have been excluded to improve its clarity.
6. "Water, percentage of population with access to improved drinking water sources, total" is used. Aid to water supply is not separately identifiable from aid to sanitation. In only a few cases (*e.g.* Bangladesh) does the rate of sanitation coverage diverge markedly from that for access to improved drinking water.

ANNEX 2.1

Remittances as Development Finance

Increased interest in remittances

The last two to three years have seen an upsurge of interest in workers' remittances as a source of financing for development, led by the World Bank, the Inter-American Development Bank and USAID. The issue was on the agenda of the 2004 G8 meeting at Sea Island, Georgia, United States, and the Spring 2004 meeting of the IMF/World Bank Development Committee "noted the growing importance of migration and, with it, of workers' remittances and called for further work to improve understanding of their determinants and to create a supportive environment to enhance their development impact."

Source, coverage and quality of data

Most studies of remittance flows rely on raw data from the IMF Balance of Payments (BoP) Yearbook. Recent work has tended to combine the data under three BoP items, covering the remittances of migrant and temporary workers and migrants' capital transfers.¹ There are many problems and inconsistencies in these underlying data. Reporting practices vary from country to country and from year to year and the absence of exchange controls hinders precise identification of the source and purpose of funds being transferred. Undercounting arises from failure to collect data (*e.g.* on hand-carried currency or goods), or from failure to identify some current transfers as remittances. Overcounting can result from misidentifying imports as remittances and from the absence of a deduction for the amount that temporary employees spend in their countries of employment. At best the figures can only be regarded as estimates.

Comparing remittances with aid flows

It is often stated that remittances to developing countries – estimated by the World Bank at USD 72 billion in 2001 and USD 93 billion in 2003 – significantly exceed global aid flows (roughly USD 52 billion and USD 69 billion in the respective years). From some points of view, this comparison is misleading. First, the remittance figure is the total receipts of all low and middle-income countries, including Russia and other central and eastern European countries that are not eligible to receive ODA. Second, remittances are counted from all sources, including other developing countries. According to a recent OECD study,² less than half the remittance flow to developing countries is from DAC donors. Third, remittance flows are measured gross, *i.e.* for each country the inflow of remittances from its workers abroad is reported "raw", without deduction for the amount sent out of the same country by foreign workers. By contrast, aid flows are usually quoted net, in the sense that recipients' repayments of principal on ODA loans are deducted.

Thus, from the point of view of DAC donors, it may be more relevant to compare ODA with the flow of remittances from DAC countries to ODA recipients. Based on IMF data used

in the OECD study just mentioned, this amounted to about USD 34 billion in 2000, somewhat more than half of DAC ODA. The flow was heavily skewed to a small number of countries, especially India, Mexico, the Philippines and Turkey. Central American and North African countries also received above-average flows. Flows to sub-Saharan Africa were negligible – of the order of USD 1 billion, compared with total gross ODA inflows approaching USD 20 billion. The United States was by far the largest source of remittances to developing countries, accounting for about USD 22 billion, with western European countries accounting for about USD 7 billion (see Table 2.A1.1).

Table 2.A1.1. **Estimated remittance flows by source and destination in 2000**

USD billion

	<i>Source:</i>	USA	Japan	Germany	France	Canada	Other	Total DAC
<i>Destination:</i>								
India		1.0				0.2	0.2	1.4
Mexico		7.6						7.6
Philippines		1.2	0.2			0.2	0.1	1.7
Turkey		0.1		1.2	0.2		0.5	2.1
Central America and the Caribbean		4.6				0.1	0.1	4.8
North Africa		0.2			1.4		0.8	2.3
Total above		14.7	0.2	1.2	1.6	0.5	1.7	19.9
Total developing countries		21.8	2.5	2.5	2.7	1.1	3.3	34.3

Note: Japan's major remittance flows are to Korea (USD 1 billion) and Brazil (USD 400 million).

Data source: IMF, OECD Round Table on Sustainable Development.

Are remittances developmental?

This simple question is not easy to answer. In the early years of DAC statistics, the only private flows that were counted were transactions recorded in the BoP capital account. This included investment and long-term lending by banks and firms, but excluded all private transfer payments recorded in the BoP current account. The exclusion partly reflected data problems, but was chiefly motivated by doubts about the developmental impact of private transfers.

It was, however, agreed in 1970 to count NGO aid in DAC statistics. The United Nations Conference on Trade and Development (UNCTAD), which had played the key role in defining the coverage of aid and flow targets, gave qualified approval to counting NGO flows in 1975, observing that their inclusion in the 1% target for total flows “would be in the spirit of that definition [...] provided that the funds shown under this heading are made available for developmental purposes”.³

Recent work has tended to stress the developmental dimension of remittance flows, highlighting its role in developing human capital through education and to a lesser extent physical investment in farms or housing. However, the evidence is largely anecdotal, and still suggests that a prime use of remittances is to finance purchases of food and other consumables. There may, however, be a tendency for remittance flows to concentrate initially on consumption and then to “graduate” towards investment in both human and physical capital once immediate consumption needs are satisfied.

Most of the recent literature on this subject is concerned with promoting the actual or potential developmental benefits of remittances, and there may be a corresponding tendency to over-emphasise the extent to which they fund investment. Even if most remittances still fund consumption, however, they may still make a valuable contribution towards satisfying basic needs and relieving poverty, which many donors see as the key goals of aid.

Policies to enhance the developmental impact of remittances

Several studies have identified means of promoting the use of remittances for developmental purposes, including:

- Promoting competition among money transfer firms to reduce transaction costs.
- Encouraging remitters to shift their business from purely money transfer operators towards broader-based financial institutions that can provide bank account and credit services to recipients.
- Creating innovative financial products that encourage recipients to save part of remittance flows.
- Enhancing the institutional capacity of credit unions and microfinance institutions in remittance-receiving countries.
- Promoting Home Town Associations as a means of channelling part of remittances towards community projects.
- Establishing diaspora business networks to mobilise or facilitate investment in home countries.
- Offering bonds to diaspora workers to raise money for investment in their home countries.
- Encouraging the diaspora to make their intellectual capital available to their home countries through visits, consultancies or internet contacts.

Except for the last item, none of these mechanisms is new, and each of them can already show some “success stories”. But both implementation and awareness are very patchy. Latin America, with its large flow of remittances from the United States, has the best developed transfer systems,⁴ although facilities are also improving rapidly for North African workers in Europe. Home Town Associations are well developed in Haiti, El Salvador and Mexico. The Armenian, Indian and Lebanese diasporas have active private business networks, and Armenia and India also have official agencies to promote diaspora investment. India has also emulated Israel’s success with bond offerings to the diaspora, while Serbia, other states of the former Yugoslavia and South Africa are especially active in encouraging the diaspora to make intellectual contributions towards their development.⁵

Remittances and migration policy

The literature on remittances and development focuses on incremental actions. It pays surprisingly little attention to more basic determinants of the flow of remittances, particularly those bearing on the opportunities available for people in developing countries to work in other countries with higher levels of real per capita income.⁶

As already noted, the countries enjoying the largest inflow of remittances are not the very poorest but rather those where poverty is widespread, but not so severe as to prevent families from raising the funds necessary to send one of their members to another country. Such migrants are confronted with a patchwork of regulations in receiving countries. While most receiving countries have arrangements to facilitate the entry of seasonal workers in agriculture, the acceptance of medium and long-term economic migrants is often constrained by entry regulations designed to protect the job opportunities and employment conditions of existing residents. In any case, domestic legislation usually sets wages at levels that exceed market-clearing rates for unskilled and menial labour, so that a pool of unemployed residents already exists in these categories.

There is also a relative dearth of literature concerning the social protection of remittance-sending workers. This issue is overshadowed by the public policy conflict between the interests of border protection and orderly immigration on the one hand and the economic advantages of migration on the other. Such debates over labour migration policy in receiving countries lie outside the scope of this annex. However, it is an observed fact that while action to enforce immigration laws may slow the inflow of unskilled labour, it cannot stop it entirely, given current travel opportunities. It is also clear that repression of illegal immigration can have the unwanted side-effect of creating an underclass of illegal workers open to exploitation and abuse.

The continuing rise in international migration has also revived fears of brain drain. The highest remittances come from professionals who have the highest incomes, and these are just the people that source countries can least afford to lose. Increased professional mobility has deprived countries of physicians, professors and other skilled personnel, and increased the fees that such professionals can command if they remain in their home countries. Possible counter-measures include donor subsidies of professional salaries in the public sector of recipient countries, and new shorter-term semi-professional qualifications focused on the needs of aid recipient regions rather than meeting the requirements for international professional accreditation.

Notes

1. "Workers' remittances" are shown at item code 2391 under the BoP heading "current transfers"; "compensation of employees" (which covers the income of border, seasonal and other non-resident workers) is given at item code 2310 under the "income" category of the current account; migrants' capital transfers are at item code 2431 under "capital transfers" in the capital account. This selection of data is used in D. Ratha, "Workers' Remittances: An Important and Stable Source of External Development Finance", in *Global Development Finance 2003*, World Bank, Washington, where it is discussed at p. 171f. Ratha argues that remittances are less affected by economic cycles in both source and recipient countries than other private flows. The apparent steadiness of remittance flows may be partly an artefact of constructing the data based on numbers of workers, but Ratha also points to stabilising factors such as social security systems in host countries (*ibid.*, pp. 162-3).
2. Harrison, A., T. Britton and A. Swanson (2004), "Working Abroad – The Benefits of Nationals Working in Other Economies", OECD Round Table on Sustainable Development, Paris.
3. "The Concepts of the Present Aid and Flow Targets", UNCTAD Document No. TD/B/493/Rev. 1, United Nations, 1975, p. 8, footnote 31.
4. In the 1990s, 50% of the market for transfers from the United States to Mexico was controlled by three firms; this has since risen to eight firms. The increased competition has reduced transfer costs: in 1999, Western Union charged USD 22 to transfer amounts up to USD 200; in 2001 this was reduced to USD 15; in 2003, to USD 10. Source: Manuel Orozco, "The Future Trends and Patterns of Remittances to Latin America", *Inter-American Dialogue*, Washington, 2003.
5. For more detail and many useful references, see Johnson, B. and S. Sedaca (2004), "Diasporas, *Émigrés* and Development: Economic Linkages and Programmatic Responses", USAID/Carana Corporation, Washington.
6. One recent exception is Adams Jr., R.H. and J. Page, (2003), "International Migration, Remittances and Poverty in Developing Countries", *World Bank Policy Research Working Paper*, No. 3179, Washington. Adams and Page observe that proximity to a major labour-receiving region (*e.g.* the United States or western Europe) increases migration and remittance flows. Their analysis, however, is a snapshot based on current data, rather than a trend analysis, so they are unable to determine whether the effect of proximity on migration is falling in line with falling real costs of international travel, as apparent increases in labour migration from China, India and the Philippines would seem to suggest. The authors also find that higher emigration and larger shares of international remittances in a country's GDP "lead to" declines in the shares of population living in poverty. While they quantify these statistical propensities in inter-country comparisons of static data, this does not, of course, show causality over time.

Chapter 3

Progress since the Millennium Declaration in 2000

The Millennium Development Goals (MDGs) are driving the development agenda through strategies for improved results. Countries in most of Asia and northern Africa are largely on track for the goals; West Asia, the Caribbean and Latin America are progressing on education but less so on poverty; and most of the least developed countries, notably in sub-Saharan Africa, have made little progress in the 1990s. Prevention of violent conflict and building lasting peace are essential to achieving the MDGs. DAC work on peace and security is helping development agencies address this key dimension of the Millennium Declaration. The increased focus on results is also driving DAC work – with its partners – to improve the effectiveness of development assistance through harmonising donor practices, aligning with country strategies and systems, and providing predictable financing. But good practice has yet to become general practice.

Introduction

The Millennium Declaration agreed at the Millennium Summit in September 2000 will be the subject of a major review in 2005. The review will cover all aspects of the declaration, including peace and security, the development goals it set, and UN reform. This chapter provides a broad overview of progress on the Millennium Development Goals (MDGs) with data mainly for 2002 – the half-way point between their baseline in 1990 and target date of 2015. It briefly describes DAC work on conflict prevention and peace building in relation to the MDGs and then covers the extensive work of the DAC – with its partners – to improve the effectiveness of development assistance.

Making the Millennium Development Goals happen¹

The MDGs continue to drive the development co-operation agenda, both in the donor community and, most importantly, within developing countries themselves. They are being integrated into national and international development strategies, policies and actions in the expectation of improved development results.

Developing countries fall into three broad groups in terms of their progress towards the MDGs:

- Most of Asia and northern Africa are largely on track to meet the target of halving extreme poverty by 2015 and to achieve many of the social goals.
- West Asia and Latin America and the Caribbean are making good progress towards some individual goals, such as achieving universal primary education, but have been less successful in reducing poverty.
- Sub-Saharan Africa and the least developed countries in other regions are far from making adequate progress on most of the goals.

The Millennium Declaration and the subsequent 2002 Monterrey Consensus and Johannesburg Summit represent a global deal based on mutual commitments and mutual accountability. Developing countries undertook to reallocate and mobilise more domestic resources, reform institutions, adopt effective, nationally owned economic and social policies to spur economic growth, and made broader commitments to democracy, human rights and sound, accountable governance. Developed countries undertook to increase and improve development assistance, conclude a new development-oriented trade round, embrace wider and deeper debt relief and foster technology transfer.

Reshaping development strategies

Developing countries

The MDGs are having a real impact at country level. Many governments are starting to develop national strategies that trigger real policy changes focused on the MDGs. These include a focus on rural development and food security (Tanzania), setting a baseline within each region as the foundation for future development strategies (Albania), targets

that go beyond the global targets (Thailand and Viet Nam), adapted goals to meet national priorities and conditions (Cambodia, Mozambique and Yemen), targets for regions and social groups (Brazil), and even framing national development strategies for recovery from conflict (Afghanistan and Solomon Islands). Over 90 developing countries – supported by UNDP – have produced MDG country reports, and there are five regional reports too. These are involving more stakeholders, including governments and their national statistical offices, which have become more involved in the collection and analysis of specific indicators. The result is a stronger sense of national ownership and purpose.

Donor countries

Many donor countries are also recognising the value of reporting on their contribution to the MDGs as a way of showing their support for the goals and underscoring the importance of reciprocity between donor and partner countries. Denmark published a first report in 2003, followed by the Netherlands in May 2004 and Sweden in June 2004. Twenty-three EU members met a European Council request to produce a report by November 2004 so that the European Commission can prepare a consolidated EU report in time for the major UN review of the Millennium Declaration in 2005. Australia, Canada, Japan, New Zealand, Norway and Switzerland are also working on reports and the United States is in the planning stages of a report in time for the UN Review.²

In preliminary analysis, it is estimated that while *all* ODA addresses poverty reduction either directly or indirectly, *in addition* approximately 43% of the total, or just under USD 24 billion in 2001-02 *also* addressed the other goals specifically. For example, of that total more than USD 1 billion was allotted to primary education, more than USD 1.2 billion to HIV/AIDS, about USD 2.1 billion to environmental sustainability programmes and nearly USD 5.1 billion to debt relief.

Multilateral system

The MDGs have reshaped the way the United Nations addresses development issues by improving coherence and co-ordination at the country level. United Nations Development Assistance Frameworks are now reoriented around the goals. The World Bank and the International Monetary Fund are using them as a framework for their work, and in co-ordination with the UN have adopted a shared approach to country-level assessments of the actions required to achieve the goals within the context of poverty-reduction strategy papers and national development strategies.

Many United Nations entities are using the MDG framework for monitoring their own activities, such as UNESCO's Education for All programme; WHO/UNICEF monitoring of child and maternal health; and FAO/IFAD/WFP measurement of results for food security, hunger, nutrition and eradication of rural poverty. Increasingly they are being used as a point of reference in major international reports such as the *Human Development Report* and the *World Health Report* and a new annual report by the World Bank – the *Global Monitoring Report* – that examines the policies needed to achieve the goals.

Lack of reliable and timely data to monitor and report on the goals has stimulated action to improve the situation. First, there is unprecedented inter-agency co-operation to work together to produce as coherent a global and regional picture of progress as possible with the available data. An overview of the results of this work is presented in Table 3.1. Second, the MDGs have stimulated the demand and co-ordinated international support for sustainable national statistical capacity building, as the collection of sound, reliable and

Box 3.1. Millennium Development Goals (MDGs)

Goals and Targets from the Millennium Declaration

Goal 1: Eradicate extreme poverty and hunger

Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day

Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger

Goal 2: Achieve universal primary education

Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

Goal 3: Promote gender equality and empower women

Target 4: Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015

Goal 4: Reduce child mortality

Target 5: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate

Goal 5: Improve maternal health

Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio

Goal 6: Combat HIV/AIDS, malaria and other diseases

Target 7: Have halted by 2015 and begun to reverse the spread of HIV/AIDS

Target 8: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases

Goal 7: Ensure environmental sustainability

Target 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources

Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation

Target 11: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers

Goal 8: Develop a global partnership for development

Target 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. Includes a commitment to good governance, development, and poverty reduction – both nationally and internationally

Target 13: Address the special needs of the least developed countries. Includes: tariff and quota free access for least developed countries' exports; enhanced programme of debt relief for HIPC and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction

Target 14: Address the special needs of landlocked countries and small island developing States (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly)

Target 15: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

Target 16: In co-operation with developing countries, develop and implement strategies for decent and productive work for youth

Target 17: In co-operation with pharmaceutical companies, provide access to affordable, essential drugs in developing countries

Target 18: In co-operation with the private sector, make available the benefits of new technologies, especially information and communications

Note: The Millennium Development Goals and targets come from the Millennium Declaration signed by 189 countries, including 147 Heads of State, in September 2000 (www.un.org/documents/ga/res/55/a55r002.pdf – A/RES/55/2). The goals and targets are inter-related and should be seen as a whole. They represent a partnership between the developed countries and the developing countries determined, as the Declaration states, “to create an environment – at the national and global levels alike – which is conducive to development and the elimination of poverty”.

Table 3.1. **Overview of progress towards the Millennium Development Goals**
(All developing countries and selected regions)

2015 Goals and Targets	Developing regions		Sub-Saharan Africa	Latin America and the Caribbean	Eastern Asia	Southern Asia	South-eastern Asia	Indicator
	1990	2002	2002					
T1. Halve income poverty	33	22.5 ⁷	46.4 ⁷	10 ⁷	16.6 ⁷	30.4 ⁷	10.2 ⁷	% population below \$1 PPP per day
T2. Halve hunger	33	28	31	8	10	47	29	% underweight children under-5
T3. Universal primary education	79.5 ²	82.2 ⁸	62.2 ⁸	95.7 ⁸	92.1 ⁸	79.7 ⁸	90.8 ⁸	% net enrolment in primary school
T4. Promote gender equality (2005 target)	0.86 ²	0.92 ⁸	0.89 ⁸	1 ⁸	1 ⁸	0.85 ⁸	0.98 ⁸	Ratio of girls to boys in primary school
T5. Reduce child mortality	105	89	174	34	38	93	48	Under-5 deaths per 1 000 births
T6. Improve maternal health	42	52 ⁶	43 ⁶	85 ⁶	72 ⁶	35 ⁶	59 ⁶	% attended births
T7. Combat HIV/AIDS	n.a.	1.4	7.2 ⁹	0.7 ⁹	0.1 ⁹	0.7 ⁹	0.5 ⁹	% 15-49 year olds with HIV/AIDS
T8. Combat malaria	n.a.	166	791 ⁶	1 ⁶	0 ⁶	6 ⁶	2 ⁶	U-5 deaths per 100 000 0-4 year olds
T8. Combat tuberculosis	n.a.	30	55	9	20	36	43	Deaths per 100 000 population
T9. Preserve forests (World)	30.3	29.6 ⁶	27.1 ⁶	48 ⁶	17 ⁶	13.3 ⁶	48.6 ⁶	% forested land
T9. Promote energy efficiency (low-income countries)	320	274 ⁷	406 ⁷	177 ⁷	216 ⁷	256 ⁷	237 ⁷	Kg oil equivalent to produce \$1 000 GDP
T10. Halve lack of access to safe water (World)	77	83	58	89	78	84	79	% access to improved water source
T10. Halve lack of access to sanitation (World)	49	58	36	75	45	37	61	% access to improved sanitation
G8. Provide more generous aid (DAC)	0.33	0.25 ⁹						ODA as % donor GNI
G8. Focus on basic social services (DAC)	8 ³	17 ⁸						% of ODA to basic education, primary health, nutrition, water and sanitation
G8. Admit more imports free of duty (OECD)	46 ⁴	57						% of imports (excluding arms) from developing countries admitted free of duty
G8. Reduce agricultural subsidies (OECD)	1.9	1.2						% of GDP in support of agriculture
T15. Provide sustainable debt relief (HIPC)		54 ⁹						US\$ billion cumulative
T16. Build strategies for youth employment (World)	11 ¹⁰	14.3 ⁹	21.1 ⁹	16.6 ⁹	7.0 ⁹	14.6 ⁹	16.5 ⁹	% 15-24 year olds unemployed
T17. Provide access to affordable essential drugs	55 ¹	65 ⁵	47 ⁵	64 ⁵	84 ⁵	44 ⁵	77 ⁵	% of population with access
T18. Spread benefits of new technologies	2.3	20.7	5.3	36.2	37.8	5.3	16.3	Number of telephones per 100 population

1. 1987.
2. 1990-91.
3. 1995-1996.
4. 1996.
5. 1999.
6. 2000.
7. 2001.
8. 2001-02.
9. 2003.
10. 1993.

Source: United Nations, Statistics Division, Millennium Indicators Database (www.millenniumindicators.un.org)

comparable data is indispensable for the formulation and implementation of policies to achieve the goals. This includes the Marrakech Action Plan for Statistics, which is strongly supported by the PARIS21 consortium that is hosted by the Development Co-operation Directorate of the OECD.³

The UN Millennium Project, which will report on 17 January 2005, has brought together hundreds of policy makers, practitioners and experts in ten task forces to map out new strategies to meet the goals. The project has identified institutional reforms, investments and other interventions needed to “scale up” efforts to meet the goals. It is working with a selected number of United Nations and World Bank country teams and other partners to help governments to align their poverty-reduction strategies (or equivalent policy vehicles) with a long-term, needs-based strategy for achieving the goals in the context of the ten-year planning horizons required for the 2015 deadline.⁴

Finally, the Millennium Campaign is mobilising political support for the Millennium Declaration by working with parliamentary networks, local authorities, media, faith-based organisations, youth organisations, civil society and other movements. Through consultations with civil society and other partners in developing countries in Latin America, Africa, Asia and Arab countries it is aiming to build broad-based coalitions to promote the MDGs. There is also growing support for the goals in developed countries, especially in Europe, with a broad, civil-society led coalition being set up to focus on the forthcoming five-year review of the Millennium Declaration under the broad banner “Make poverty history”.⁵

Moving towards the Millennium Development Goals

While there is consensus on the importance of the MDGs and some encouraging regional and sub-regional trends, as a whole the world is not making progress as fast as it could. There has been encouraging progress in some regions, notably in Asia on poverty reduction. But many other regions and countries are making little progress towards any of the goals.

Goal 1 – Eradicate extreme poverty and hunger

Progress on income poverty remains uneven and in many countries there has been deterioration. Although much of eastern, south-eastern and southern Asia and North Africa are broadly on track to halve the rate of poverty by 2015, there has been little or no progress in sub-Saharan Africa and Latin America and the Caribbean, and in western Asia poverty has increased. In 2001 almost half the population of sub-Saharan Africa was struggling to survive on a dollar a day or less, just as it was in 1990. The poverty-gap ratio⁶ for that region is almost three times that in southern Asia, the next most impoverished region.

The proportion of the population in developing countries suffering from hunger fell in eastern and south-eastern Asia and Latin America and the Caribbean in the 1990s. While it also fell in southern Asia, the rate of improvement was insufficient to ensure that the target for 2015 will be met. In Africa, food production has barely kept up with population growth since 1980, owing to the depletion of soil nutrients, the declining availability of arable land per person and high population growth. In western Asia, the rate of hunger increased.

Goal 2 – Achieve universal primary education

All developing country regions increased their primary net enrolment ratios in the decade to 2001-02, but sub-Saharan Africa, southern Asia and Oceania are still short of meeting the goal. Moreover, 121 million children are still out of school: 65 million are girls, and a disproportionate number are in Africa, southern Asia and the least developed countries. Success is possible – net primary school enrolment rates increased substantially from 1990 to 2000 in Benin, Eritrea, Gambia, Malawi, Mali, Rwanda, Senegal and Togo – but a substantial additional effort is required.

Goal 3 – Promote gender equality and empower women

There has been good progress towards the target of achieving parity between girls and boys in primary and secondary education by 2005. It is being met or nearly so in most regions except sub-Saharan Africa and southern and western Asia, and they could catch up by 2010. Girls' enrolments have increased faster than those for boys in all regions, and the ratio of girls to boys in primary school rose impressively from 1990 to 2000 in many countries, including Bangladesh, Gambia, Mauritania, Nepal and the Sudan. This progress has yet to transfer to the secondary level, as fewer than 80 girls per 100 boys are enrolled in sub-Saharan Africa and southern Asia overall.

There is little progress on other indicators of gender equality and empowerment. Rates of non-agricultural wage employment for women have changed little in any region since 1990, remaining far below those for men in all regions except Latin America and the Caribbean (which reached 43% by 2002) and eastern Asia (40%). Women continue to be vastly under-represented in national parliaments in most regions. In northern Africa, southern and western Asia and Oceania, they hold less than 10% of the seats.

Goal 4 – Reduce child mortality

Northern Africa, Latin America and the Caribbean and south-eastern Asia are nearly on track to reduce child mortality by two-thirds. Progress has been weaker in southern Asia and negligible in western Asia, sub-Saharan Africa and Oceania. Sub-Saharan Africa continues to have the highest level of under-five mortality, estimated at 174 under-five deaths per 1 000 live births, nearly twice the rate of the next highest region, southern Asia, and more than 20 times the rate in developed regions.

Goal 5 – Improve maternal health

There were an estimated 529 000 maternal deaths worldwide in 2000, the majority in two regions: sub-Saharan Africa – with the highest maternal mortality rate of 920 maternal deaths per 100 000 live births, and southern Asia, with 520 per 100 000. More encouragingly, recent data on the proportion of births attended by skilled health personnel, a critical factor in reducing maternal deaths, indicate significant improvements in northern Africa and eastern and south-eastern Asia. But still only a third of births in south-central Asia were attended in 2000, up from a quarter in 1990.

Goal 6 – Combat HIV/AIDS, malaria and other diseases

Stopping the spread of HIV/AIDS and other major diseases, especially malaria and tuberculosis, is receiving greater political and financial support from donors. Nearly USD 2.5 billion per year was committed to HIV/AIDS control in 2000 to 2002.⁷ But annual funding remains significantly short of estimated needs. The 2004 *Global Report on AIDS*

recorded that “there is no region where HIV is not a potential serious threat to the population, and almost no country where the spread of HIV/AIDS has been definitely stopped”.

The number of persons living with HIV/AIDS increased from 35 million in 2001 to 38 million in 2003, while an estimated 4.8 million people became newly infected in 2003, more than in any previous year. There were an estimated 2.9 million AIDS-related deaths in 2003, 2.2 million of them in sub-Saharan Africa. The pandemic continues unabated in many countries and the scale of the problem is having a devastating “knock-on” impact on health, poverty, education and hunger and even the capacity to govern. But where the necessary prevention, testing and control programmes have been adopted, such as in Uganda, progress has been made.

Despite well-known and affordable interventions against malaria, tuberculosis and other infectious diseases, incidence is on the rise in sub-Saharan Africa, with only minor reductions in most other regions.

Goal 7 – Ensure environmental sustainability

Although the data on drinking water and sanitation remain incomplete, all regions have seen some progress. Urban access to improved drinking water is nearly universal, except in sub-Saharan Africa and Oceania, where it has declined. Significant improvements have been made in rural access in all regions, but only a few countries have achieved improvement at a sufficient rate to meet the target to halve the proportion of those without access by 2015. While there has been significant progress towards meeting the sanitation goal, 2.6 billion people worldwide still did not have access to improved sanitation in 2000.

Even regions that have made significant progress towards achieving many other goals, such as parts of Asia, have a poorer record on environmental issues. Protected areas have increased in all regions, but there has been a loss of forest cover in some parts of the world, notably those with tropical forests. Energy use and per capita carbon dioxide emissions have increased in developing countries but fell in the economies in transition with the decline in industrial production in the 1990s. The use of ozone-depleting chlorofluorocarbons has been almost eliminated globally.

Progress in the implementation of the global conventions has been mixed. Following ratification by the Russian Federation, the Kyoto Protocol on Climate Change will now come into force. A lack of financial resources has limited implementation of the Convention to Combat Desertification, but there has been better progress towards full implementation of the Convention on Biological Diversity with the adoption of measurable indicators and specific goals to reduce the current rate of biodiversity loss by 2010. And 150 countries with 85% of the world’s forests have made progress in developing criteria and indicators for sustainable forest management.

Building a strong global partnership

Goal 8 – Develop a global partnership for development

The pledge by developed countries to support efforts of developing countries to achieve the first seven goals by dismantling trade barriers, widening debt relief and expanding development assistance is essential to achieving the MDGs. There has been some progress, particularly with regard to aid flows, but the scale of support continues to fall well short of what is needed.

After being stalled for ten months, following the collapse of negotiations at the WTO ministerial meeting in Cancún, Mexico, the Doha round of trade talks has resumed progress, with agreement in July 2004 by the 147 WTO member governments on a new negotiating framework. For the first time, WTO member governments agreed to abolish all forms of agricultural export subsidies by a specific date and to reduce trade-distorting domestic support for agriculture. The task now is to turn the new framework into an agreement that delivers significant benefits to the developing world.

As of April 2004, 37 least developed countries had been classified as eligible for the Heavily Indebted Poor Countries (HIPC) debt relief programme. Of these, 14 had reached “decision point”, and 13 had progressed to “completion point”, with USD 54 billion of debt relief committed to them. Their debt-to-gross national income (GNI) ratio fell from 109% in 1997 to 86% in 2002. But with deteriorating terms of trade for many countries, their debt sustainability is not guaranteed.

Flows of official development assistance continued their recovery into 2003, reaching USD 69 billion, their highest ever in nominal and real terms, equivalent to 0.25% of DAC members' combined GNI (see Table 4.1, Chapter 4 for details).

Goal 8 also has targets for strategies for youth employment, access to essential drugs and the spread of new technologies.

Decent and productive work for youth is a critical component to achieving sustainable and equitable development in developing countries, where youth make up 23% of the total labour force, compared with 14% in the developed regions. The UN, ILO and World Bank Youth Employment Network are committed to implementing this target. Overall, young people continue to suffer from marked disadvantages in the labour market when compared with older adults. Youth unemployment rates exceed adult unemployment rates in all regions. Between 2002 and 2003, the number of youth unemployed increased by nearly 2% to 88.2 million, compared with only a 0.2% rise in total unemployment. The youth unemployment rate increased in south-eastern Asia, CIS countries, Latin America and the Caribbean, and eastern Asia. Only in the developed regions did youth unemployment slightly decrease over the decade.

In 1999, only 65% of the population in developing countries had regular access to essential drugs, but this was still an improvement from 1987, when it was estimated at 55%. There is also a gap in the geographical distribution of essential drugs. In sub-Saharan Africa and south-central Asia, over 50% of the population lack access to even the most basic essential drugs. Various initiatives to improve access to anti-retrovirals (ARVs) for HIV/AIDS patients are now being undertaken by international agencies, governments, non-government organisations and private entities. As a result of public-private sector collaboration, prices of ARVs have been reduced by 95% in the last few years. Some countries are now providing free ARVs to HIV patients and others are working on patent restrictions to make ARV drugs more available.

Access to telephones and the Internet in developing countries has soared in recent years. The total number of telephone subscribers (fixed and mobile) rose from 530 million in 1990 to 2 259 million in 2002. The most rapid growth occurred in the use of mobile phones. From just 11 million subscribers in 1990, the number of mobile cellular subscribers exceeded 1.1 billion by the end of 2002. One in five people around the world now has a mobile phone, up from one in 339 in 1991. In 2002, there were more subscribers to mobile telephones than to fixed ones, and there was strong growth in developing regions in

particular. China, for instance, surpassed the United States to emerge as the largest mobile phone market in the world. Growth has been robust in Africa where almost all countries now have more mobile than fixed telephone subscribers.

The number of personal computers (PCs) rose from some 120 million in 1990 to 615 million in 2002. While developing countries had some 20% of the total PC stock in the early 1990s, they now own about 30%. Internet usage has grown at an astounding pace. Just 27 countries had a direct connection to the global network in 1990. Today, practically every country in the world is online and by the end of 2002, there were 625 million Internet users around the world. It is estimated that some 10% of the world's population was online at the end of 2002. Over half the adult population is online in most developed countries. Internet usage has grown fastest in developing countries. They account for 30% of all Internet users in 2002: a dramatic increase from their 2% share in 1991.

2005 – A critical year for the MDGs

With only ten years to go until the 2015 deadline, 2005 will be a critical year for the MDGs, particularly for Africa. Overcoming human poverty will require a quantum leap in scale and ambition: more nationally owned strategies and policies, stronger institutions, wider participatory processes, focused investments in economic and social infrastructure, and more resources, domestic and external. Realistically, if the goals are to be reached, these developments need to happen very soon.

As the UN report concludes: “The MDGs are still technically feasible in even the poorest countries, but the window of opportunity is rapidly narrowing and the political will remains largely absent. The five-year review of the Millennium Declaration provides potentially the last realistic opportunity to take the necessary steps to accelerate the enormous momentum of the last few years to meet the goals. We must seize this opportunity.”

Peace and security

It is also vital not to overlook those countries and regions that suffer from recurrent insecurity and conflict or are recovering from it. The DAC, in its work on fragile, conflict-prone and conflict-affected countries – see entries under “The DAC at Work” – is helping to ensure that the needs of their people are addressed as fully as possible, taking into account the challenges posed by the context in which they live. Box 3.2 explores the relationship between peace and security and the MDGs.

Alignment, harmonisation and results for development effectiveness

The Declaration of the Rome High-Level Forum on Harmonisation in February 2003 endorsed good practice principles on harmonisation and alignment developed by the DAC and multilateral development banks. The good news since then is that the international community has increasingly focused on improving aid procedures, practices and policies to achieve better development outcomes. Donors are beginning to use simplified procedures and practices, joint analytical work, enhanced focus on delivery of development results, delegated co-operation, common procurement and financial management procedures, common arrangements for sector-wide approaches and budget support in their country operations. Moreover, discussion of how to apply these good practices to funding provided by Global Funds and under difficult partnership conditions is getting under way. However, good practice has not yet become general practice. There is

Box 3.2. Conflict prevention, peace building and the MDGs

The prevalence of violent conflict remains a significant obstacle to the realisation of the MDGs. The Millennium Declaration makes specific mention of peace, security and disarmament as well as the need to protect the vulnerable. However, the correlation between conflict prevention, peace building and achievement of the MDGs has not received sufficient emphasis in the post-declaration dialogue. The international community must work not only to react effectively to the outbreak of violence, but also to ensure that violent conflict is prevented. Research has shown that the cost of dealing with the consequences of conflict far outweighs the cost of conflict-prevention programmes.

There has been increasing focus within the development community on the challenge of insecurity and conflict as a barrier to political, economic and social development. If states are to create the conditions in which they can escape from a downward spiral wherein insecurity, criminalisation and under-development are mutually reinforcing, socio-economic and security dimensions must be tackled simultaneously. The link between conflict and poverty has been well made. It is essential, however, to view conflict not only as an accompaniment of poverty but as one of its main causes.

Recent work by the DAC Network on Conflict, Peace and Development Co-operation (*Security System Reform and Governance: Policy and Good Practice*) 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, well-being and freedom from fear 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. An accountable and efficient security system, operating under civilian control within a democratic context, helps reduce the risk of conflict, thus creating an enabling environment for development to occur. The Security System Reform policy guidance covers three inter-related 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.

Much remains to be done on the part of the international community to ensure an awareness of conflict-related issues within the international development architecture and throughout its engagement with partner countries and regions. There is need for greater harmonisation of support among donors, bilaterals and multilaterals, behind the leadership of partner countries. Security system reform also requires whole-of-government approaches that successfully harmonise engagement across relevant departments in the donor government. Support for efforts at the regional and sub regional level can be useful complements to support at the country level.

Future recommendations on the achievement of the MDGs should take into account the need for greater and closer analysis of conflict and its causes, as well as the political, economic and social factors that fuel it. The establishment of mechanisms for early warning and for responding quickly and flexibly in complex conflict situations is equally important. Furthermore, greater emphasis is needed on programmes that actively prevent the outbreak of conflict, and help societies to deal with conflict in a non-violent manner.

Promoting peace is a dynamic process that requires long-term commitment and vision, rather than a technical "quick fix", even in short-term complex crises. Without such an approach progress towards MDGs will be significantly harder to achieve.

still considerable effort needed by donors – bilateral and multilateral – working with our partners, if we are to scale up aid effectiveness collectively.

DAC Working Party on Aid Effectiveness

These efforts are being guided and supported by the DAC Working Party on Aid Effectiveness. Its members – bilateral agencies, the World Bank, the IMF, the regional development banks, UN agencies, and 14 partner countries – are working closely together and with other partner countries. The Working Party has a mandate to report, monitor progress, facilitate and support implementation of the commitments made in the Rome Declaration. It is working through five strands: a Task Team on Harmonisation and Alignment; a Joint Venture on Public Financial Management; a Joint Venture on Management for Development Results; a Joint Venture with the World Bank to strengthen local procurement capacities in partner countries; and oversight of progress on aid untying.

The Working Party has become the international institutional focal point for work bridging from the Rome Forum to the successor High-Level Forum on Harmonisation, Alignment, and Results for Development Effectiveness that the French Government will host in Paris on 28 February-2 March 2005. To guide preparations for the Paris Forum, the World Bank is chairing a Steering Committee of Working Party members, including the DAC Secretariat, UNDP, a representative of the regional development banks, the EC, Denmark, France, Japan, the United States, and three partner countries – Bangladesh, Ethiopia and Nicaragua.

Political oversight and support

Political oversight and support is being provided by the highest levels of bilateral and multilateral agencies for maintaining momentum with the necessary changes to aid practices. At the April 2004 DAC High-Level Meeting, ministers and heads of agencies in their statement said “We commit our agencies and our field staff to implement the action plans [...] as part of the follow-up to Rome. We accept that this will mean significant changes to the way our agencies and field offices manage the delivery of aid”. After the October 2004 annual meeting of the IMF-World Bank Development Committee, the ministers in their communiqué said “We are committed to using the Second High-Level Forum on Harmonisation in Paris to translate these (Rome) agreements into clear and specific commitments and timetables and call for the development of indicators and benchmarks to monitor the participation of all partners in this effort at the country level”.

Progress is broad but not deep

According to the World Bank country data base, there are now over 60 partner countries and 40 bilateral and multilateral agencies engaged in harmonisation and alignment activities. But while the scope and geographical coverage of these activities is impressive, good practice has not yet become general practice. When measured against the commitment to make significant changes to the ways donors manage and deliver aid in our partner countries, the progress made does not yet have sufficient momentum in applying good practice deeply and systematically. This assessment is based on the results of a survey undertaken by the DAC Task Team on Harmonisation and Alignment, information from the DAC country facilitation work, and from other partner countries’ harmonisation and alignment efforts consolidated by the World Bank. There is still

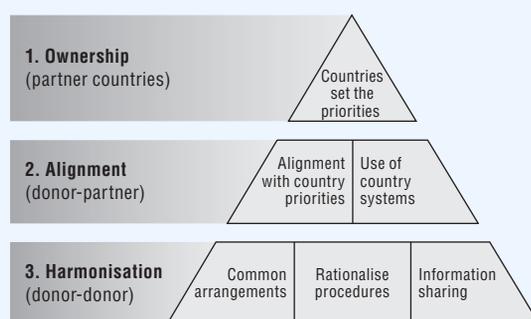
considerable effort needed by donors – bilateral and multilateral – working with our partners, if we are to scale up aid effectiveness collectively.

The *DAC Survey on Ownership, Harmonisation and Alignment* conducted in the 14 partner countries associated with the Task Team – where progress on implementation could be expected to be most advanced – is particularly revealing. The survey is designed to track implementation of the Rome commitments at country level through 13 indicators (see Box 3.3). It is conducted not by external consultants but by in-country government and donor lead facilitators. It reviews progress in the three fundamental dimensions of the Rome agenda:

- Ownership – government’s ability to exercise leadership over its development programmes.

Box 3.3. DAC survey on ownership, harmonisation and alignment

The survey was designed to capture evidence of progress in implementing commitments made at the Rome High-Level Forum on Harmonisation (February 2003). Progress was measured against the three principal dimensions of the Rome Declaration presented in the chart below.



The survey was undertaken between May and September 2004 in 14 partner countries representing different geographic regions and levels of development. A framework of 13 indicators covering each of these dimensions was developed for use in the survey (see Table).

Table: **Framework of indicators on harmonisation and alignment**

Ownership: Partners set the agenda		Harmonisation of donor practices	
Indicator 1	Partners set their agenda	Indicator 7	Conditionality is streamlined
Indicator 2	Partners lead national coordination processes	Indicator 8	Sector programmes are supported
Indicator 3	Donors support capacity development	Indicator 9	Reliance on delegated cooperation
Alignment on partners' priorities and systems		Indicator 10	Donor field missions are coordinated
Indicator 4	Alignment on partners' national development strategies	Indicator 11	Diagnostic reviews are streamlined
Indicator 5	Budget support is aligned on partners' procedures	Indicator 12	Donors disclose information on aid flows
Indicator 6	Project support is delivered through partners' systems	Indicator 13	Donors share country analytic work

- Alignment – the extent to which donor programmes support a partner country's development policies and use its systems and procedures.
- Harmonisation – the degree to which donors rationalise their collective behaviour, share information and simplify their procedures.

While there are interesting country differences, an overall picture is emerging of partner countries increasingly taking ownership of their development programmes and providing leadership on setting priorities for aid programmes. On the other hand, they are still some distance away from articulating operational sectoral strategies and framing them within medium-term budgetary frameworks. Governance and accountability issues remain problematic in a number of cases.

Both bilateral and multilateral donors are moving away from headquarter-designed country assistance strategies, to increasingly use national development strategies or poverty-reduction strategy papers as a framework for articulating their assistance programmes. However, weaknesses remain in alignment of their programming with government priorities and flexibility to undertake changes in programming based on the annual review of poverty reduction and other strategies. Donors also treat weaknesses in country systems as a binding constraint not to rely on them, rather than seeing them as a point of departure for targeted, harmonised capacity building set within a clear plan for graduated alignment behind country systems. Least satisfactory of all in the survey results is the scant evidence of steps by donors to harmonise easily harmonisable activities, *e.g.* undertaking joint analytical/diagnostic work, rationalising missions, minimising transaction costs for partner countries through delegated co-operation, and aligning their planning with countries' own budget cycles. With few exceptions, there is a large gap between international commitments made by headquarters and how these are being translated into action at the country level.

Aid predictability over the medium term

Ensuring appropriate and predictable medium-term financing – domestic and external – of partner countries' development programmes is another important aspect of aid effectiveness. This includes funding recurrent costs as well as investing in capital projects. This will require reforms in the way donors provide development assistance. It means, for example, that donors need to programme, design and time aid flows with a medium-term planning horizon that is consistent with partners' national development strategies. It means donors providing partner authorities with reliable information on the volume of aid flows and the timing of and conditions for disbursements. In parallel, partner countries need to do more to mobilise domestic resources by strengthening fiscal sustainability and creating an enabling environment for public and private investments. This in turn requires a transparent, effective and accountable public financial management system for mobilising public resources and managing their use. The survey results on this are also less than satisfactory. The DAC is pursuing a dialogue with donors and partner countries on elaborating good practice papers on more efficient and predictable donor delivery mechanisms, building on the commendable work undertaken by the Special Partnership with Africa.

Alignment with country systems and capacity

Another key challenge is whether there will be concrete progress towards donor alignment with country procedures and systems. Donors need collectively to find ways to

deliver and manage aid programmes that build rather than dissipate capacity. Capacity development programmes that rely more on multi-donor funding using common procedures would help. A good test of development impact is whether aid, over time, strengthens country systems. Donor-specific procedures and a proliferation of project management units, working outside government systems to meet accountability requirements, go against good practice in alignment and sustainability. In a recent paper to its Board, the World Bank has raised some of the issues surrounding the use of country systems in its own operations.⁸ In this area, rapid dissemination of lessons learned, adaptation to country-specific circumstances, and wider adoption in operations must be encouraged.

Managing for development results

At the Second International Roundtable on Managing for Development Results held in Marrakech in February 2004, the DAC Chair and heads of multilateral banks endorsed core principles to promote a harmonised approach to managing for development results and an action plan that they encouraged all bilateral and multilateral development agencies and developing countries to embrace (see www.mfdr.org). The principles are:

1. Focus the dialogue on results for partner countries, development agencies, and other stakeholders.
2. Align actual programming, monitoring, and evaluation activities with the agreed expected results.
3. Keep the results reporting system as simple, cost-effective, and user-friendly as possible.
4. Manage *for*, not *by*, results.
5. Use results information for management learning and decision-making, as well as for reporting and accountability.

Work on this action plan is being implemented through a number of task forces under the Joint Venture on Managing for Development Results.

Management for results needs to be underpinned by national statistical systems capable of monitoring and evaluating Poverty Reduction Strategies and of reporting against the MDGs. From the Millennium Declaration in 2000 to the first major stocktaking in 2005, some progress will have been made in improving countries' statistical systems, thanks in part to the efforts of many international initiatives. However, most data used for monitoring the MDGs are still the result of statistical modelling – often by international agencies based on little or no national observations – rather than real measurement. The aim is that by 2010, the next major stocktaking will be based on nationally owned and produced data that are used in the first instance for setting and monitoring national policies and programmes. For this, developing countries need significant further external support to develop their statistical systems. Moreover, donors themselves need better statistical information from developing countries to help them measure more accurately the impact of their aid.

The Paris High-Level Forum, March 2005

The Paris High-Level Forum in March 2005 will bring together the donor community, partner countries and civil society. In preparation for the forum, four main regional workshops have been held: two in Asia, one in Africa and one in Latin America and the Caribbean. These workshops provide important building blocks for the forum to provide country-based evidence to support the on-going work in the DAC Working Party on good

practice papers, case studies, analyses, and a major progress report on harmonisation and alignment. The forum is expected to produce a “Paris Declaration” calling for monitorable and timebound commitments to accelerate progress on implementation of the good practice principles endorsed at Rome.

This will be an occasion to assess and account for progress against the commitments made in Rome by both donor and partner countries. It will be the time for the international donor community to build on the good progress being made and push ahead, not to let the inertia of “business as usual” erode the credibility of the commitments that have been made collectively.

Notes

1. The first section of this chapter draws extensively on the 2004 Report of the United Nations Secretary-General to the UN General Assembly on “Implementation of the United Nations Millennium Declaration” (see http://millenniumindicators.un.org/unsd/mi/pdf/a59_282e.pdf). This version is the responsibility of the OECD Secretariat and does not imply any acceptance by the United Nations.
2. Reports that have been published can be found at:
www.undp.org/mdg/donorcountryreports.html.
3. See www.paris21.org and www.worldbank.org/data/results.html for more details.
4. See www.unmillenniumproject.org.
5. See www.millenniumcampaign.org and www.makepovertyhistory.org.
6. The poverty-gap ratio is the average amount by which poor people’s income falls short of the poverty line, expressed as a percentage of the poverty line.
7. See www.oecd.org/dac/stats/crs/hivaids.
8. See: <http://siteresources.worldbank.org/PROJECTS/Resources/40940-1097257794915/UseCountrySystems-10-08-04.pdf>.

Chapter 4

Policies and Efforts of Bilateral Donors

The trend in DAC member countries' aid volumes is generally upward, reflecting moves to fulfill commitments made at the Conference on Financing for Development in Monterrey in 2002. A significant portion of the increased volume, however, came in the form of debt relief. DAC members also reported on measures to improve aid effectiveness through increased alignment and harmonisation, as well as steps to support local ownership of development strategies. In the context of policy coherence for development, more donors were taking action to institutionalise the process of integrating the interests of developing countries into all facets of national policy making, including trade, migration, investment and environment. In 2004, five countries were peer reviewed by the DAC: France, Italy, Austria, Norway and Australia.

Trends in DAC members' aid volume and programming

This chapter provides an overview of the aid strategies and programmes of all DAC members and of those other bilateral donors for which information is available. It is based on documentation supplied by the donors, including statistical data, and on the periodic Peer Reviews of each DAC member.

Aid levels continue to recover from the decreases during 1992-97 and the trough in ODA/GNI terms that continued to 2001. Total aid from DAC members rose by 7% in real terms from 2001 to 2002 and by a further 5% in 2003. In nominal terms, official development assistance (ODA) rose from USD 58.3 billion in 2002 to USD 69.0 billion in 2003, but about USD 7.9 billion of the USD 10.7 billion increase was due to the combined effects of inflation and the fall in the external value of the dollar.

The 2003 total was the highest ever, both in nominal and real terms. Nevertheless, ODA growth has not matched economic growth over the past decade, so its recent recovery is less impressive when measured as a share of DAC members' combined gross national income (GNI). The ODA/GNI ratio rose to 0.25% in 2003, up from 0.23% in 2002 and 0.22% in 2001, but still well short of the average of 0.33% achieved in 1980-92.

The following factors contributed to the net rise in real terms of USD 2.8 billion in 2003:

- Continuing growth in general bilateral grants (USD 3.6 billion, of which Iraq represented USD 1.9 billion).
- An increase (of USD 2.1 billion) in net debt forgiveness grants.
- This was partly offset by a cyclical fall in contributions to multilateral concessional funds (-USD 0.9 billion) and by reduced net lending (-USD 1.9 billion).

Performance and commitments by DAC members

Table 4.1 and Figure 4.2 show that the United States has consolidated its position as the world's largest aid donor in volume terms, providing 24% of total DAC ODA. It was followed by Japan (13%), France (11%), Germany (10%) and the United Kingdom (9%). EU members combined provided 54% of total DAC ODA.

Denmark, Luxembourg, the Netherlands, Norway and Sweden are still the only countries to meet the United Nations ODA target of 0.7% of GNI. Of these, Sweden aims to achieve 1% in 2006, Norway aims to achieve 1% in 2006-09, and Luxembourg aims to reach this level in the long term. Four other countries have given a firm date to reach the 0.7% target: Ireland by 2007; Belgium and Finland by 2010; and France to reach 0.5% by 2007 and 0.7% by 2012. Spain has indicated it may reach 0.7% by 2012, and the United Kingdom at current rates of ODA growth may reach it by 2013.

Further substantial rises in real ODA levels are expected until at least 2006, which is both the target date for the commitments made at the Monterrey Conference on Financing for Development and the currently planned expiry date for the Heavily Indebted Poor

Table 4.1. DAC members' net official development assistance in 2003

	2003		2002		Per cent change 2002 to 2003 in real terms ¹
	ODA (USD m) current	ODA/GNI %	ODA (USD m) current	ODA/GNI %	
Australia	1 219	0.25	989	0.26	0.4
Austria	505	0.20	520	0.26	-20.5
Belgium	1 853	0.60	1 072	0.43	40.7
Canada	2 031	0.24	2 004	0.28	-12.7
Denmark	1 748	0.84	1 643	0.96	-12.8
Finland	558	0.35	462	0.35	0.3
France	7 253	0.41	5 486	0.38	8.7
Germany	6 784	0.28	5 324	0.27	5.3
Greece	362	0.21	276	0.21	5.7
Ireland	504	0.39	398	0.40	3.8
Italy	2 433	0.17	2 332	0.20	-15.3
Japan	8 880	0.20	9 283	0.23	-9.2
Luxembourg	194	0.81	147	0.77	8.4
Netherlands	3 981	0.80	3 338	0.81	-3.2
New Zealand	165	0.23	122	0.22	6.9
Norway	2 042	0.92	1 696	0.89	4.6
Portugal	320	0.22	323	0.27	-19.4
Spain	1 961	0.23	1 712	0.26	-7.8
Sweden	2 400	0.79	2 012	0.84	-2.8
Switzerland	1 299	0.39	939	0.32	19.7
United Kingdom	6 282	0.34	4 924	0.31	14.0
United States	16 254	0.15	13 290	0.13	20.4
TOTAL DAC	69 029	0.25	58 292	0.23	4.8
Average country effort		0.41		0.41	
<i>Memo Items:</i>					
EC	7 173		5 448		7.7
EU countries combined	37 139	0.35	29 969	0.35	3.0
G7 countries	49 917	0.21	42 644	0.20	6.3
Non-G7 countries	19 112	0.46	15 648	0.47	0.5

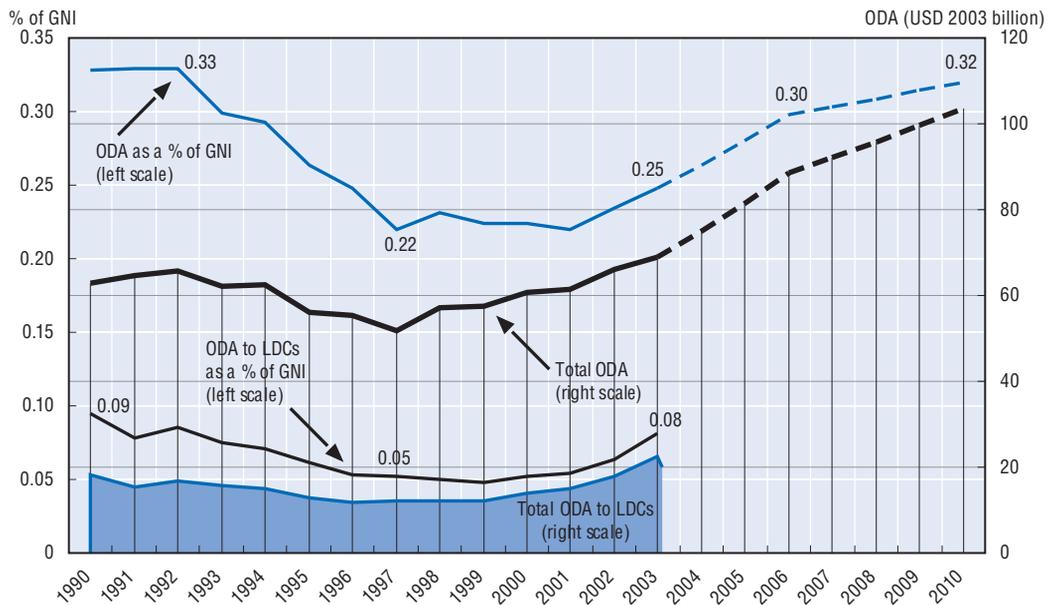
1. Taking account of both inflation and exchange rate movements.

Countries' (HIPC) debt-relief initiative (see Table 1.1). Several countries have also committed to aid increases beyond 2006. In addition to the undertakings by Belgium, Finland, France, Ireland, Spain and the United Kingdom noted above, Canada intends to double its ODA between 2000 and 2010 and Switzerland has committed to an ODA/GNI ratio of 0.4% by 2010. If these longer-term commitments are met, ODA will pass USD 100 billion (at 2003 prices and exchange rates) by 2010.

Implications of Iraqi debt relief

The Paris Club recently reached an agreement to forgive up to 80% of Iraqi debt. At the time of going to press, it appeared that USD 12-17 billion owed to DAC members would be subject to bilateral forgiveness agreements and hence enter into ODA data in 2005 or 2006, depending on the pace of progress in detailed technical discussions between Iraq and its creditors. The final 20% tranche of debt relief is scheduled for 2008 and will also enter the

Figure 4.1. DAC members' ODA: 1990-2003 and simulations to 2006 and 2010



Note: LDCs represent the 50 countries classified by the UN as Least Developed Countries.

ODA data. In many cases, Iraqi debt relief is likely to be additional to programmed ODA, but for some members this may raise the question of whether they would see Iraqi debt relief as helping to meet their Monterrey commitments on ODA levels in 2006.

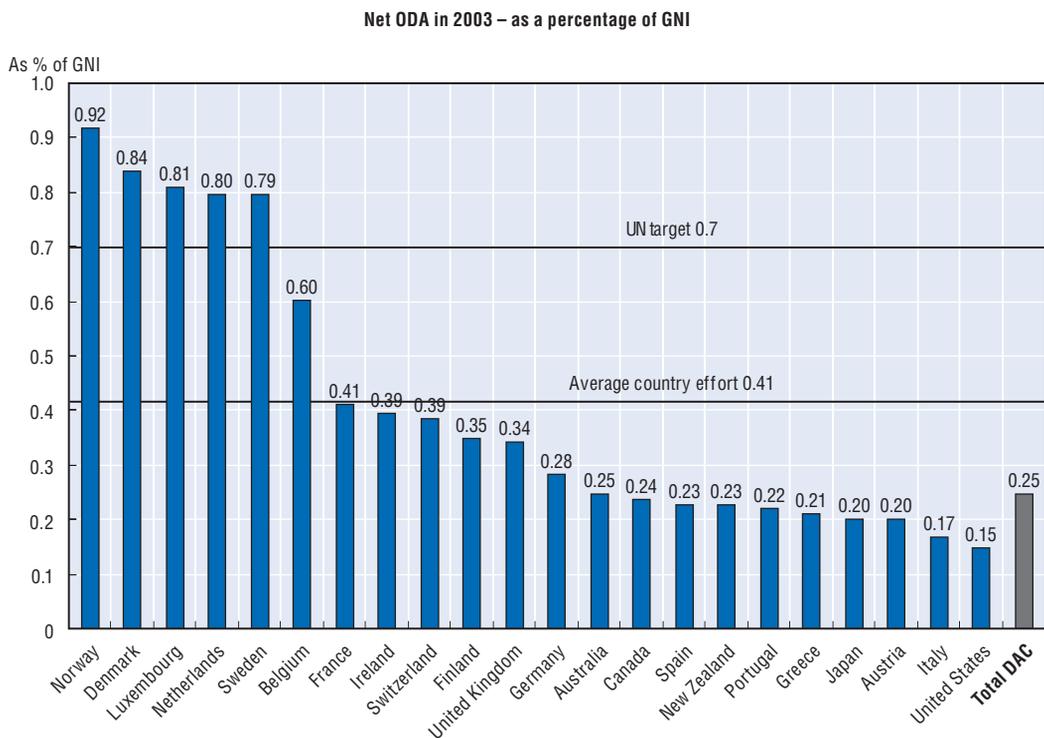
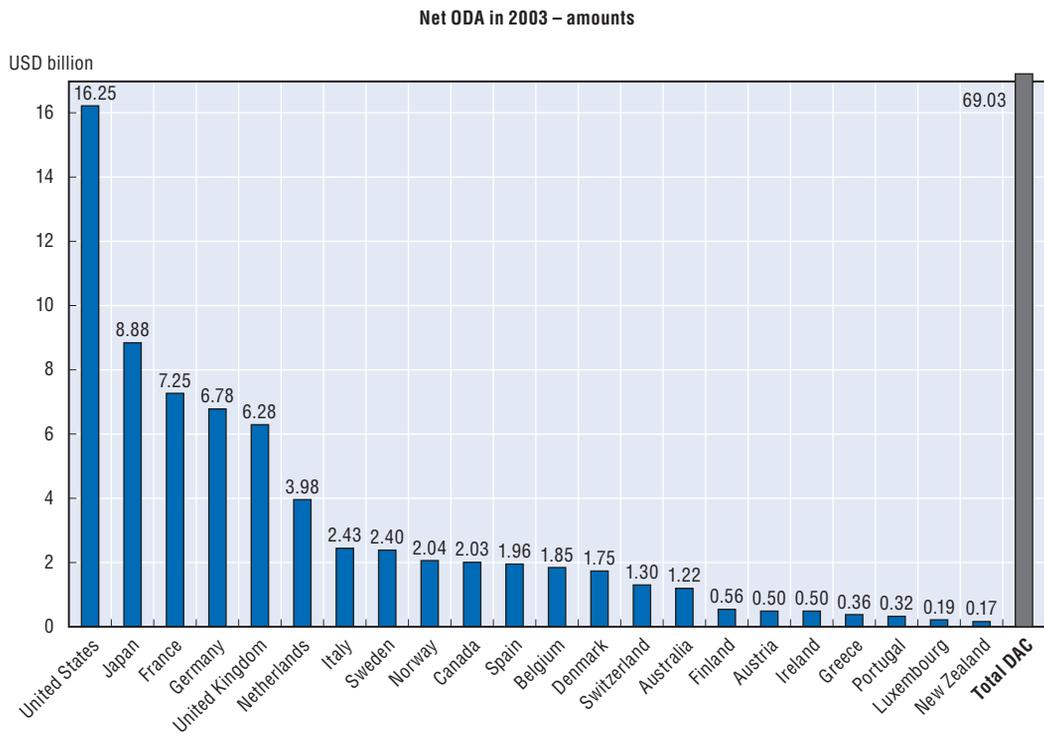
Key trends in aid receipts

The pattern of ODA flows has shifted since 2001. In constant 2002 dollars, gross ODA receipts from both bilateral and multilateral donors rose between 2001 and 2003 by USD 9.3 billion, and net receipts by USD 7.8 billion. Sub-Saharan Africa accounted for about two-thirds of the rise. Of this, debt forgiveness rose by USD 4.3 billion between 2001 and 2003, DR Congo alone accounting for roughly the whole increase. Emergency aid to the region rose by USD 1.6 billion, with the largest increases going to Ethiopia, Sudan, Angola, DR Congo and Eritrea. Excluding these items, and a small increase in food aid, there was still a modest real increase of USD 0.6 billion in new money for development projects in the region.

The war on terrorism has also boosted aid flows. Between 2001 and 2003, net aid to Afghanistan from all sources rose from USD 0.4 billion to USD 1.5 billion and aid to Iraq rose from USD 0.1 billion to USD 2.3 billion. Aid to Pakistan has remained between USD 2 billion and USD 3 billion in gross terms in each of the last three years, but declined in 2003 in net terms because part of the assistance was in the form of forgiveness of loans that had already been reported as ODA in earlier years.

The slower rise in net ODA than in gross ODA results from increased repayments of ODA loans, particularly from Asian countries which have continued their recovery from the shocks of 1998. In 2003, ODA loan principal repayments by Thailand reached USD 1.7 billion, compared with USD 0.6 billion in 2001; India repaid USD 1.8 billion,

Figure 4.2. Net official development assistance in 2003

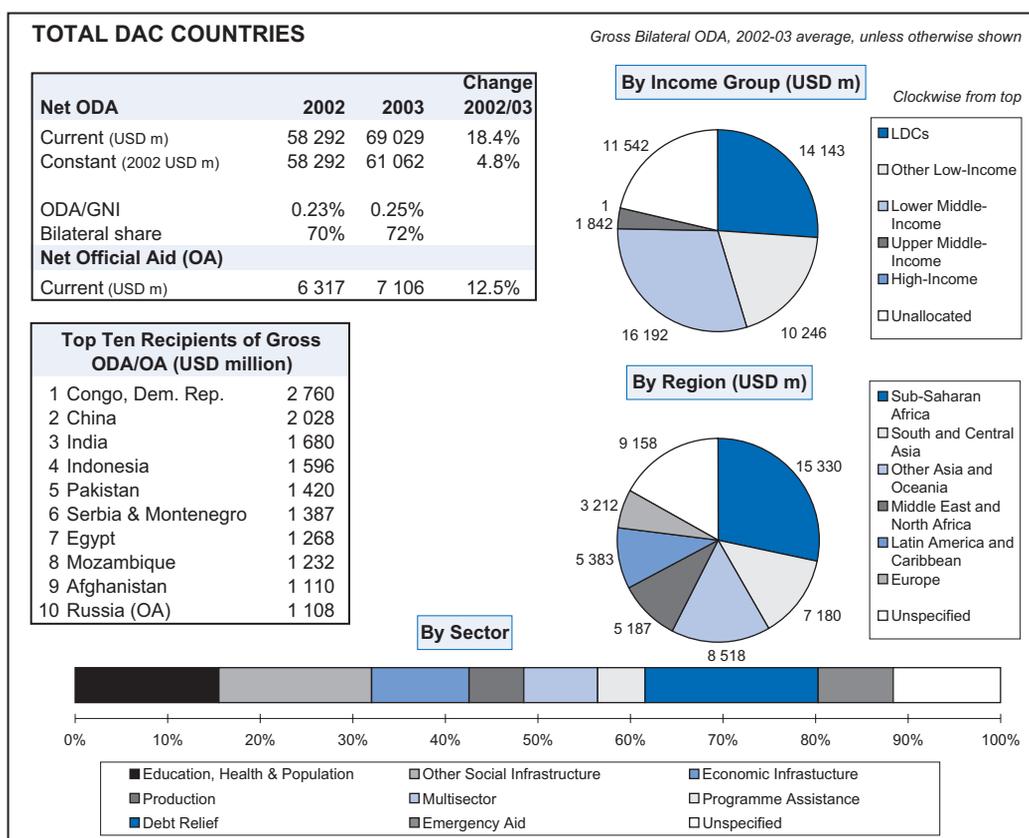


compared with USD 1.1 billion two years earlier, and China and Pakistan also increased their repayments substantially.

Thus, the global ODA picture can be seen as positive. Net ODA is continuing to rise in real terms. Much of the rise is accounted for by increased debt relief and assistance to trouble spots. Yet there has been no diminution of aid for other purposes, and it is being increasingly concentrated on the most needy recipients as strong growth reduces demand for aid from large and medium-sized Asian countries. In 2003, India's net ODA receipts fell below USD 1 billion, the lowest level since the 1970s; aid to China was down by two-thirds from its levels of the early 1990s; and Thailand, once a large aid recipient, for the first time repaid more than it received. As Figure 4.1 shows, the bulk of the increase in aid over the past four years is accounted for by the Least Developed Countries.

Notes on DAC members

Notes on DAC members are presented in alphabetical order and include a box on those members reviewed in 2004 (France, Italy, Austria, Norway, Australia). The data on overall ODA refer to 2003, but data on aid distribution use the average from 2002-03 from gross data.



Australia

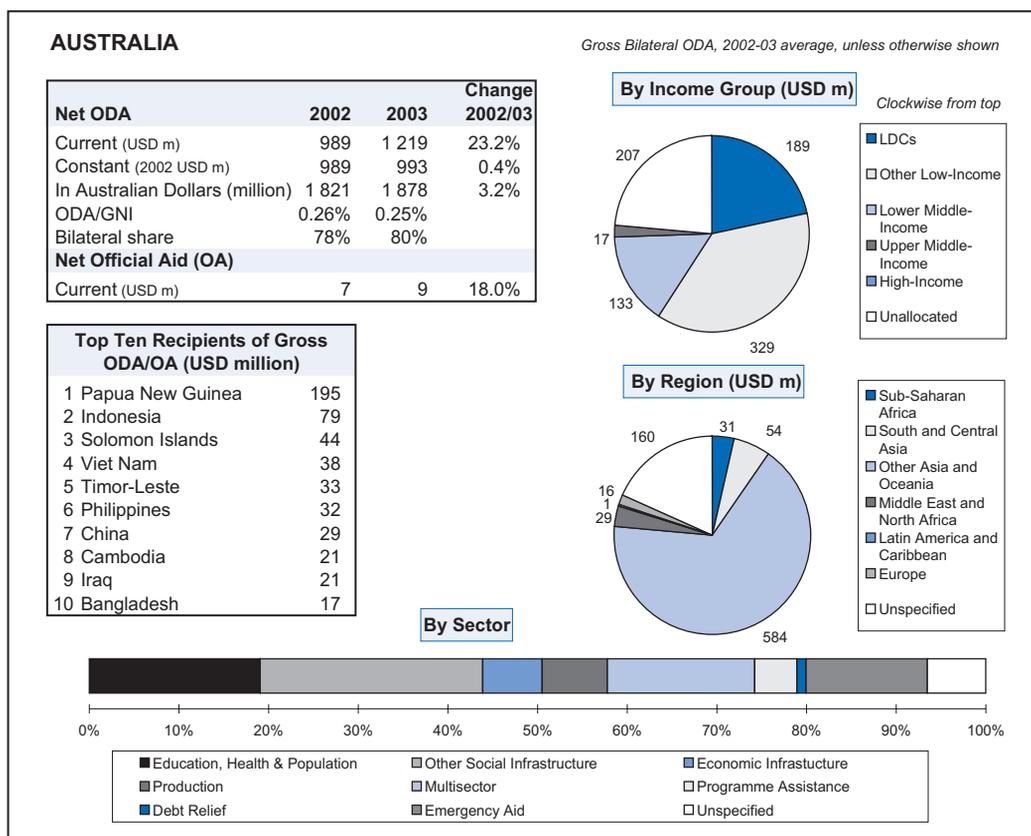
In 2003, Australia's total ODA amounted to USD 1.22 billion, representing 0.25% of its GNI. Australia's ODA is primarily targeted on the Asia Pacific region and focuses on the governance sector.

Commitment to MDGs. Australia is supporting progress to achieve the MDGs through the co-ordinated application of policies and actions across government to promote the conditions necessary for development and poverty reduction.

Results orientation. Australia is shifting its focus to programme level performance measurement to provide better information on country and regional strategy outcomes. This shift in emphasis does not diminish the importance of activity level performance information as this will feed into programme level assessments. Rather, the revised approach aims at better demonstrating the impact of aid at the strategic level and at adapting to new aid delivery mechanisms.

Ownership, alignment, and harmonisation. Australia's Harmonisation Action Plan (July 2004) outlines Australia's goals for donor harmonisation: to enhance the effectiveness of Australia's aid; and, to strengthen partner countries' ownership of development. Australia is also engaged in "scaling up" AusAID's programme investments to minimise administrative and reporting burdens.

Policy coherence. Policy coherence is supported by a high-level policy commitment shared by AusAID, the Department of Foreign Affairs and Trade, and the Treasury. Coherence between Australia's aid, foreign, trade and agriculture policies is seen as of particular importance, and is underpinned by a coherent whole of government strategy. Australia's priorities are: i) strengthened engagement with the Pacific, focusing on economic growth and law and justice reform; ii) enhancing trade liberalisation and market access for developing country exports; and iii) developing formal strategic partnership agreements between key Australian government agencies.



Box 4.1. DAC Peer Review of Australia, 14 December 2004

Examiners: Ireland and United Kingdom

The DAC commended Australia for the significant advances made since the last Peer Review in 1999 in adapting to the new challenges faced by the Asia-Pacific region. Australia's geographic location provides a particular challenge in terms of the number and the proximity of countries afflicted by poverty, deficient governance and political instability. The DAC recognises Australia's leading role in its neighbouring region, particularly in HIV/AIDS, approaches to fragile states and peace building and conflict resolution. The DAC commends Australia's new policy on humanitarian action and its commitment to the Principles and Good Practice of Humanitarian Donorship, endorsed in 2003. The main findings and recommendations from the Peer Review included:

- The government of Australia should now increase the percentage of its GNI going to aid and announce medium and long-term targets for meeting its commitment to the 0.7% ODA/GNI international objective.
- The relationship between poverty reduction and governance, security, and the whole-of-government approach should be reflected in future policy statements, and the poverty reduction focus as well as cross-cutting issues should be followed through more consistently in implementation, monitoring and evaluation.
- AusAID is encouraged to continue to assess the impact of governance programmes in terms of poverty reduction, capacity building and ownership and to maximise the potential of holistic, integrated approaches to poverty reduction.
- Australia might reflect on the steady decline in the relative share of multilateral aid in its programme, and take a strategic view of the future medium-term balance between bilateral and multilateral channels.
- Australia faces a major challenge and opportunity in taking forward its "whole-of-government approach" in a way which is poverty-focused, developmentally sustainable and owned by partner countries. AusAID is well positioned to continue to contribute to this approach and should pursue its efforts toward enhanced policy coherence. AusAID should continue to build its analytical capacity to be able to bring its expertise to the interdepartmental committees and thus influence the whole-of-government agenda.
- To ensure that the whole-of-government approach is an important contributor to aid effectiveness, the DAC encourages AusAID to continue to play a pro-active role in wider government decision-making on development issues. It could ensure as well that the MDGs and poverty-reduction principles are articulated as part of the overall framework for this approach.
- AusAID should deepen and broaden devolution on a case-by-case basis, clarifying the respective roles of Canberra and the posts and increasing delegation to field offices.
- AusAID should look at ways to ensure the specialist skills that exist within the programme are used efficiently and effectively and that internal capacity continues to be aligned with programme needs.
- The role and significant share of external technical assistance as well as AusAID's high reliance on managing contractors should be carefully analysed and its impact assessed against partnership and ownership principles.
- Australia's willingness to stay engaged in conflict situations and fragile environments is welcome and has wider interest for the development community. Australia's assurance of long-term engagement reinforces the importance of sustainability and capacity building in partner countries, not least through progressively transferring responsibilities to national officials and strengthening local accountability mechanisms.
- Australia should affirm the primary position of civilian organisations in delivering humanitarian action and ensure that the humanitarian principles of neutrality and impartiality enshrined in its policy on humanitarian action are followed through in implementation.

Austria

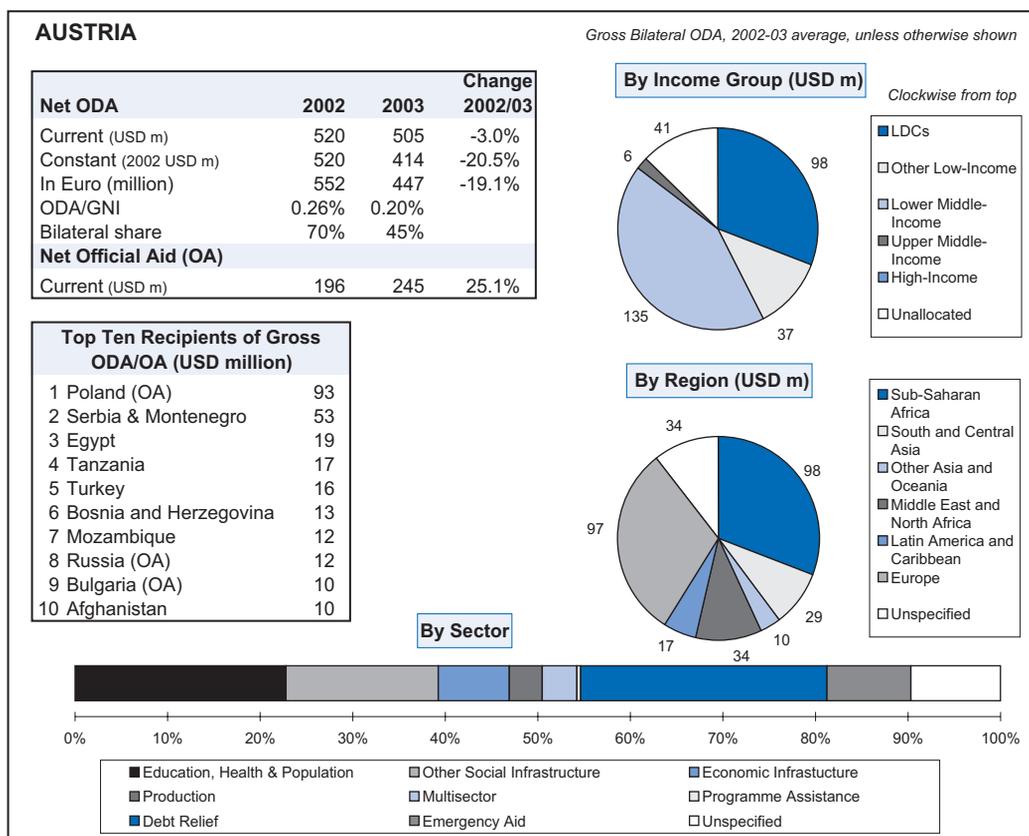
In 2002, Austria's ODA fell from USD 520 million, or 0.26% of GNI, to USD 505 million or 0.20% of GNI in 2003, due in large part to postponement of debt relief.

Commitment to MDGs. In the Federal Act on Development Co-operation 2002 (amended 2003), combating poverty is anchored as one of the three main objectives of Austrian development co-operation. The Three-Year Programme 2004-06 includes a general commitment to the MDGs without spelling out how Austria intends to make practical contributions to meeting these goals. Austria seeks to accord priority to selecting the poorest countries, especially needy regions and disadvantaged target groups. However, Austria provided only 0.08% of GNI to Least Developed Countries (LDCs) (2002) which is below the DAC average. The share of sector-allocable ODA spent for basic social services has increased from 2.6% in 1995-96 (two-year average) to 14.7% in 2001-02.

Results orientation. Austria finds it difficult to establish a precise quantified link between its development co-operation activities and achievement of the MDGs in partner countries. Measurement of results and impact of the Austrian development co-operation (e.g. by using the MDG targets and indicators) still remains a challenge.

Ownership, alignment, and harmonisation. Austria participates in several working parties and networks on Harmonisation and Alignment (H&A) of the DAC and the EU. At headquarters level, aid effectiveness and harmonisation issues are addressed by an internal work group. Alignment of Austrian support to national strategies has taken place in a few partner countries. To improve the communication system on H&A, Austria has set up two focal points in its aid administration. An action plan on H&A is to be finalised during the second half of 2004.

Policy coherence. By including a coherence clause, the new Federal Act on Development Co-operation provides an explicit legal basis for efforts to improve policy coherence for development. The Ministry of Foreign Affairs (MFA) is responsible for monitoring and ensuring compliance and there is extensive inter-ministerial co-ordination. However, it stills needs a prioritised coherence agenda and sufficient resources.



Box 4.2. DAC Peer Review of Austria, 27 October 2004*Examiners: Finland and Germany*

The DAC welcomed the significant reforms in the Austrian aid system since the last Peer Review in 1999, including the Development Co-operation Act, adopted in 2002 and amended in 2003, and the Three-Year Programme 2004-06 to guide Austria's aid priorities. The DAC commends Austria's commitments to poverty reduction and the achievement of the MDGs and hopes that they will be fully operationalised and reflected in the allocation of resources.

The creation of the Austrian Development Agency (ADA) in January 2004 to address the issues of effectively delivering an increased aid programme presents new opportunities and challenges. The ADA is responsible for administering the MFA's bilateral aid programme. The foundation of the ADA will strengthen the MFA's role as the focal point for development strategy and policy leadership within the Austrian aid system, though there is still a need to operationalise the division of labour between the MFA and ADA.

To build on progress made since Austria's last Peer Review, the Committee reached the following conclusions:

- The Committee welcomed Austria's plans to achieve its 2002 Barcelona Summit commitment of 0.33% of GNI by 2006, which will require it to raise the currently projected 2004 expenditure of EUR 573 million by EUR 222 million, or about 40%. Further, Austria will require strong political support, a consistent strategy and a substantial expansion of management and administrative capacity. A multi-year allocation path is needed to reinforce the predictability of Austrian aid and to bring it more in line with the programming needs of partner countries.
- To promote consistency within Austrian development co-operation, the Three-Year Programme and country strategies should expand their coverage to all Austrian ODA-relevant activities. Austria should also consider developing a formalised system to allow the MFA to co-ordinate effectively those activities not under its direct responsibility.
- In order to monitor and ensure policy coherence for development, the MFA still needs a prioritised coherence agenda and sufficient resources.
- Austria should continue its efforts to support private sector and development activities that maintain a clear focus on the economic development and welfare of recipient countries.
- Further concentration of Austria's aid programme would help achieve greater efficiency and effectiveness by creating a critical mass and allowing bigger sectorally-based programmes.
- The MFA should carefully consider whether and to what extent Austria, as a small donor with a particular profile in the support of NGOs and target groups on the ground, should redirect part of its country allocations to programme and budget aid.
- Austria will have to reinforce its efforts in harmonisation and alignment. Dialogue and consultation with partner governments needs to be strengthened and practical steps to harmonise and align all Austrian support (including NGOs) to partner-country national strategies and systems should be increased.
- Personnel and procurement policies need to be updated to meet the requirements of a growing and increasingly professional bilateral aid programme.
- It is important to ensure the organisational independence of the Austrian aid system's evaluation function.

Belgium

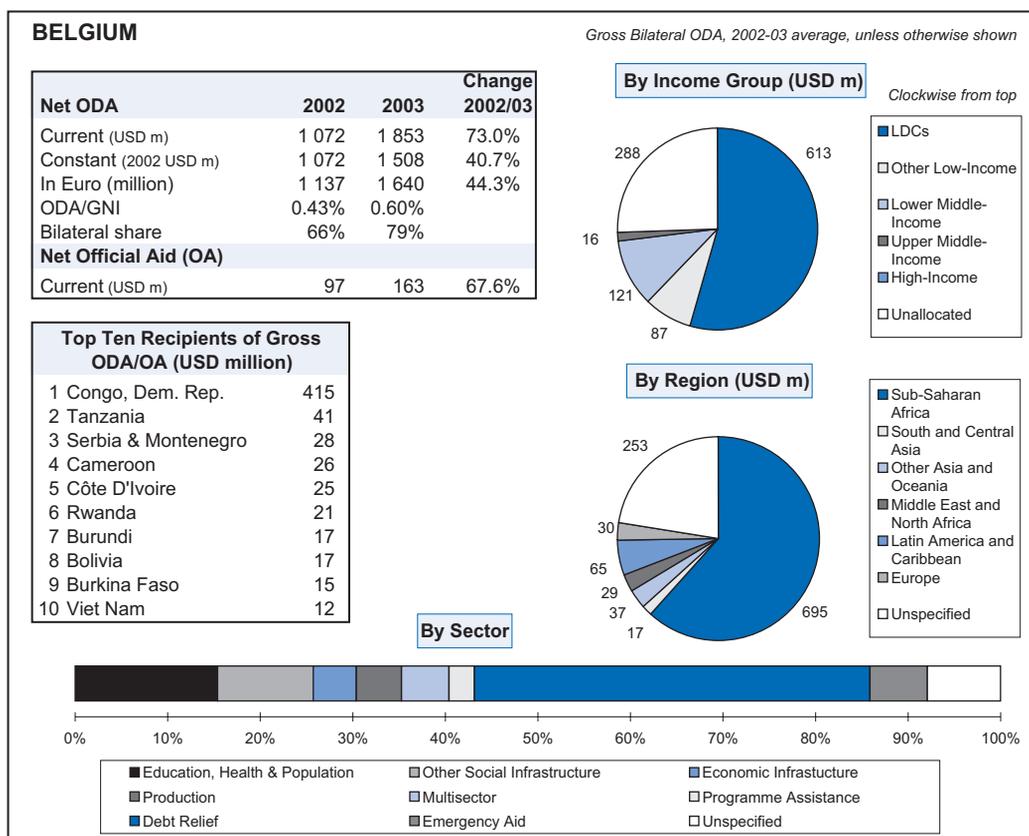
In 2003, Belgian ODA increased by 40.7% in real terms to reach USD 1.85 billion. Its ODA/GNI ratio rose to 0.60% from 0.43% in 2002, mainly due to Paris Club debt-forgiveness operations to the Democratic Republic of Congo. A majority of the bilateral funds (55%) are allocated to the least developed and low-income countries, and 62% to sub-Saharan Africa.

Commitment to MDGs. Combating poverty is central in Belgium's efforts for sustainable development. Poverty is viewed as an unfair balance of assets, power and rights. Poverty reduction needs empowerment of the poor, and Belgium encourages capacity building for the poorest, to promote their inclusion into democratic, poor-owned structures. In regions in conflict Belgium invests significantly in conflict reduction as a precondition for combating poverty. As economic growth is important to reduce poverty, Belgium supports private investors in developing countries.

Results orientation. A thematic evaluation programme 2004-05 is under implementation. To strengthen the internal monitoring and evaluation capacity, different tools (guidelines, database, instructions, etc.) are being developed. An external assessor performs independent evaluations.

Ownership, alignment, and harmonisation. Belgium is working to improve the scope for coherence between the development policies of the partner country and the co-operation policy of the donor country, each donor accepting the need to reduce its own visibility in the partnership.

Policy coherence. Belgium has an interdepartmental working party aimed at promoting synergy between the federal ministries responsible for formulating policy affecting developing countries. A high-ranking civil servant has been designated to follow the problems related to the coherence of policies from the development viewpoint. A challenge in the form of potential devolution to the regions of responsibility for indirect aid still lies ahead. This could result in a decrease of overall co-ordination of ODA. The debate is not concluded on this matter and the Belgian parliament will attempt to propose a suitable compromise.



Canada

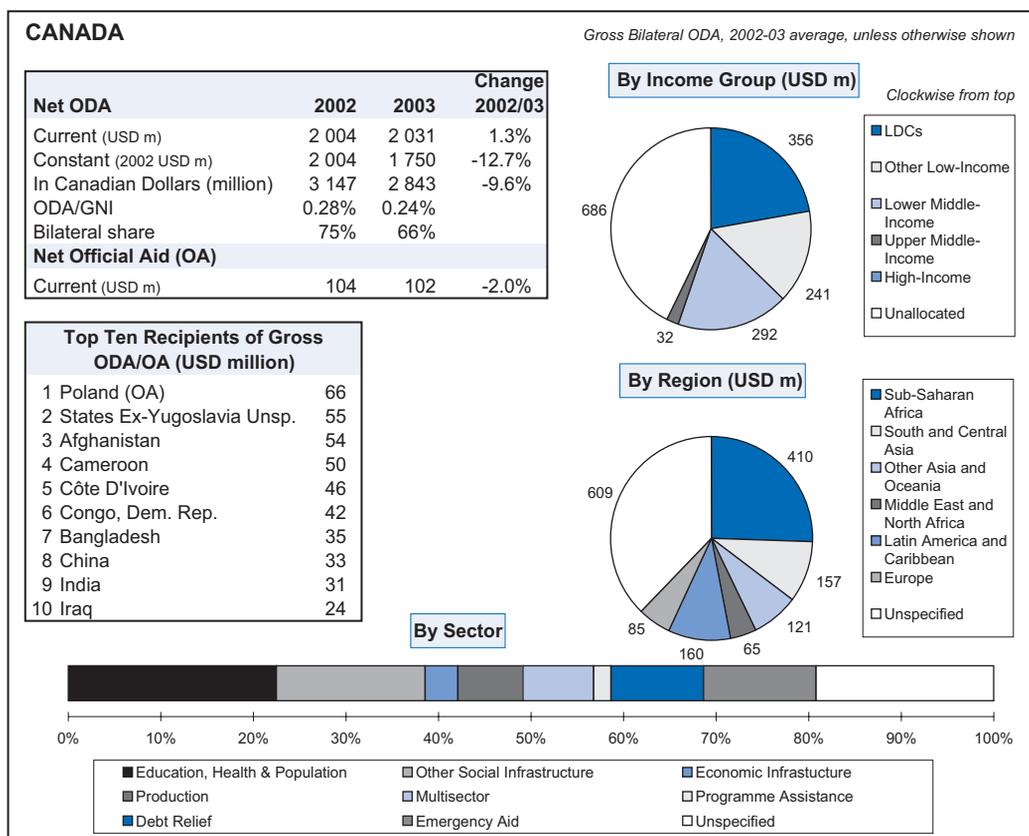
In 2003, Canada's ODA of USD 2.03 billion was a 12.7% decrease in real terms compared with 2002, and its ODA/GNI ratio dropped from 0.28% to 0.24%. This was mainly due to a repayment from India of about USD 310 million of its ODA debt stock, and an exceptional rise in 2002 of more than 30% due to high disbursements for debt relief.

Commitment to MDGs. CIDA has recently been increasing the focus on key areas of the MDGs – basic education, health and HIV/AIDS – with gender equality integrated throughout.

Results orientation. CIDA is trying to improve its performance by transforming into a more effective, better-focused, results-oriented, and accountable organisation. As part of the process, the Agency is elevating its Results-Based Management system from a project to programme level. CIDA reports annually to parliament on the Key Agency Results, which include activities towards meeting the MDGs.

Ownership, alignment, and harmonisation. CIDA supports the view that harmonisation plays a key role in enhancing development effectiveness, building recipient-country ownership of the development process and reducing poverty. It has a clear policy to orient its country programming within locally owned frameworks, particularly the PRSs, and to redouble its efforts to achieve better co-ordination with other donors, including through improved harmonisation. In September 2004, CIDA issued its Action Plan to Promote Harmonization.

Policy coherence. The Ministry of Foreign Affairs is leading a review of Canada's international policy, which encompasses diplomacy, international trade, development co-operation and defence. As for specific action for policy coherence, in May 2004, parliament passed legislation that enables generic versions of drugs under patent in Canada to be more freely available for export to developing countries. There is no formal machinery within government to support greater policy coherence for development.



Denmark

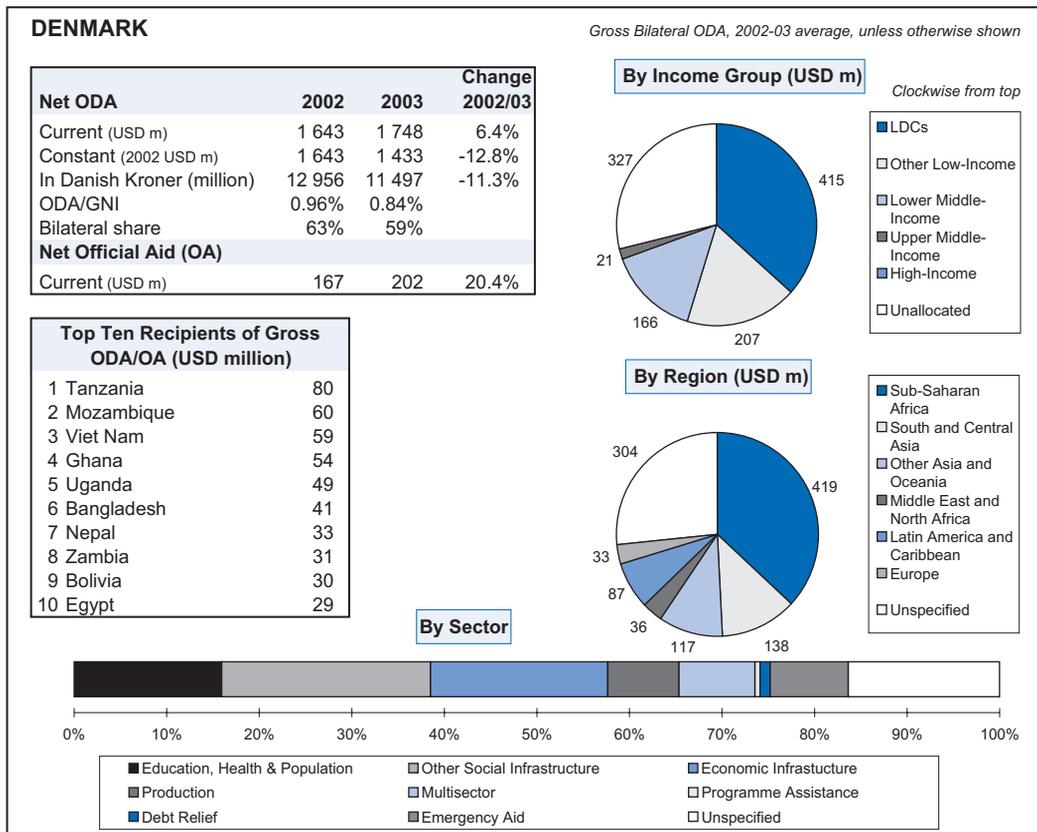
In 2003, Denmark's ODA/GNI ratio of 0.84% was the second highest of all DAC members, reflecting a volume of USD 1.75 billion. While breaking with its decade-long tradition of being the DAC's most generous donor, Denmark has announced its political commitment to remaining "among the lead donors".

Commitment to MDGs. Denmark sees the MDGs as a means to focus attention on poverty-reduction impact and supports local joint efforts to measure the impacts. Danish geographically allocated assistance is primarily directed to the LDCs and other low-income countries, mainly in sub-Saharan Africa.

Results orientation. Denmark has frequently taken operational leadership in the field of evaluation. It supports the current interest in measurable poverty-reduction strategies with an emphasis on results and sees the need for joint evaluations of combined donor efforts. During recent years a wide range of performance/measurement instruments have been developed and implemented in its field operations.

Ownership, alignment, and harmonisation. Denmark's policy *Partnership 2000* affords local partners substantial opportunity to influence strategy formulation and supports recipient country ownership of its local aid programmes. It has played a longstanding role in supporting partnership around sector programmes at the country level and is now actively involved in local, jointly managed approaches to harmonisation of aid.

Policy coherence. Since 1991, the same regional departments within the Ministry of Foreign Affairs have dealt with development co-operation, foreign policy, and general economic relations. This has permitted substantial, although not systematic coherence among key national policies relating to development. The recent appointment of a minister for development is expected to reinforce Denmark's ability to foster policy coherence for development.



European Community

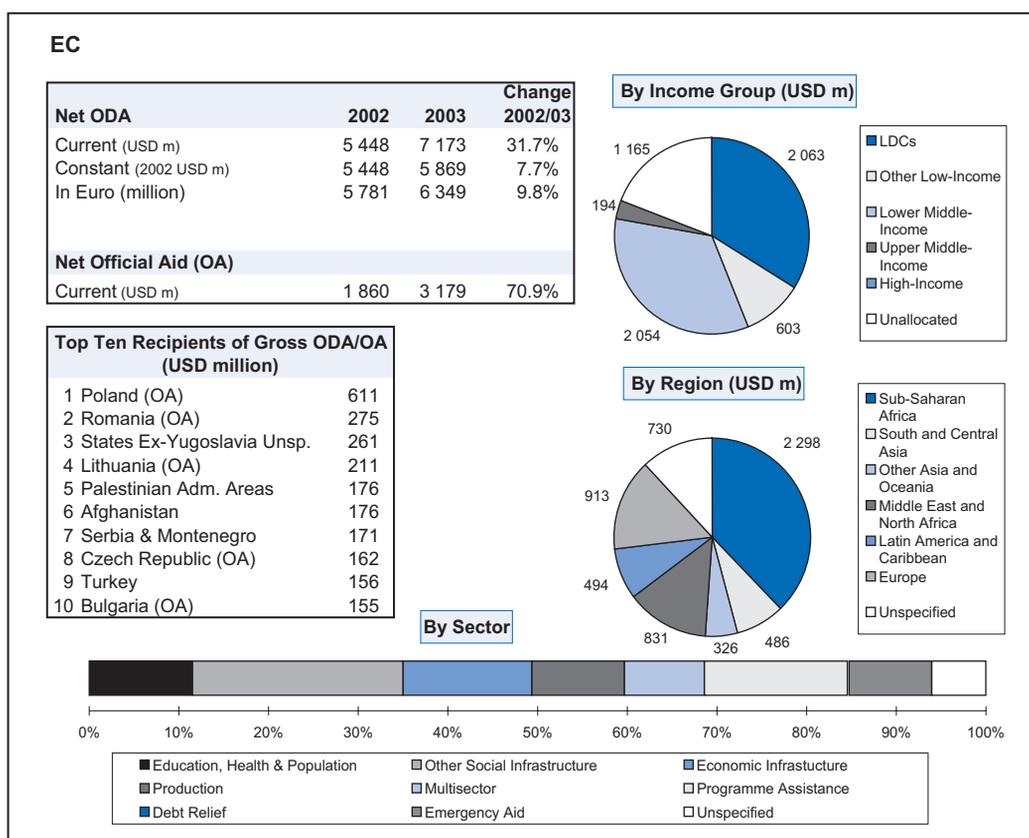
In 2003, the European Community's net ODA volume was USD 7.2 billion, an increase in real terms over 2002 of 7.7%. This compares with the net volume of resources to developing countries of USD 5.2 billion disbursed by IDA.

Commitment to MDGs. Since 2000, the core objective of European Community development co-operation has been poverty reduction. To measure progress towards the MDGs in its partner countries the Commission has identified a "core set" of ten key indicators.

Results orientation. The central database (CRIS) and the new Results-Oriented Monitoring (ROM) system appear to have strengthened the European Community's capacity for management and impact assessment. Still, moving towards a results-based approach, through the integration of benchmarks and performance indicators in Country Strategy Papers (CSPs) and programmes, remains a challenge. Evaluation has been strengthened and integrated into the full co-operation cycle.

Ownership, alignment, and harmonisation. The Commission is mandated to report annually on the Barcelona Summit commitment to "improve aid effectiveness through closer co-ordination and harmonisation". Main efforts have been concentrated on four countries, but copies of the DAC Good Practice papers were sent to all EC delegations "for implementation". The Commission has taken a lead in applying principles of harmonisation and alignment to a number of important areas, e.g. budget support (playing a key role in the Strategic Partnership for Africa), monitoring and evaluation, education and information management.

Policy coherence. Ensuring coherence between the objectives of the European Community Development Policy and policies in other areas has become an operational priority. It is put in practice by close involvement of the RELEX family in decision-making within the Commission, through procedures for Impact Assessment of the economic, social and environmental impacts of Commission proposals, through the process of drafting and reviewing of CSPs, and the development of "Country Fact Files". In 2003, progress was made on thematic priorities for policy coherence, e.g. on migration, security, agricultural and fishery policies. A specific focus was put on the cotton and sugar sectors. The Commission is currently preparing a regulation which will take untying of aid further than DAC recommendations.



Finland

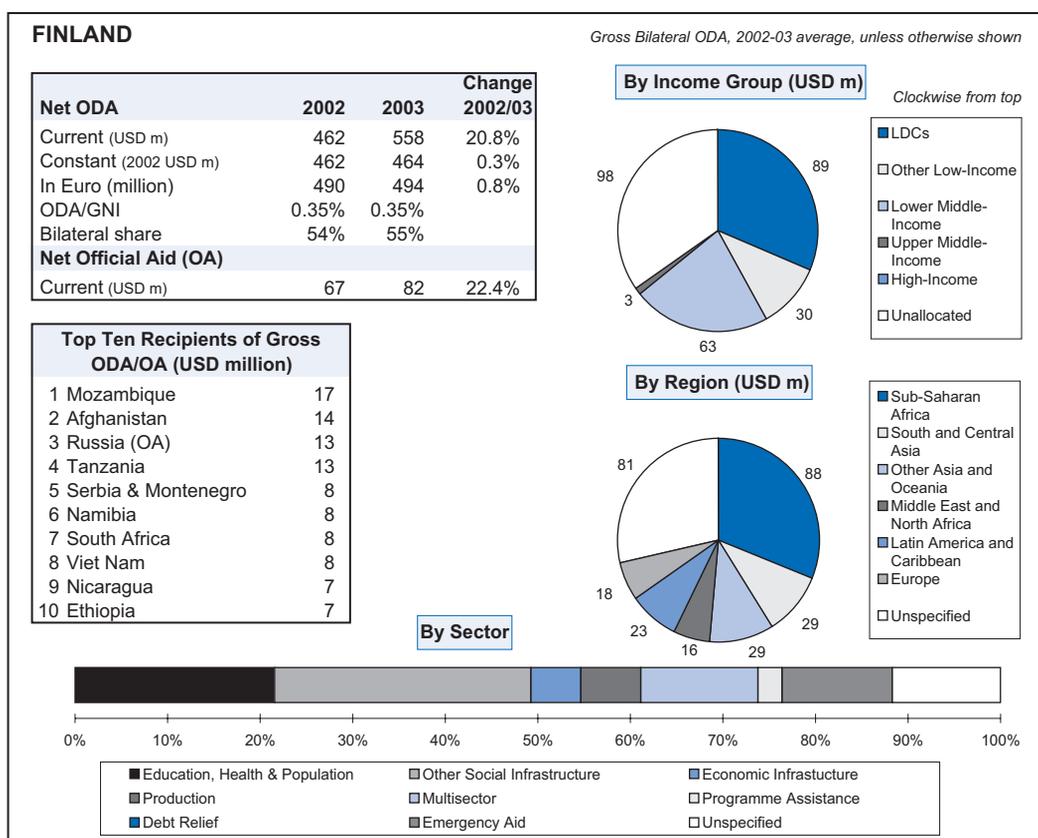
In 2003, Finland's ODA/GNI ratio was 0.35%, the same as in 2002, but there was a slight increase of 0.3% in ODA volume, which recorded USD 558 million.

Commitment to MDGs. Finland adopted a new Resolution on Development Policy in February 2004 which reaffirms its commitment to the MDGs as a framework for implementing development policy. In particular, Finland recognises the importance of promoting a global partnership for development (MDG8) and adopted three main strategies: increasing policy coherence; increasing volume and effectiveness; and strengthening partnerships with a broad range of actors.

Results orientation. The new development policy places importance on monitoring and evaluating the achievement of development goals, particularly the MDGs. The first annual progress review in this regard was carried out in October 2004. Finland has also produced reports on the implementation of MDG8. Furthermore, the government is co-operating with several research institutes to explore optimal allocation of resources in order to help achieve development goals.

Ownership, alignment, and harmonisation. Harmonisation and alignment are defined in the new policy as key strategies to improve aid quality and effectiveness. In March 2004, Finland adopted a national harmonisation plan which covers all levels: global, headquarters and partner countries. Finland also took part in the Nordic Plus group's Joint Action Plan on harmonisation and alignment, which was adopted in early 2004. Finland seeks to focus on implementation at the country level.

Policy coherence. Finland gives particular importance to policy coherence as a way to ensure the effectiveness of its development efforts. It tries to ensure coherence of national policies that have an impact on developing countries, such as security, trade, human rights, environment, agriculture, forestry, education, information technology, health, social issues and migration. During 2004, Finland promoted international discussions on, *inter alia*, integrating trade in PRSs and pursuing development-friendly policies at the WTO.



France

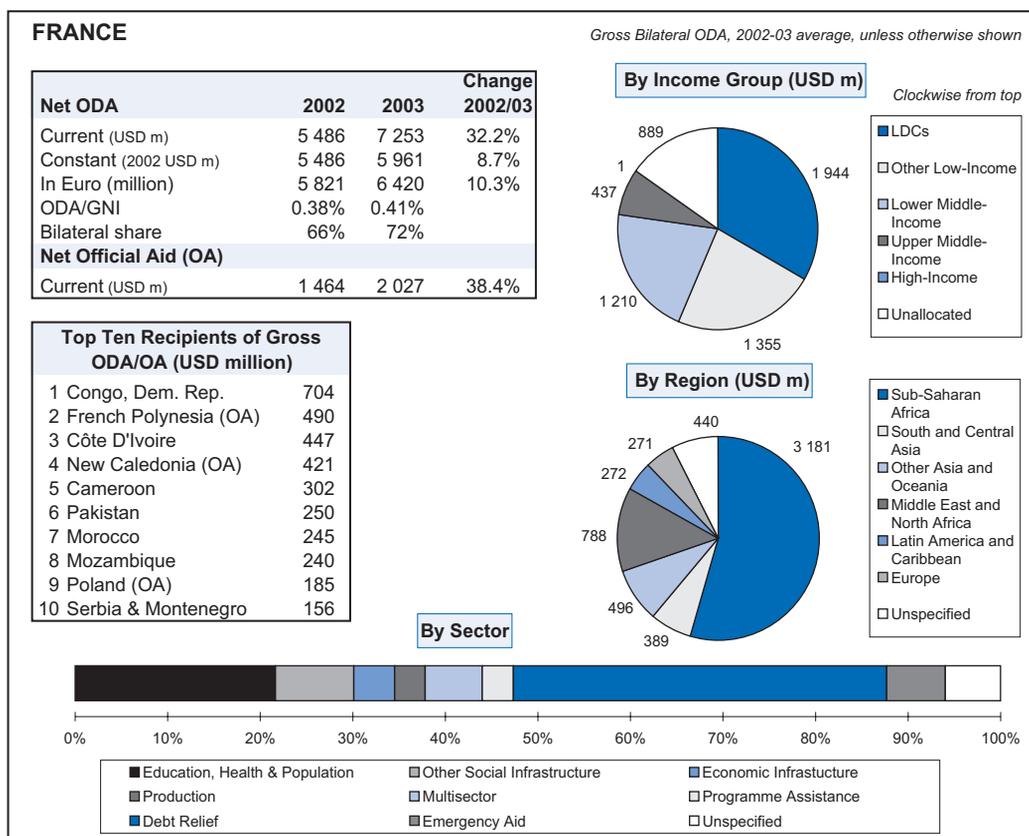
In 2003, French ODA continued to increase, reaching USD 7.25 billion, with an ODA/GNI ratio of 0.41%. France aims to increase the share of ODA in GNI to 0.50% by 2007, and to reach 0.70% in 2012.

Commitment to MDGs. French aid remains primarily concentrated in Africa (almost 70%). France was closely involved in the launch of large mobilising programmes such as the Fast Track Initiative in favour of Education for All and the Global Fund to Fight AIDS, Tuberculosis and Malaria. It campaigns actively for the mobilisation of new ways of financing development and has presented the international community with concrete proposals concerning international taxation. In addition, it has developed new instruments such as guarantees, loans, and catalytic investment that leverage private finance.

Results orientation. The introduction of results-based management is under way as part of France's budgetary reform process and the strategic reorientation of the French Development Agency (AFD).

Ownership, alignment, and harmonisation. France participates actively in the international community's work on harmonising donor procedures and practices. In light of the encouraging results of the initial measures implemented in Mozambique and Burkina-Faso, France selected 17 other countries where the emphasis is to be placed as soon as possible on the harmonisation process. Consideration is currently being given to ways of adapting French aid instruments with the object of making them partnership-oriented. France takes part in budget support operations thanks, in particular, to the resources released by bilateral debt-relief operations, which are invested in programme-aid tools – the debt-reduction and development contracts.

Policy coherence. Policy coherence is the responsibility of the Interministerial Committee for International Co-operation and Development (CICID) which is chaired by the prime minister. The French authorities are anxious to promote globalisation with a human face, based on democratic principles and social equality, and have launched various initiatives aimed at integrating African countries more fully into the global economy. French initiatives led to the EU's action plan in support of the cotton sector in Africa.



Box 4.3. DAC Peer Review of France, 26 May 2004

Examiners: Canada and the Netherlands

On the occasion of the 2004 Peer Review of French aid, the DAC welcomed the increase in the volume of French ODA. France had pledged in 2002 to increase its aid to 0.5% of GNI by 2007, and ultimately to 0.7% by 2012. At least half of this aid is to be directed towards Africa to help achieve the MDGs and support the areas specified by NEPAD. France is also keen to improve the effectiveness of its aid, as may be seen from its involvement in the Rome High-Level Forum on Harmonisation in 2003, and in the organisation of the follow-up meeting in Paris in 2005.

The DAC noted, however, that this would not be a straightforward task, given France's present budgetary constraints. What is more, the increase in ODA is mainly attributable to debt-relief operations for HIPC countries. When debt-cancellation operations peak, in the near future, the French Government will have to mobilise additional budgetary resources to offset the gradual reduction of the debt-relief effort. The DAC encouraged the French authorities to introduce multi-year programming and to adapt their instruments and the management of their human resources so as to meet the challenges involved in handling the substantial growth of ODA.

The main conclusions and recommendations to emerge from the DAC Review of French aid are as follows:

- The French Government should consider drawing up a strategic orientation document for the whole of the co-operation system, built around achieving the MDGs and based on the principle of aligning French co-operation with the poverty-reduction strategies of partner countries. The challenges involved in achieving the MDGs in a large number of sub-Saharan African countries should compel the French authorities to review the countries selected within the Priority Zone for Solidarity (ZSP), which contains 50 or so countries, and establish priorities. The criteria to be taken into account should include needs for achieving the MDGs and the possible impact in light of the commitment of recipient countries. From the operational standpoint, aid planning needs to be adapted to respond more closely to the needs expressed by partner countries through their national poverty-reduction strategies, rather than in terms of the instruments used by French co-operation. This will, in particular, mean introducing budgetary programming by country in order to enhance aid predictability.
- France needs to play a more active role in implementing aid effectiveness principles in partner countries; this will entail finalising and disseminating the action plan for harmonisation, specifying the objectives to be achieved as well as indicators of results and timetables. In this context, France should continue to give thought to adapting its instruments and methods of implementation in order to make them more effective. The advantages and disadvantages of keeping various implementation structures in place, both at headquarters and in partner countries, deserve in-depth analysis. Also, efforts to adjust technical assistance should be pursued with the object of enhancing its contribution to capacity building, while at the same time assessing its opportunity cost compared with other instruments. Consideration should be given to untying such assistance, co-financing with other donors and increased use of local or regional expertise.
- Policy coherence for development would gain by being an explicit objective of the French Government. To ensure that the interests of developing countries are taken more systematically into account in the policies pursued by France, the government should envisage initiating a more rigorous debate by identifying the practical objectives to be achieved at ministerial level and within the administration.
- Performance measurement and knowledge management are part of a culture that is making headway within the French administration. The government should make the most of the opportunity provided by the ongoing budgetary reform to introduce a transparent and multi-year budget process with respect to ODA, together with results-based management. The French authorities should also support initiatives aimed at inter-institutional capitalisation on know-how and experience, including in the area of evaluation.

Germany

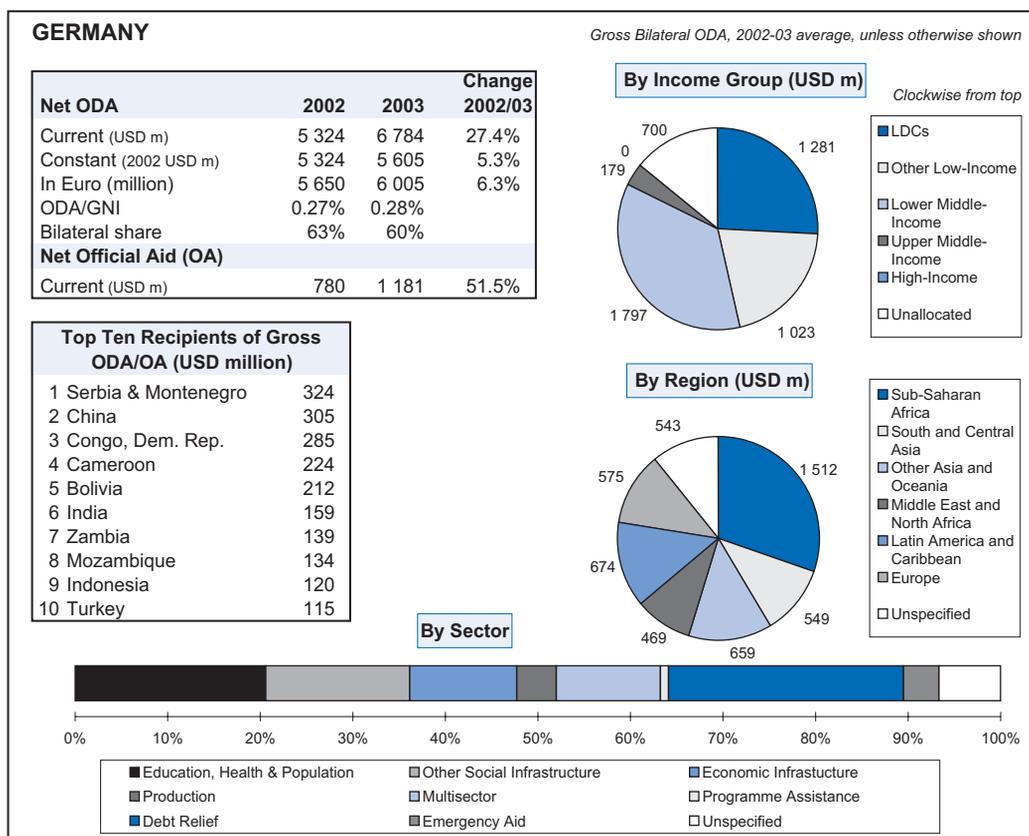
In 2003, Germany's net ODA was USD 6.78 billion, a 5.3% increase in real terms over the 2002 level. Germany's ODA/GNI ratio rose from 0.27% in 2002 to 0.28% in 2003.

Commitment to MDGs. Germany sees its development policy as part of the joint global task of realising the goals of the Millennium Declaration (MD), and as set out in its Programme of Action 2015. Poverty reduction, building peace and achieving justice in globalisation are the main goals of German development policy. The aim of improving general international conditions and national structures in partner countries and in Germany is linked with sustainable development, which comprises economic efficiency, social justice, ecological sustainability and political stability.

Results orientation. German development co-operation continues to strengthen its focus on results. The Federal Ministry for Economic Co-operation and Development (BMZ) is reviewing its instruments and procedures for results, particularly with the perspective to make an efficient contribution to the achievement of the MDGs. To assess the effectiveness of German development co-operation the ministry and the executing agencies (KfW and GTZ) have developed a comprehensive system to monitor and evaluate programmes, strategies and procedures regularly.

Ownership, alignment, and harmonisation. To implement the Rome agenda, an action plan was developed and a system of focal points in Germany and the field was established, co-ordinated by a harmonisation officer. Headquarters and field staff were trained in the harmonisation agenda and its implementation. Bilateral co-operation and priority strategies are aligned with partner-country strategies for poverty reduction where such strategies exist. Germany has moved to multi-year commitments, and its participation in the joint financing of programmes with other donors has been increased by approximately 40% in the past two years.

Policy coherence. As stated in the German Action Plan 2015, improving policy coherence is a central element of national policies: inter-ministerial coherence dialogues sensitise all state departments regarding development policy issues, and a recently launched inter-ministerial Action Plan contributes to the national coherence debate in the fields of peace and crisis prevention. To promote policy coherence on the international trade agenda, Germany supported the reform of the European Cotton Market Regulations in 2004, as well as the cotton initiative within the WTO, and has called for an early reform of the European Sugar Market Regulations.



Greece

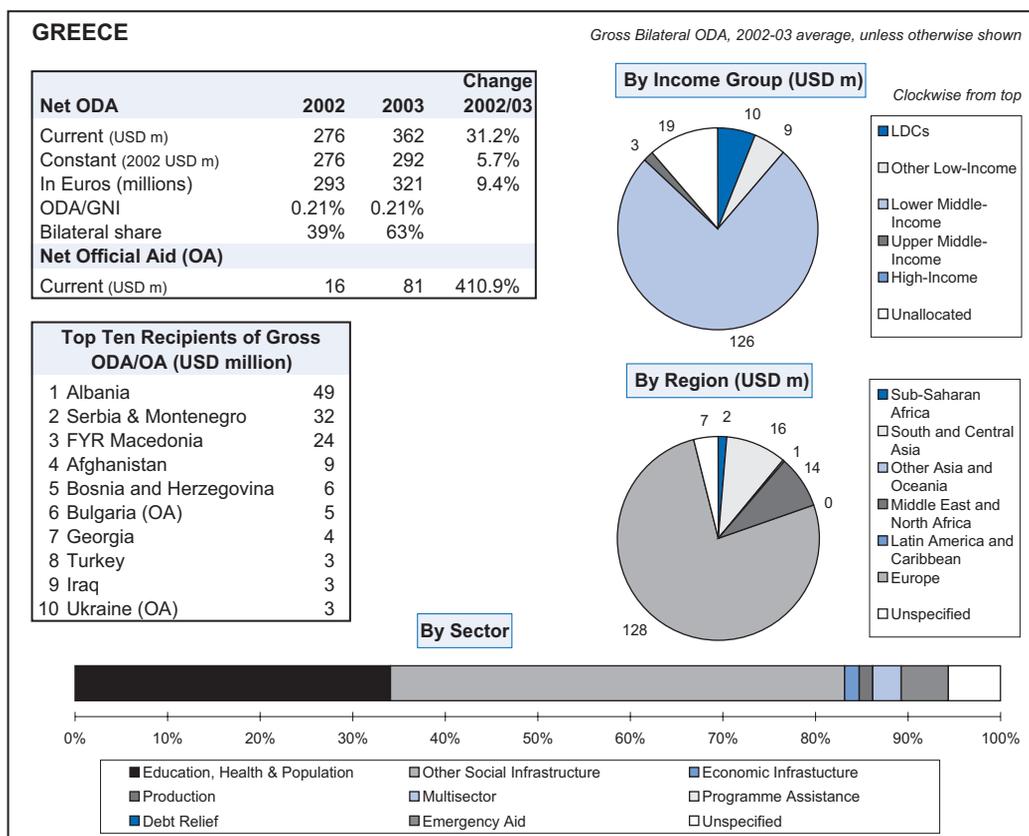
In 2003, Greece's ODA increased to reach USD 362 million, 5.7% higher in real terms than in 2002. Expressed as a share of GNI, Greece's ODA remained at 0.21% in 2003.

Commitment to MDGs. Since 2002, contributing to the fight against poverty and the achievement of the MDGs has been at the core of Greece's development co-operation policy. Greece has placed considerable emphasis on being active in a number of priority countries and sectors, in which it enjoys a comparative advantage. Efforts have been made to improve living conditions in LDCs and sub-Saharan Africa by disbursing more funds than before in support of central issues, such as combating HIV/AIDS.

Results orientation. As part of the aim to achieve pre-selected goals within the MDG framework, Greece has recently set up a Performance Monitoring System, the objective of which is to perform *ex post* evaluations, and to monitor and evaluate results. The system is built on a series of priority targets connecting aid activities to results and strategic objectives. Indicators measure efficiency and effectiveness against targets set. The next step will be the establishment of an evaluation unit.

Ownership, alignment, and harmonisation. Greece seeks to introduce and consolidate long-term channels of communication and co-operation with recipient and donor countries, multilateral organisations and NGOs in order to attain the best possible degree of aid co-ordination. Several country-level strategies have been designed by utilising PRSPs where these have been available.

Policy coherence. Greece has made efforts to minimise policy incoherence among sectors such as international trade, money laundering, illegal human trafficking, organised crime, governance, and environmental sustainability.



Ireland

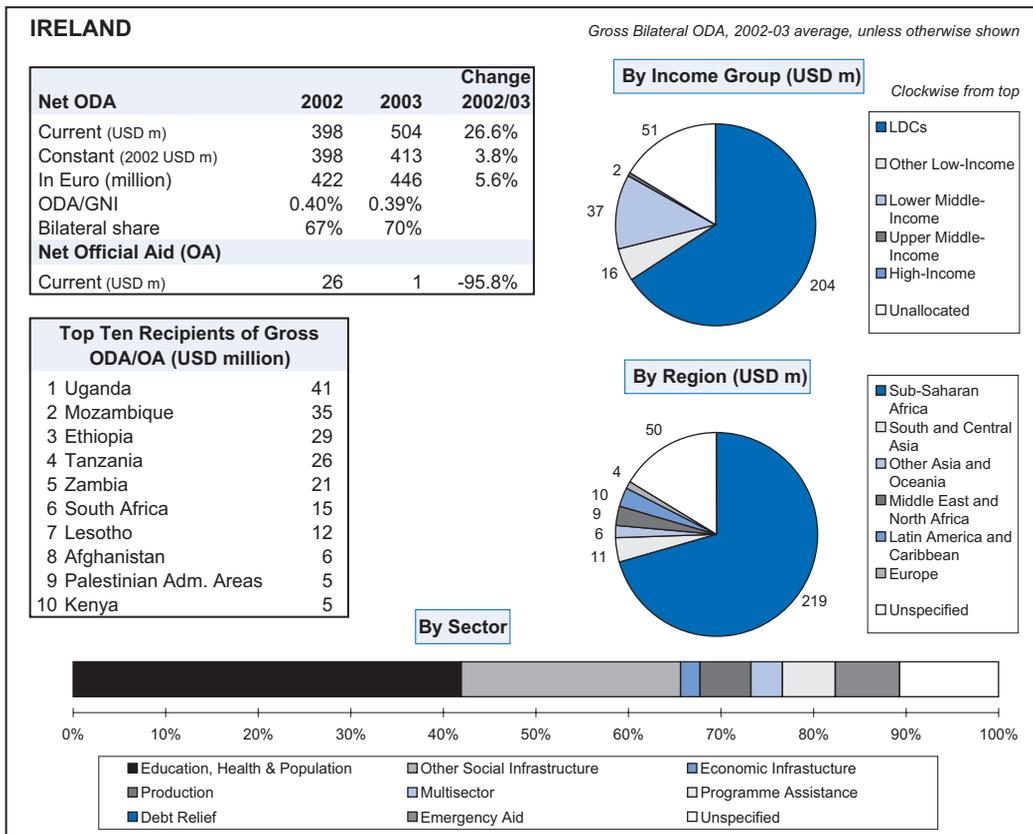
In 2003, Ireland’s ODA continued to expand to reach USD 504 million, a 4% increase in real terms over its level in 2002. When expressed as a share of GNI, Ireland’s ODA fell to 0.39% in 2003. Ireland is committed to further increasing its ODA to reach the UN target of 0.7% by 2007.

Commitment to MDGs. The objectives of the Development Co-operation Ireland (DCI) programme are closely aligned with the MDGs and all policies and activities are to be judged against them. DCI focuses on LDCs, which account for 50% of the total aid budget, while over 80% of the bilateral aid programme is targeted to sub-Saharan Africa. The programme also focuses on sectors that are critical to the success of the MDGs: education, health, HIV/AIDs and water and sanitation. Gender and environmental sustainability are addressed as cross-cutting issues. Ireland participates in forums to promote international awareness of the MDGs, to review progress and to identify ways to overcome obstacles to their achievement.

Results orientation. DCI is working to enhance its results orientation and improve its capacity to measure the practical impact of its interventions on an ongoing basis. Public accountability will also be strengthened through regular reports on the programme’s impact on reducing poverty and its contribution towards achieving the MDGs.

Ownership, alignment, and harmonisation. Ireland has long been committed to the principle of partnership, to improving aid effectiveness, to promoting local ownership of development processes and supporting locally identified priorities and programmes. DCI is engaged in sector programmes and general budget support and, in the light of the Rome Declaration, continues to work with other donors to further develop harmonised modalities and to reduce transaction costs.

Policy coherence. Policy coherence for development is a starting point for an effective development policy. Its application can impose difficult policy choices. Ireland works to ensure that the development perspective is highlighted and accorded full weight in decision-making in all situations of competing priorities.



Italy

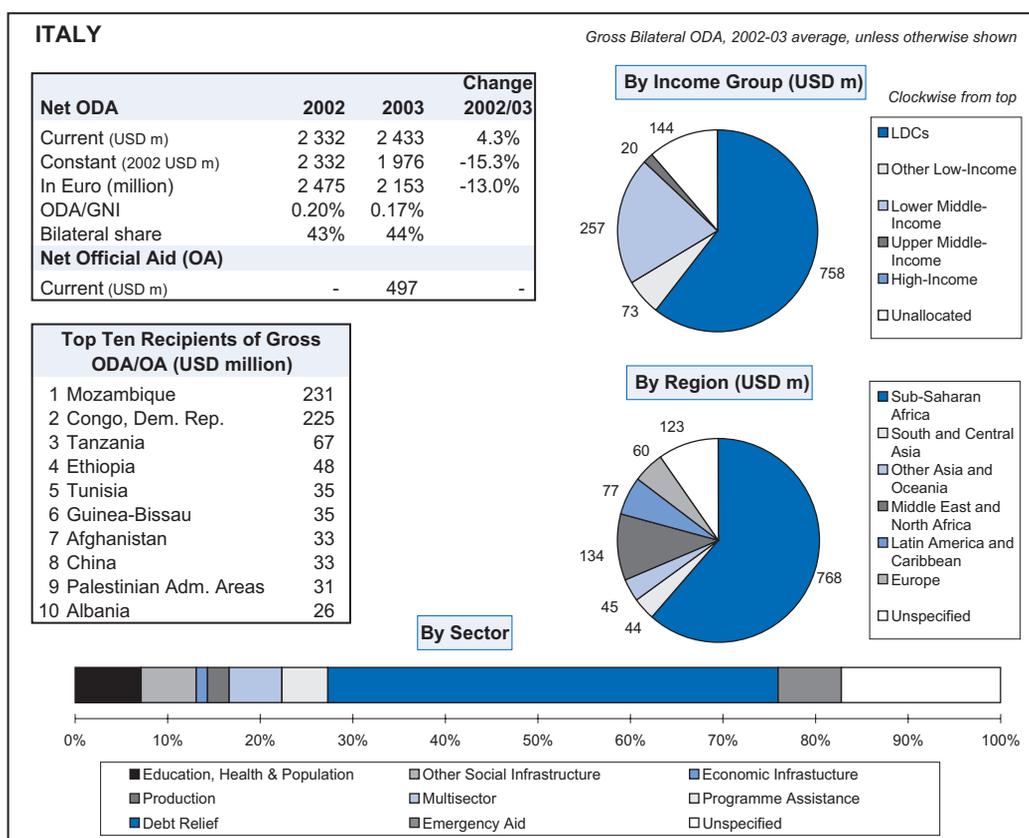
In 2003, Italy's ODA volume declined slightly from the previous year to a level of USD 2.43 billion, representing an ODA/GNI ratio of 0.17%. In 2002, Italy made a commitment in Barcelona to an ODA target level of 0.33% by 2006. This implies an estimated 113% increase in ODA funding over the 2003 level.

Commitment to MDGs. Since the adoption of its "Poverty Reduction Guidelines" in 1999, the theme has been a chief objective of Italian development co-operation and has led to a special focus of its portfolio on Africa. However, Italy has yet to establish a coherent approach to mainstreaming this focus, has no systematic reference to the MDGs, nor has it yet developed an operational strategy on its contribution to the achievement of the MDGs.

Results orientation. Italy yet has to establish a regular system of monitoring and evaluation, consistent with DAC principles on evaluation. However, several actions are under way to reform the broader system of evaluation feedback and should improve evaluation planning and operational guidance.

Ownership, alignment, and harmonisation. Italy played an important facilitating role by hosting the 2003 High-Level Forum on Harmonisation in Rome. Italy supports the principle of local country ownership and attempts to align its programmes around local strategies where they exist. It is hampered in carrying out the commitments in the Rome Declaration by a lack of staff and organisational support, as well as operational rigidities. The 2004 DAC Peer Review recommended that Italy build upon its current efforts at administrative streamlining to develop a clear implementation strategy on harmonisation.

Policy coherence. The ministries of Foreign Affairs, Foreign Trade and Treasury maintain regular contact and have shown the ability to co-ordinate *ad hoc* on policy issues as they arise. The Italian Government does not have a specific statement on policy coherence for development, nor has it regularly mobilised the expertise and analytical capacities within and outside of government that would be necessary to address such issues more systematically at the national and European levels.



Box 4.4. DAC Peer Review of Italy, 28 September 2004*Examiners: France and Sweden*

The DAC Review commended Italy's international initiatives for development. New commitments have included substantial debt relief, a lead role in the Global Fund to fight AIDS, Tuberculosis and Malaria, the hosting of the Palermo initiative on e-government and the Rome High-Level Forum on Harmonisation, as well as an active role in the reconstruction of Afghanistan and Iraq. The Committee welcomed Italy's continuing focus on Africa. However, these initiatives have created expectations in the international community which will be difficult to attain unless substantive reforms in Italian aid are undertaken, such as those advanced in the previous DAC Peer Review in 2000. The main findings and recommendations from the Peer Review included:

- Italy committed in Barcelona (2002) to an ODA/GNI target in 2006 of 0.33%, representing an estimated 113% increase in real ODA (USD 2.7 billion) over the 2003 level. DAC noted that obstacles to achieving this target include the ongoing, government-wide pressure for budget austerity and the exhaustion of remaining debt relief as an element of ODA by 2006. The Committee noted Italy's continued resolve to achieve this target and encouraged it to make every effort to do so. Also, the DAC noted current government preference to use the bilateral channel. In view of recognised shortages of bilateral staff and the limited use of new funding modalities, it will be necessary also to make use of multilateral channels for such a major increase in ODA.
- Progress in implementing reform has been limited and a 1987 law still constrains aid administration, while providing little strategic guidance. The Committee still believes that appropriate legislative reform is a priority, but this should not delay actions that can be taken within the present framework.
- The DAC recommends that Italy should now act to affirm a clearer sense of strategy in its development co-operation, including an effort to make other policies across government more coherent from a developmental perspective. This could entail a more clearly stated government vision for development co-operation based on Italy's strong support for the MDGs, a more strategic allocation of Italian ODA resources based on this vision, and the assignment of authority for development at a more political level (*e.g.* deputy minister for development).
- The Committee encouraged a higher level and more organised public dialogue, including parliament, on policy and strategy. The Committee welcomed initiatives taken to broaden public support and encouraged the government to develop a strategy to this end.
- The DAC suggested that Italy could realise significant efficiency gains through improved collaboration and co-ordination at all levels – among all Italian official and non-governmental development institutions, between headquarters and the field, and among various entities in the field.
- In Rome and in the field, procedures could be streamlined. Funding, once decided, could be delivered in a timelier manner. And all procedures should be revised in tandem with ongoing efforts to comply with harmonisation principles agreed to in Rome in 2003 and to facilitate co-operation with other donors.
- The Committee urged that longstanding personnel issues be acted on, including the need to increase professional development staff, increase flexibilities among various personnel categories and develop a performance-based system for allocation of staff responsibilities and incentives.
- Consistent with development experience elsewhere in the world, the DAC urged Italy to establish a routine system of performance feedback for its aid programming, including a robust, independent evaluation function.

Japan

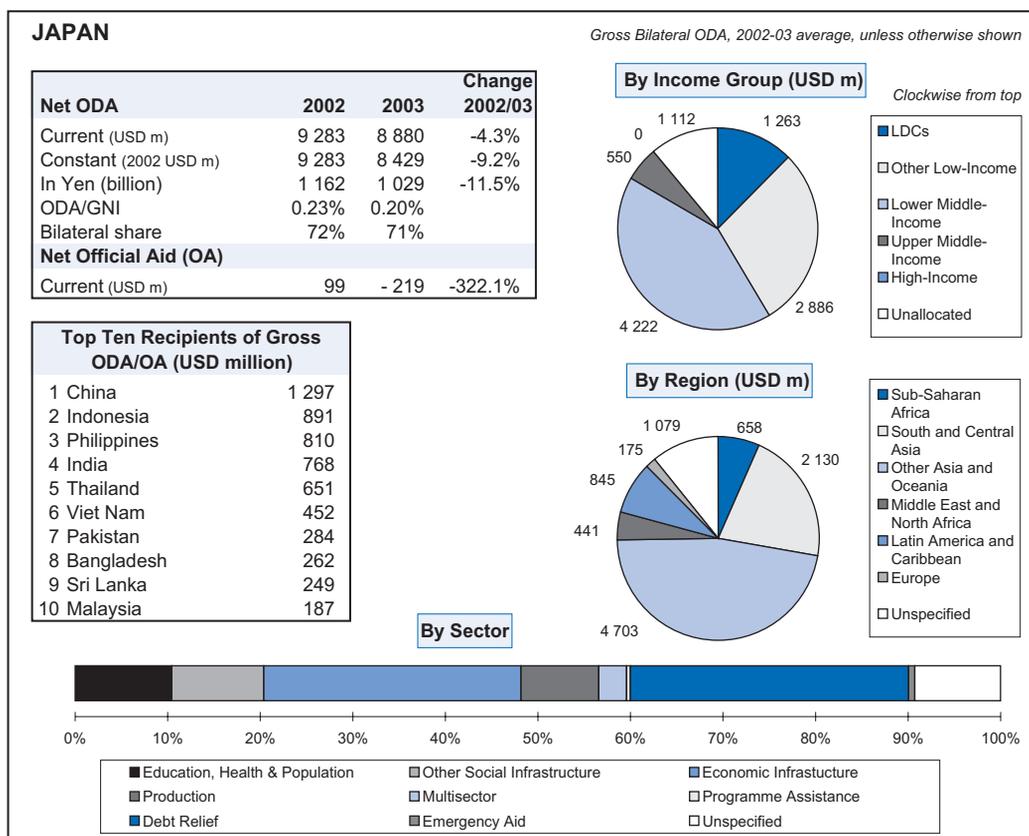
In 2003, Japan's ODA decreased by 9.2% in real terms to USD 8.88 billion. This is due to budgetary cuts as well as increasing ODA loan repayments from developing countries. The ODA/GNI ratio also dropped to 0.20%, from 0.23% in 2002.

Commitment to MDGs. Japan has traditionally had a high share of allocation to economic infrastructure. However, in order to better focus on achieving the MDGs, it has started to pay more attention to sectors such as basic education, health, HIV/AIDS, water and sanitation. In particular, Japan launched the Basic Education for Growth Initiative and is helping partner countries enhance children's access to basic education and improve quality and management.

Results orientation. The Japan Bank for International Cooperation (JBIC) has introduced a form of "results-based management" at project and agency levels, and is exploring ways to bring it to the country programme level. The Japanese Evaluation Office is also attempting to better link the results of its projects to the MDGs. The Japan International Cooperation Agency (JICA) is reviewing its programme evaluation methodology to strengthen its RBM, which uses a project logical framework. It has also introduced RBM at the agency level, measuring against its mid-term objectives.

Ownership, alignment, and harmonisation. JBIC is leading an initiative in Viet Nam to harmonise procedures and practices in procurement, financial management, and environmental safeguards with four other lending institutions – World Bank, AsDB, AFD and KfW. Based on this successful experience, it has also started similar initiatives in the Philippines, Indonesia, and other countries. While Japan places value on the diversity of aid modalities, it is also extending budget support on an experimental basis in Tanzania and Uganda.

Policy coherence. The collaboration between ODA-related ministries and agencies has been strengthened to improve consistency within ODA. On coherence of non-ODA policies with development, Japan has yet to establish a policy or official forums for discussion. As for implementation, Japan continues to extend expanded coverage of duty-free and quota-free treatment for LDC products. According to UNCTAD, there is a rising trend in market share of LDC products, which increased by 39% in 2002.



Luxembourg

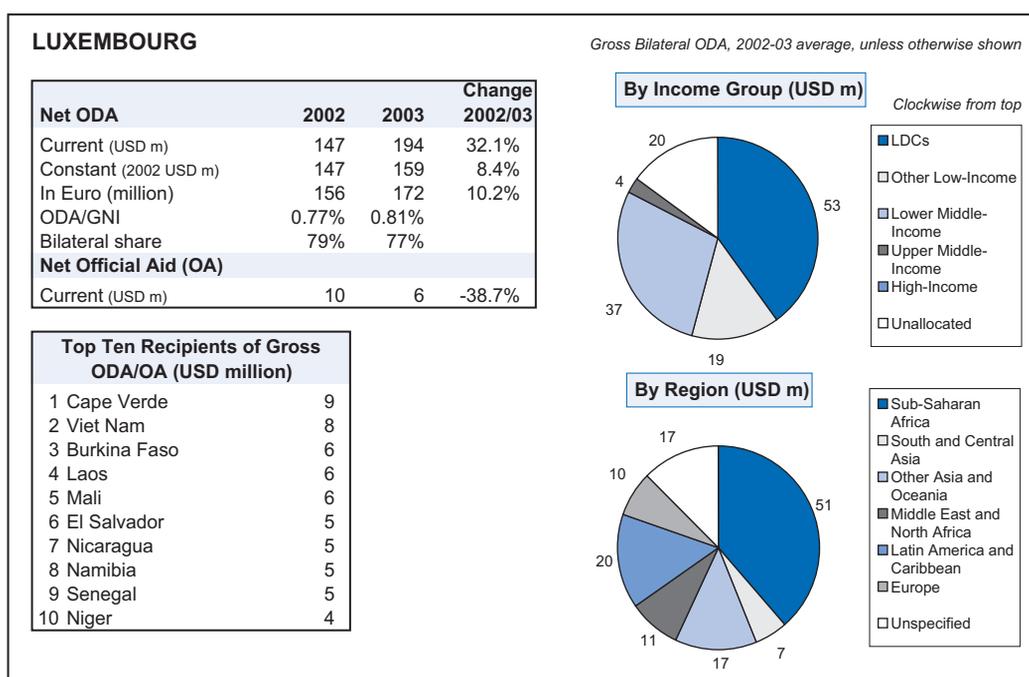
In 2003, Luxembourg's ODA continued to increase and reached USD 194 million. As a share of GNI, ODA rose from 0.77% to 0.81%. Luxembourg is committed to reach an ODA/GNI ratio of 1% in the coming years.

Commitment to MDGs. Poverty reduction and sustainable development are key objectives in Luxembourg's aid programme. ODA goes mainly to least developed and low-income countries. Luxembourg has subscribed to the MDGs and most of its programmes place special emphasis on primary education, basic health care, HIV/AIDS, as well as water and sanitation.

Results orientation. An "evaluation and audit" unit in the Ministry of Foreign Affairs is responsible for all government aid initiatives, including those involving Luxembourg NGOs receiving government support.

Ownership, alignment, and harmonisation. Aid programmes are implemented in ten priority countries on the basis of indicative co-operation programmes aimed at matching Luxembourg's aid more closely to the development priorities of partner countries, enhancing transparency and predictability and improving management. Co-ordination in the field has been stepped up with greater field representation in priority countries. Most of Luxembourg's aid is untied and project implementation relies greatly on local contractors. Multilateral co-operation is increasingly developed through "multi-bi" initiatives in priority countries.

Policy coherence. Luxembourg is committed to policy coherence and is promoting a globalisation process with a human face. A "policy coherence" focal point has been set up in the Ministry of Foreign Affairs. Luxembourg is supportive of the EU cotton initiative and is encouraging reform efforts in the area of sugar.



Netherlands

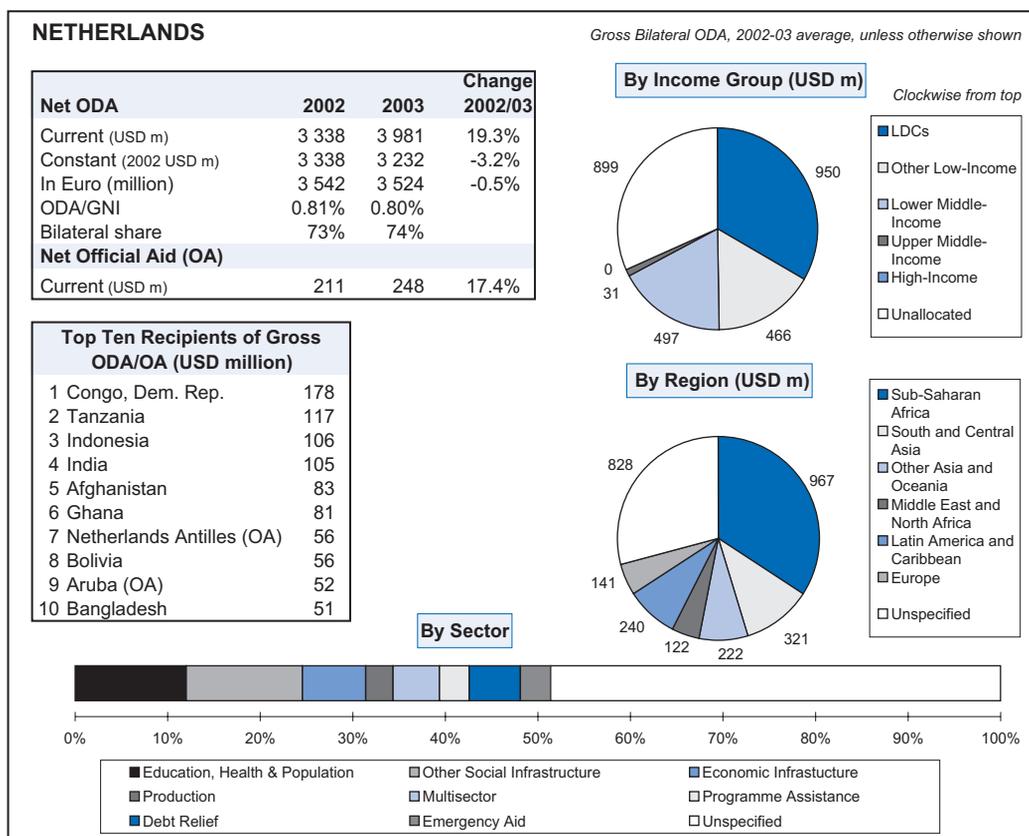
In 2003, the Netherlands' ODA volume in constant terms fell by 3.2% to USD 3.98 billion, representing an ODA/GNI ratio of 0.80%.

Commitment to MDGs. The PRS process in partner countries provides the policy framework for Dutch assistance and provides a basis for monitoring and evaluation. The Netherlands has chosen to focus on MDGs in the field of education, HIV/AIDS, reproductive rights, and the environment and water. The results of the Dutch effort in development co-operation are defined in terms of the achievement of the MDGs, for which the linkage to the PRS process is important. In 2004 the Cabinet approved the first national progress report on the Global Partnership for Development (MDG8).

Results orientation. The independent Policy and Operations Evaluation Department of the Ministry of Foreign Affairs supports comprehensive evaluation guidelines. Within the ministry, a comprehensive monitoring system is now fully operational. The ministry also evaluates the effectiveness of multilateral and non-governmental development organisations that it supports. In 2005, the minister for development co-operation will produce a report for parliament on the results achieved in 2004 for priority areas.

Ownership, alignment, and harmonisation. Partnership with relevant actors is a major feature of Dutch programmes. Sector approaches emphasise ownership by the recipient country and are also used to support national capacity strengthening. The Netherlands favours the use of budget support wherever there is effective local capacity to manage. A strong decentralised presence permits co-ordinated implementation with other donors. Harmonisation of donor practices is a high priority for the Netherlands.

Policy coherence. The Cabinet actively engages coherence issues, with strong involvement of the minister for development co-operation. All new proposals of the EU Commission are now screened for their potential impact on developing countries ("PCD test"). The Policy Coherence Unit of the ministry took several initiatives to improve networking in EU member States on policy coherence issues. In developing countries, the ministry supports the use of PRSPs as a bottom-up framework for coherence and supports local capacity building in policy negotiation skills.



New Zealand

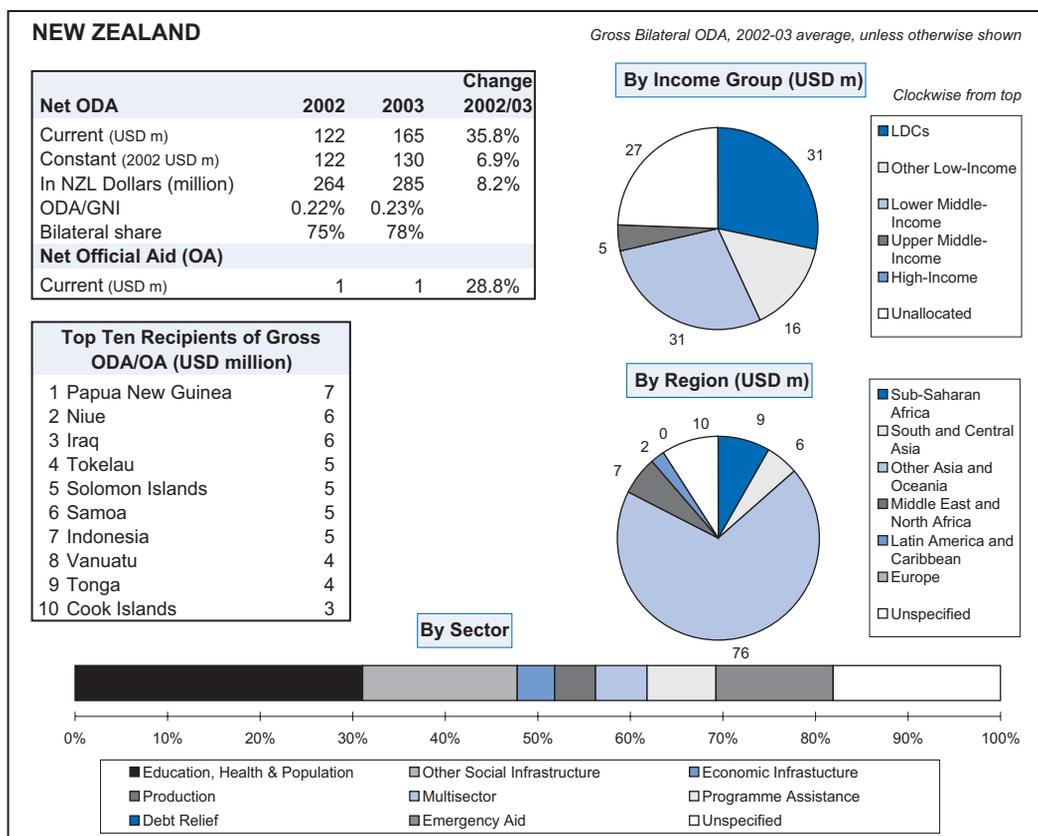
In 2003, New Zealand's ODA amounted to USD 165 million, an increase of 6.9% in real terms compared with its 2002 level. The ODA/GNI ratio increased from 0.22% in 2002 to 0.23% in 2003.

Commitment to MDGs. Strategies to address poverty include targeting programmes to the poorest communities within partner countries and assisting those communities to fulfil basic needs, expand opportunities and reduce vulnerability to poverty. Support to global commitments has led to a retargeting of NZAID health and education policy to better address needs to be fulfilled for the achievement of the MDGs. In addition, New Zealand assists with efforts to strengthen governance, economic, social and environmental conditions conducive to the long-term elimination of poverty.

Results orientation. Within its five-year strategy, NZAID has developed a set of performance indicators for the evaluation of organisational effectiveness in line with the agency's values and principles. Work is under way to develop processes for this to cascade through the programming level, including the development of an evaluation strategy to assess the performance and effectiveness of programme activities.

Ownership, alignment, and harmonisation. NZAID's Policy Framework confirms New Zealand's focus on partner-led poverty reduction and intention to move towards more formally integrating New Zealand's programming process with its 20 core partner countries' national development strategies. Harmonisation is a key focus area in NZAID's five-year strategy. New Zealand is contributing to sector-wide approaches in the health and education sectors. Commitment to implement the Rome Declaration has led to a review and simplification of operational procedures and internal capacity building. Specific measures have been adopted for delegated co-operation between Australia and New Zealand and other shared efforts in some of the Pacific countries.

Policy coherence. Recent instability in parts of the Asia-Pacific region has underlined the need to develop whole-of-government strategies to address the development, security, economic and political challenges facing the region. The main areas of engagement of NZAID in promoting policy coherence for development have been in trade, bio-security, environment, immigration and security affairs.



Norway

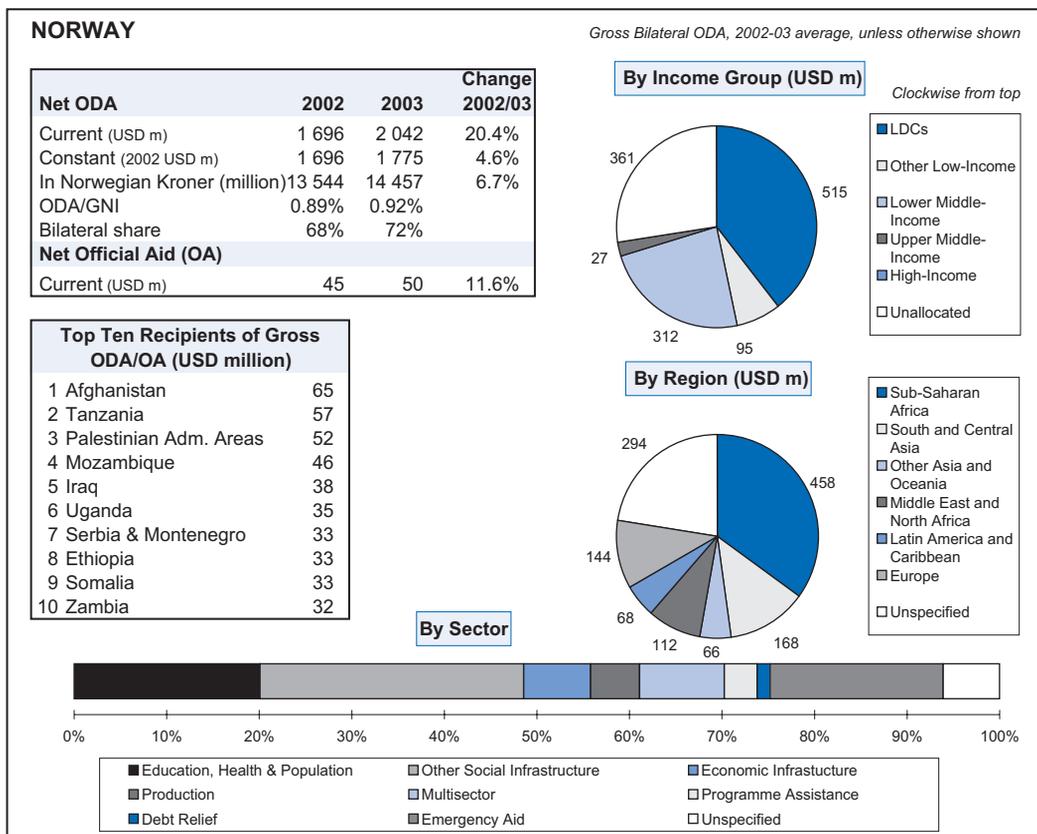
In 2003, Norwegian ODA increased by 4.6% in real terms to reach USD 2.04 billion, representing an ODA/GNI ratio of 0.92%.

Commitment to MDGs. In 2003, 55% of bilateral ODA was allocated to LDCs and 50% targeted to sub-Saharan Africa. Norway's 2004 development policy White Paper emphasises: i) changes in the international framework conditions; ii) improved governance in developing countries; iii) more assistance and better development co-operation; and iv) mobilising the private sector and civil-society organisations. Norway's programme focuses on sectors that are crucial to achieving the MDGs. Norway actively participates in international forums to promote international awareness of the MDGs, to review progress and to identify ways to overcome obstacles to achieve them.

Results orientation. One of the objectives of the reorganisation of the Norwegian aid administration is to enhance results orientation and improve capacity to measure the practical impact of interventions on an ongoing basis. Public accountability will be strengthened through regular reports on progress towards achieving the MDGs.

Ownership, alignment, and harmonisation. Norway actively supports locally identified priorities and programmes. Within the Nordic Plus group of countries, it has led in the headquarters discussions on scope for harmonisation and alignment with PRSPs, and is implementing new aid modalities such as delegated co-operation and silent partnership. Norway has played a decisive role in the construction of a tailored plan for donor harmonisation in Zambia.

Policy coherence. Norway contributes to international initiatives to assess the extent to which the policies of OECD countries support poverty reduction in developing countries. It is actively involved in reducing the burden of debt of poor countries, fighting corruption and improving health and security standards. Norway also contributes to the integration of developing countries in world trade, i.e. by providing duty and quota-free access to products from Least Developed Countries.



Box 4.5. DAC Peer Review of Norway, 23 November 2004

Examiners: Japan and Spain

The DAC commended Norway for its impressive record in terms of high ODA/GNI ratio and its focus on fighting poverty, reflecting a broad consensus within Norwegian society that the Millennium Development Goals (MDGs) are important. Since the 1999 Peer Review, Norway has taken a leadership role with respect to donors' efforts to harmonise practices and align with the national poverty-reduction strategies of developing partner countries. It is progressively moving towards the adoption of aid modalities that reflect increased donor co-ordination, aid effectiveness and national ownership in the context of strategies developed by partner countries. The government has also endorsed the Principles and Good Practice of Humanitarian Donorship.

In 2004, the planning, execution and administration of Norwegian development co-operation activities were integrated into the Ministry of Foreign Affairs (MFA) and decision-making was further decentralised to the country level. NORAD's responsibilities were modified to cover evaluation, quality assurance, knowledge management, and the administration of grant schemes in favour of civil-society organisations and the private sector. NORAD also provides advisory services to the ministry and the embassies upon request. The DAC made the following recommendations:

- Norway was encouraged to increase the proportion of its long-term assistance going to the seven main partner countries and to assess the comparative advantage of the different channels and modalities for delivering aid against poverty-reduction goals. The possibility of multi-year funding commitments for those countries should be envisaged so as to increase the predictability of flows.
- The Norwegian authorities should continue strengthening their focus on results, especially in light of the increased weight to be given to sectoral and budget support. The challenge of enhancing systemic learning should be addressed by ensuring a continued sharing of information between the MFA and NORAD and good knowledge management throughout both institutions.
- An explicit strategy could be elaborated to cover the relationship between the Norwegian Government and NGOs. The strategy should encourage and reflect the diversity of roles NGOs fulfill in long-term co-operation as service providers and advocacy entities. More efforts could be made to assess NGOs' contribution towards poverty reduction.
- The government should allocate appropriate resources to allow NORAD to fulfill its new functions. Human resources management should evolve to reflect strategic requirements such as budget and sector support and the rights-based approach, as well as the increasingly frequent and important policy dialogue with other donors and partner-country governments.
- The Norwegian Government should ensure that the aid administration has the right mix of people and sufficient resources to provide effective advice and support on all issues which are high on the policy agenda, such as private-sector development, and to build on Norway's strong support to gender equality. The recent *Action Plan on Fighting Poverty through Agriculture* is an opportunity to experiment with innovative thinking and tools in both areas.
- Norway should review the very high levels of agricultural protection to all but Least Developed Countries and its safeguard clauses associated with its general system of preferences to create more solid and durable export opportunities for developing countries. The government should report regularly on its actions aimed at improving policy coherence for development (PCD) and explore the possibility of a "whole-of-government" mechanism to strengthen PCD across relevant policy areas. NORAD could be mandated to conduct evaluations related to PCD.
- The government could consider elaborating a comprehensive policy document for humanitarian action and ensure intra- and inter-ministerial co-operation to optimise its response and decision-making for funding humanitarian action.

Portugal

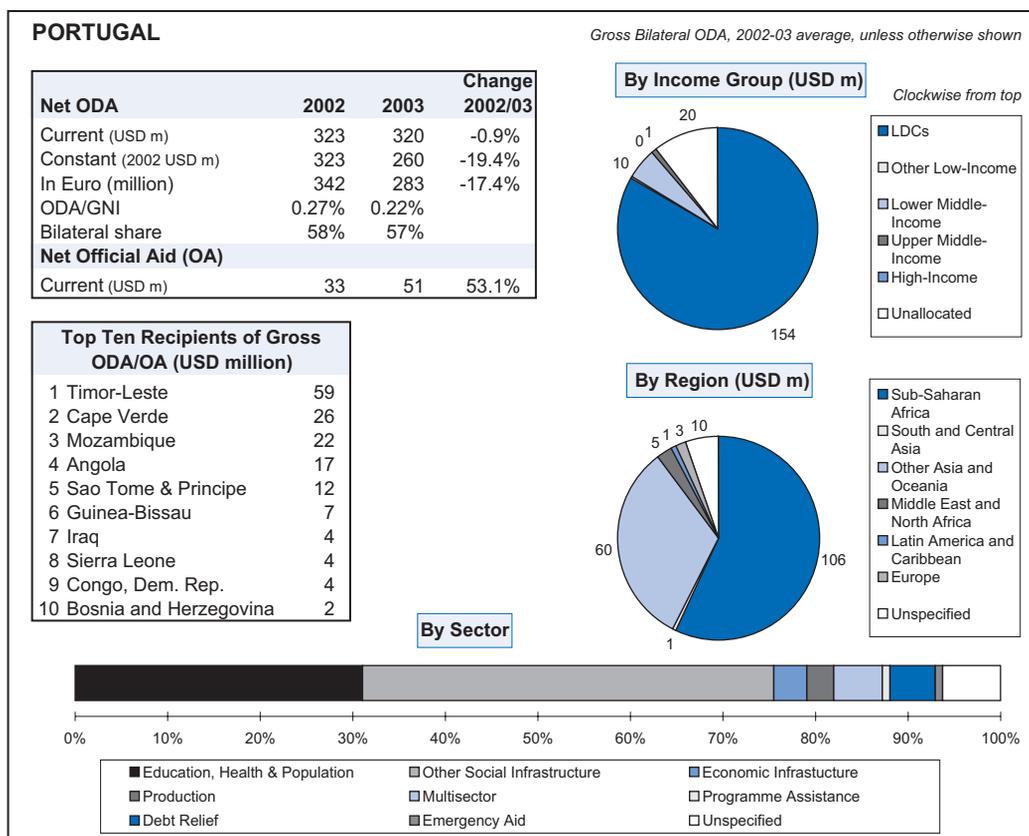
In 2003, Portugal's ODA volume fell by 19.4% to USD 320 million, representing an ODA/GNI ratio of 0.22% compared with 0.27% in 2002. This was due, mainly, to budget constraints regarding the public deficit and also to a drop in disbursements to multilateral development banks.

Commitment to MDGs. Portugal focuses its aid on the least developed countries, mainly the five Portuguese-speaking African countries and Timor-Leste. Poverty reduction is one of the main priorities and a cross-cutting issue in Portuguese co-operation, which focuses on education, government and civil society and social services. At the same time, basic social services represent a small part of its ODA. Portugal participates in the HIPC Initiative.

Results orientation. Improvements in the evaluation system have been made through increased external and independent evaluations and development of methodological materials, such as a guide for evaluation procedures and a glossary on development co-operation.

Ownership, alignment, and harmonisation. Portugal has produced an Internal Plan on Harmonisation with several activities, including a synthesis document disseminated to all stakeholders and a workshop. Portugal relies on priorities of recipient countries or works jointly in identifying their needs, taking into account the specificity of Portuguese co-operation. An Indicative Co-operation Programme with the recipient country is designed on a triennial basis, and, within this framework, an Annual Programme for co-operation is established.

Policy coherence. In 2003, reforms in the Portuguese co-operation bodies resulted in the creation of the Institute for Portuguese Development Assistance (IPAD). IPAD has the double role of development co-operation policy co-ordination body and of main financing source. This reform aims to end the functional division between the formulation, financing and implementation of development programmes, and is intended to improve coherence and efficiency of Portuguese development policy. Financial planning mechanisms were also reinforced through the Portuguese co-operation Budget Programme (P5). The Inter-ministerial Committee for Co-operation and its Secretariat was maintained to facilitate synergies and co-ordination among all ministries involved.



Spain

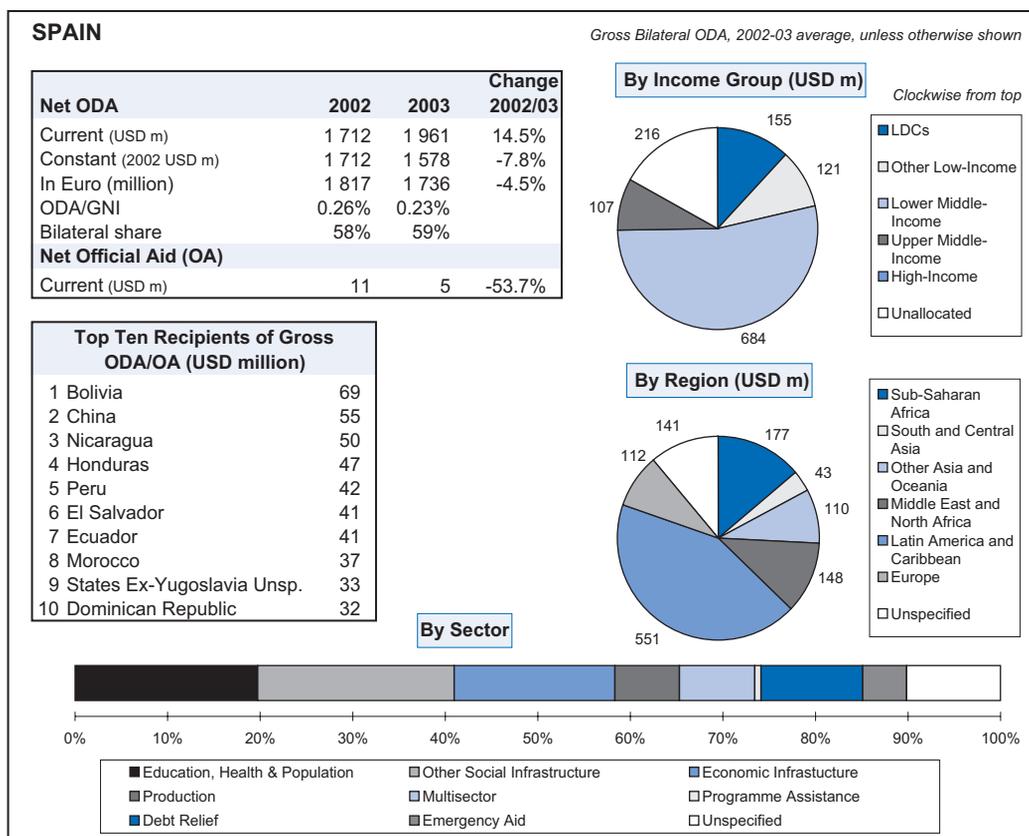
In 2003, Spain's ODA declined by 7.8% in real terms from 2002 to USD 1.96 billion. The ODA/GNI ratio also dropped from 0.26% to 0.23%.

Commitment to MDGs. The Spanish co-operation launched four sectoral strategies aiming to achieve the MDGs related to education, health, environment, and gender. Among notable actions, special resources were allocated to research for a malaria vaccine. About half of Spanish ODA is allocated to lower-middle income countries, mainly in South America and North Africa.

Results orientation. Spain is still in the early stages of establishing comprehensive mainstreaming, monitoring, and evaluation systems due to the diversity of actors working on ODA. About three major evaluations are carried out annually, but every sector is envisioned to be evaluated in the future. A gender mainstreaming tool was developed which is to be used as a basis for monitoring and evaluation.

Ownership, alignment, and harmonisation. Since the Rome Declaration of 2003, country strategy papers include specific chapters on analysis of bilateral and multilateral donors in different sectors and regions and on co-ordination in working with the partner country. Spain is now strongly committed to align with national development strategies such as the PRSs.

Policy coherence. Spanish law mandates regular consultation meetings between central and regional public administrations and civil society working on ODA in order to ensure common approaches. As for coherence of non-aid policies with the objective of poverty reduction in developing countries, Spain has yet to establish an overall policy and mechanism to promote the concept. As a member of the EU, the positions taken by Spain on EC decisions that affect developing countries could be examined more rigorously vis-à-vis their coherence with the policy of helping these countries.



Sweden

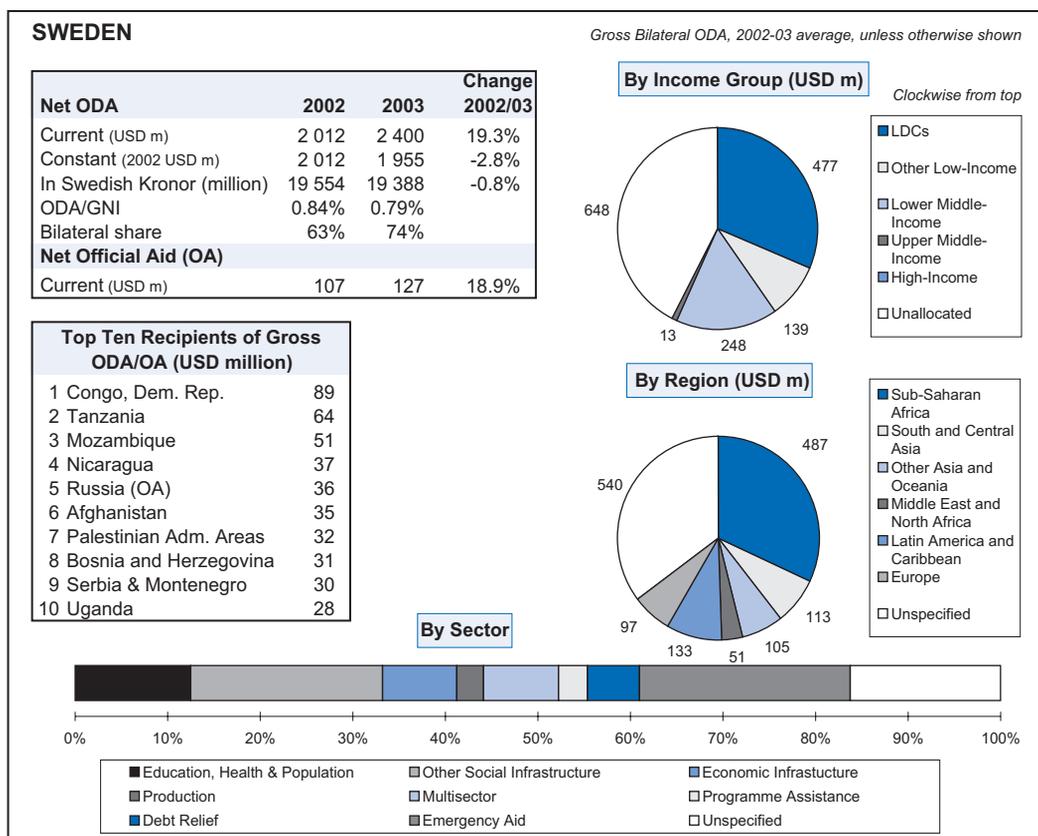
In 2003, Sweden's net ODA fell by nearly 3% in real terms to USD 2.40 billion, representing 0.79% of its GNI, compared with 0.84% in 2002. The Swedish Government has reconfirmed its intent to reach an ODA/GNI ratio of 1% by 2006.

Commitment to MDGs. In 2004, Sweden was one of the first countries to report to the UN on its achievements with respect to the MDG8 indicators. The Swedish Government has launched an information campaign to raise Swedish awareness and support for the MDGs.

Results orientation. Sweden supports results-based management. The results of its development co-operation will be included as part of MDG8 reporting, as well as periodic collaborative assessments of aid impacts on poverty. In 2004 a new evaluation manual was published by Sida and an independent evaluation agency is planned for 2005. Sweden supports the strengthening of developing country capacity to monitor results.

Ownership, alignment, and harmonisation. Swedish policy stresses the importance of ownership and the need for its actions to be aligned with developing country priorities and poverty-reduction strategies. It also supports a gradual transition to using recipient country systems, accompanied by funding for capacity building. Together with the Nordic Plus group, Sweden has developed a common action plan for harmonisation efforts. Sweden also advocates increased harmonisation among UN agencies, the World Bank, the IMF and the regional development banks.

Policy coherence. Sweden recognises the need to integrate development issues more systematically into national policy where relevant, as well as in EU policy (including trade, agriculture, environment, security, migration and economic policy). Legislation passed in 2003 obliges all ministries to report annually on how they are addressing Swedish objectives for global development. A first annual report was submitted to parliament in 2004.



Switzerland

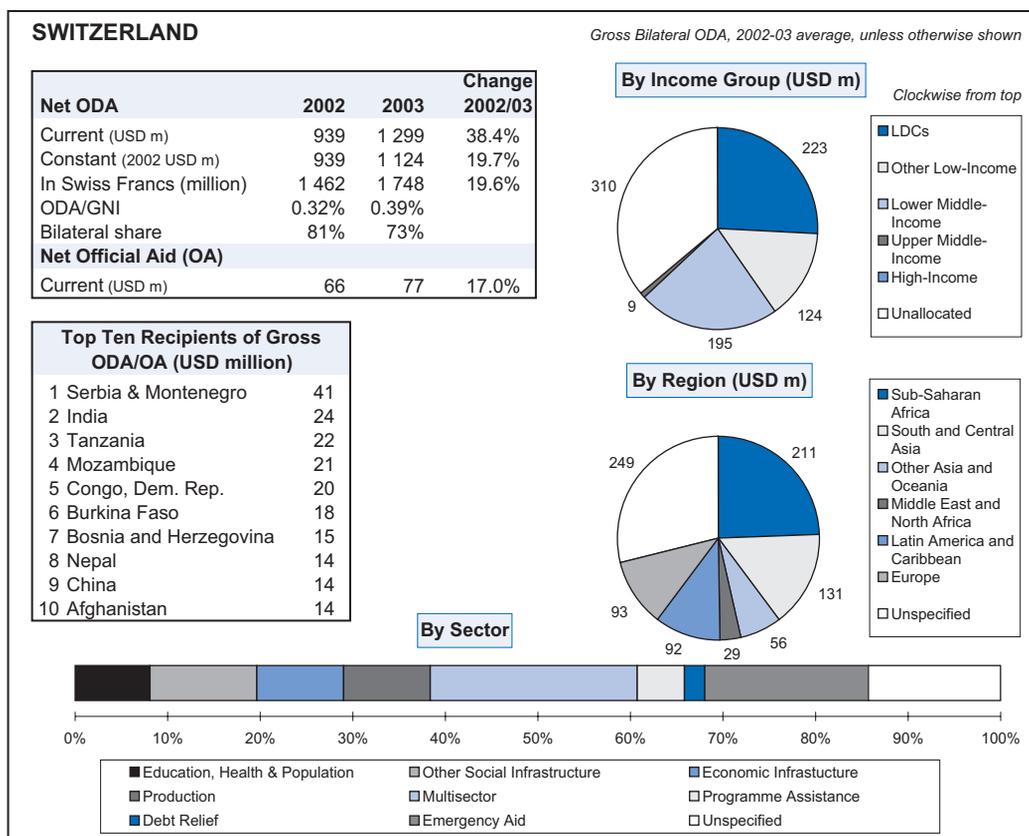
In 2003, Swiss ODA increased in real terms by almost 20% to USD 1.3 billion, in part due to a substantial contribution to IDA postponed to 2003 from the previous year. The ODA/GNI ratio rose from 0.32% to 0.39%. The aim is to reach 0.4% by 2010.

Commitment to MDGs. Bilateral aid is focused on low-income and least developed countries. Focusing on achieving the MDGs, the SDC and the State Secretariat for Economic Affairs (seco) have committed to identify additional measures to reach the poor and to reinforce the efficiency of aid modalities. Switzerland is also contributing actively to the international stock-taking exercise five years after the Millennium Declaration.

Results orientation. New paradigms for development co-operation, including PRS and innovative forms of aid, have led to new demands for monitoring and evaluation. Switzerland is addressing these challenges at two levels. In an effort to continuously improve agency performance, SDC and seco have developed comprehensive monitoring tools for their respective agency strategies. Additional efforts aim at pursuing and reinforcing joint evaluations, linking project performance with outcomes and impact as well as improving methods to measure contribution at the country and global levels.

Ownership, alignment, and harmonisation. The focus on harmonisation of donor practices and alignment, particularly after the Rome High-Level Forum, has helped to define the concrete modalities of partnership with priority countries, of local management and of partner-country ownership with regard to their development process (including strategies, priorities, procedures and co-ordination). Switzerland issued in 2003 a high-level statement on alignment with PRS. The Swiss commitment to the Rome Declaration is also expressed in the harmonisation action plans of both Swiss aid agencies.

Policy coherence. The promotion of policy coherence remains a priority. Current initiatives of the Swiss aid agencies aim at making incoherencies transparent, minimising their negative impact on poverty reduction and playing an active advocacy role in this respect across the entire government.



United Kingdom

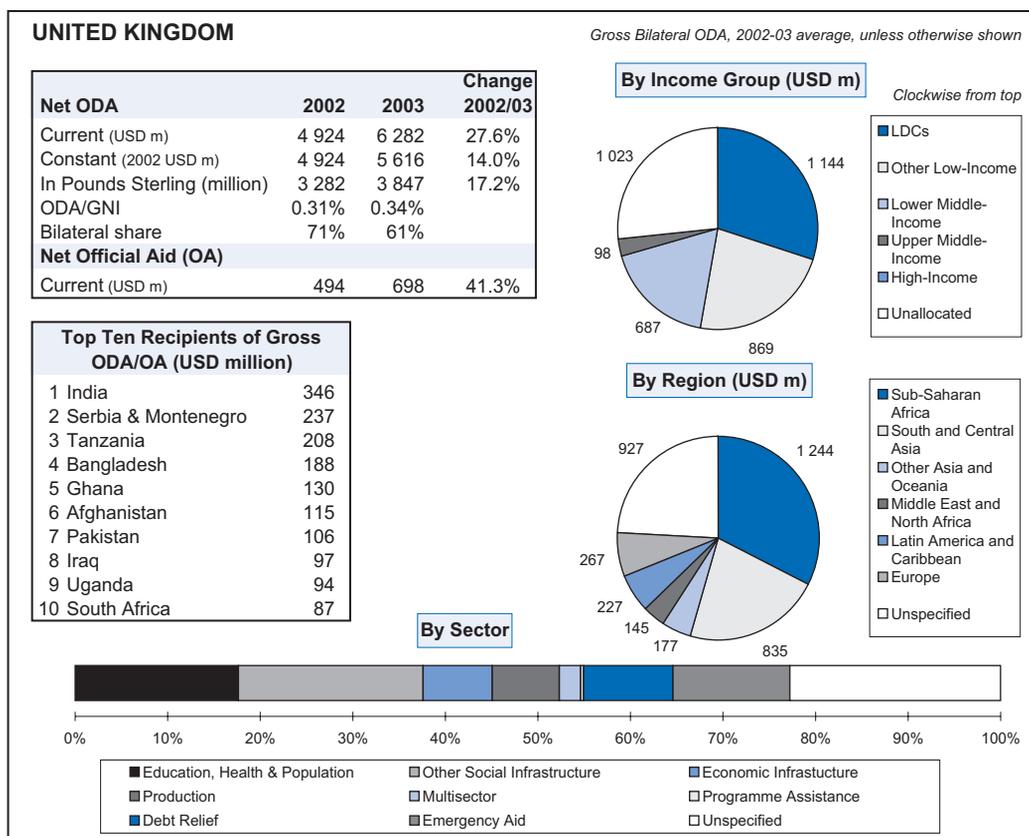
In 2003, the United Kingdom's ODA increased by 14% in real terms to reach USD 6.3 billion. The ODA/GNI ratio rose from 0.31% to 0.34%. The official objective is to increase ODA to 0.40% of GNI by 2005, and it may rise to 0.7% by 2013.

Commitment to MDGs. The Department for International Development (DFID) has made the MDGs the main focus of all its work and concentrates its assistance on the poorest countries of sub-Saharan Africa and Asia. Priorities include combating the spread of HIV/AIDS in Africa, promoting poverty-reduction programmes, reducing debt, boosting access to markets and supporting peace processes. DFID is trying to develop an improved understanding of the linkages between growth and poverty reduction and identify ways to better promote the type of growth that the poor participate in and benefit from. In order to raise additional resources to meet the MDGs, the United Kingdom launched a proposal for an International Financing Facility.

Results orientation. DFID supports international efforts to develop a more results-based approach by setting verifiable objectives within PRSPs and equivalent national development strategies and making joint assessments of progress. Its Public Service Agreement, strengthened by a detailed Service Delivery Agreement, provides the means for showing how DFID activities contribute towards achieving the MDGs while monitoring shorter-term performance.

Ownership, alignment, and harmonisation. DFID is committed to aligning programmes, procedures and timetables behind the national PRS, review cycle and budget. It has reviewed its procedures to ensure that they minimise transaction costs and maximise flexibility while satisfying fiduciary requirements. Measures have been taken to encourage staff to adopt good practice, including updated programme management training. DFID promotes policies and procedures within multilateral institutions for improving harmonisation at the country level.

Policy coherence. To promote coherence in government policy on all issues affecting developing countries, DFID works closely with other government departments on a range of issues including trade, conflict prevention, debt, the environment and child labour. The United Kingdom has been most active in encouraging wealthy countries to reduce the debt burden of the poorest countries. Its latest initiative is to use ODA to help countries service their debt to the World Bank and the African Development Bank.



United States

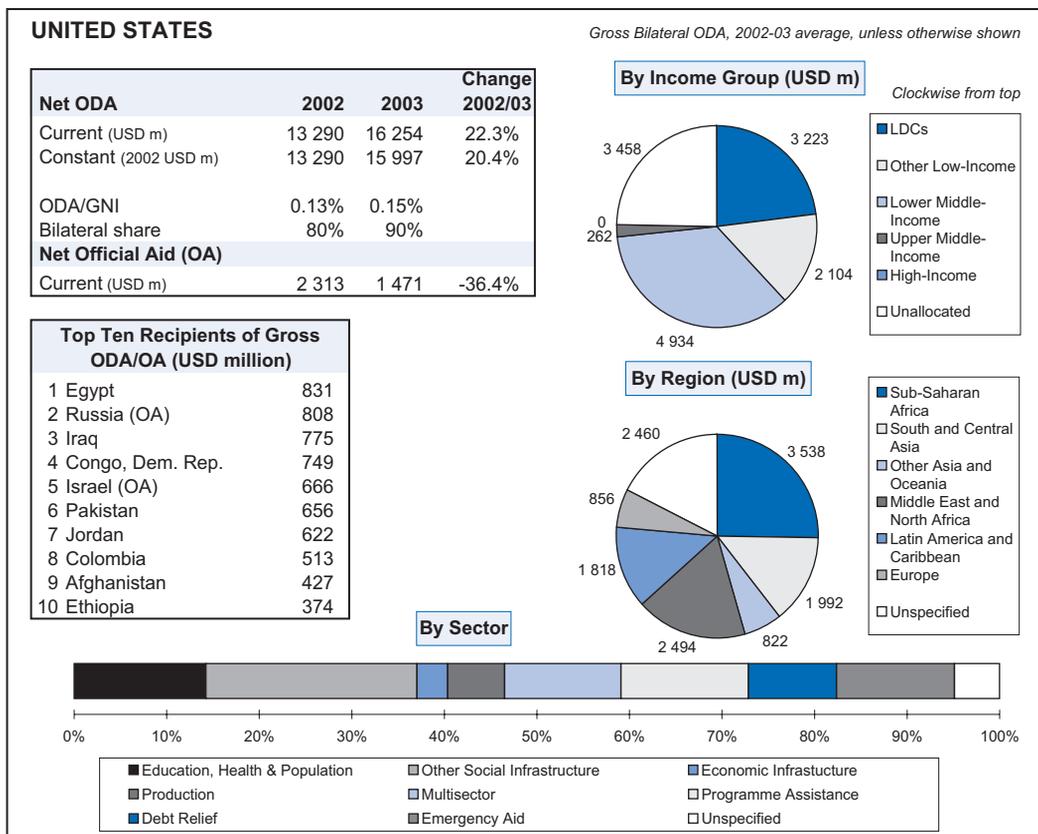
In 2003, US ODA volume increased by 20% in real terms to USD 16.25 billion, confirming its status as the largest DAC donor by far, although it continues to have the lowest ODA/GNI ratio (0.15% in 2003, up from 0.13% in 2002). In early 2004, the United States created the Millennium Challenge Account with an initial budget allocation of just under USD 1 billion.

Commitment to MDGs. The United States subscribes to the halving of extreme poverty by 2015. The US Agency for International Development (USAID) strategic objectives (economic growth, agriculture and trade; global health; democracy, conflict prevention and humanitarian assistance) are seen as essential to sustainable poverty reduction. Although the United States does not consider the MDGs as a programming mechanism, its development programmes contribute significantly and directly to achieving the Millennium Declaration's development targets.

Results orientation. Since the *Government Results Performance Act* of 1993, USAID has used a system that tracks results through a co-ordinated planning-implementation monitoring process. The new Millennium Challenge Account will use performance-based results to allocate and evaluate its programmes. The annual Performance and Accountability Report prepared by USAID will become a shared effort with the Department of State this year as they implement a new joint strategy for 2004-09.

Ownership, alignment, and harmonisation. The "New Compact for Development" announced in 2002 advocates collaboration among development actors, both international and American. Field agencies engaged in development co-operation are asked to work with local partners to avoid overlaps, to increase overall effectiveness, and to support host-country ownership. USAID has several international partnerships on themes such as HIV/AIDS. Throughout all of its work, the Millennium Challenge Corporation (MCC) will respond directly to partner country proposals.

Policy coherence. Ambassadors oversee coherence and co-ordination among the various US agencies in the local Embassy "Country Team". In Washington, policy coherence across agencies responsible for development co-operation is being strengthened, but it remains to be addressed more fully and systematically. Coherence across government is encouraged through a series of high-level Policy Co-ordination Committees, including one on development. "Development" is now one of the three explicit goals of the US National Security Strategy.



Notes on non-DAC members

Data on aid distribution are shown for those countries that have supplied the necessary input material.

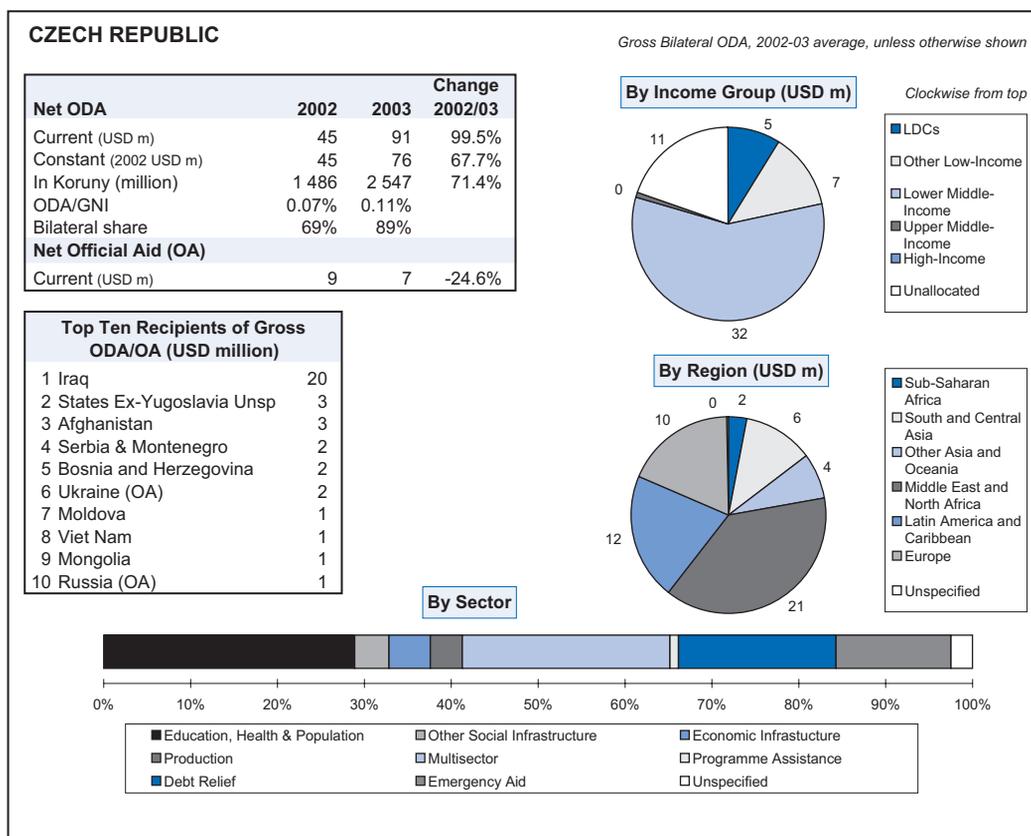
Czech Republic

In 2003, Czech ODA increased by two-thirds in real terms to reach USD 90.6 million, which represents 0.11% of national income. The increase is due primarily to Czech participation in the recovery of Iraq and Afghanistan. A further increase is envisaged via contributions to the EU development budget. Czech OA to economies in transition amounted to USD 7.0 million in 2003. All assistance is provided in the form of grants.

Other than special assistance to Afghanistan and Iraq (49% of total ODA), Czech development assistance in 2003 comprised bilateral investment and technical projects (about 8% each), scholarship programmes (4%), assistance to refugees and other humanitarian aid (6% and 1%), debt relief (10%), administrative costs, including public awareness (3%), and subscriptions to multilateral organisations (11%). In addition to aid to the Middle East, bilateral aid was focused in the Balkans and south-east Asia. In conformity with the Millennium Declaration, the main emphasis is being put on environmental issues, health, education and infrastructure.

Together with the rapid increase in ODA volume, the Czech Republic also strives to improve transparency and effectiveness of its foreign aid system. In April 2004, the government approved the new *Guidelines for Providing Development Assistance* that regulate the overall co-ordination and management of foreign aid. The Czech Government also approved eight priority countries for long-term co-operation: Angola, Bosnia and Herzegovina, Moldova, Mongolia, Serbia and Montenegro, Viet Nam, Yemen and Zambia.

Co-operation with partner countries shall be based on country strategies reflecting their own national development priorities. This represents a major shift from single projects to comprehensive co-operation programmes. To reflect the need for multi-year programming of foreign aid, the MFA, in collaboration with the Ministry of Finance, prepared the *Medium-term Financial Outlook of Czech ODA*.



Hungary

In 2003, Hungary disbursed approximately USD 21.2 million for development, amounting to 0.03% of its GNI. It is estimated that Hungary's contribution to ODA will considerably increase in 2004, as nearly 5% of Hungary's contribution to the EU is earmarked for development assistance. Hungary will endeavour to increase its ODA/GNI ratio in the coming years, but achieving this will depend on the future economic and budget situation of the country.

The Hungarian Government approved and adopted the Concept Paper for Hungary's new development co-operation in July 2001. In November 2002, a department in charge of international development co-operation (IDC) activities was established within the MFA. In 2003, parliament allocated USD 4.6 million for IDC to be managed by the MFA. These projects began to be implemented as of the end of 2003. For 2004, this budget line was increased slightly to USD 4.9 million.

A government decree adopted in June 2003 extended the foreign minister's mandate to include international development co-operation activities. This government has also created an Interdepartmental Ministerial Committee (IDC IC) which is headed by the foreign minister. On 29 July 2003, the IDC IC decided on four partner countries: Bosnia and Herzegovina, Serbia and Montenegro, the Palestinian Administered Areas and Viet Nam. Other partner countries included: China, Iraq, Kyrgyzstan, Macedonia, Moldova, Mongolia and Ukraine; and for the LDCs: Afghanistan, Cambodia, Ethiopia, Laos and Yemen.

Poverty reduction is Hungary's principal development goal, and it will primarily focus on the sectors and areas where Hungary has comparative advantages, such as: transfer of transition experiences, health, education, agriculture, and water management, with a special emphasis on the cross-cutting issue of environmental protection.

The IDC Civil Advisory Board, which represents all major stakeholders (NGOs, the private sector, political parties, etc.), began its work in September 2003. The same year, the MFA entered into a regular dialogue with the representatives of NGOs and professional organisations of the Hungarian private sector.

Iceland

In 2003, Iceland's ODA disbursements totalled USD 17.7 million, representing 0.17% of GNI, up from 0.16% in 2002. Bilateral development assistance increased from USD 9.9 million in 2002 to USD 14 million, while contributions to multilateral institutions decreased from USD 4 million in 2002 to USD 3.7 million in 2003. Multi-bilateral development co-operation constitutes a large part of Iceland's ODA, approximately 35-40% of overall ODA.

The Icelandic International Development Agency (ICEIDA), an autonomous institution attached to the MFA, operates in four countries in sub-Saharan Africa: Malawi, Mozambique, Namibia and Uganda. ICEIDA provided 32% of overall ODA in 2003. Icelandic bilateral development assistance consists solely of grants. Icelandic multilateral development co-operation is co-ordinated by the MFA and is mostly channelled through the World Bank and UN agencies.

In late 2003, a review on Icelandic development co-operation presented proposals for future Icelandic participation in bilateral and multilateral development co-operation, including a substantial increase in aid volumes. In early 2004, the Government of Iceland decided that ODA volumes were to reach 0.35% of GNI by 2009. Currently, a medium-term policy statement, based on the review findings, is under preparation.

In early 2004, ICEIDA approved a revised strategy on development co-operation. The strategy takes a point of departure in the MDGs and reinforces the Agency's commitment to promoting economic and social development in the LDCs, notably through fisheries development, education and health. The strategy reinforces ICEIDA's emphasis on social equality, environmental protection and support for grassroots activities and democratic development. All projects undertaken by ICEIDA are carried out in accordance with the requirements and wishes of the partner countries, taking into account the activities of other development actors operating in the respective countries.

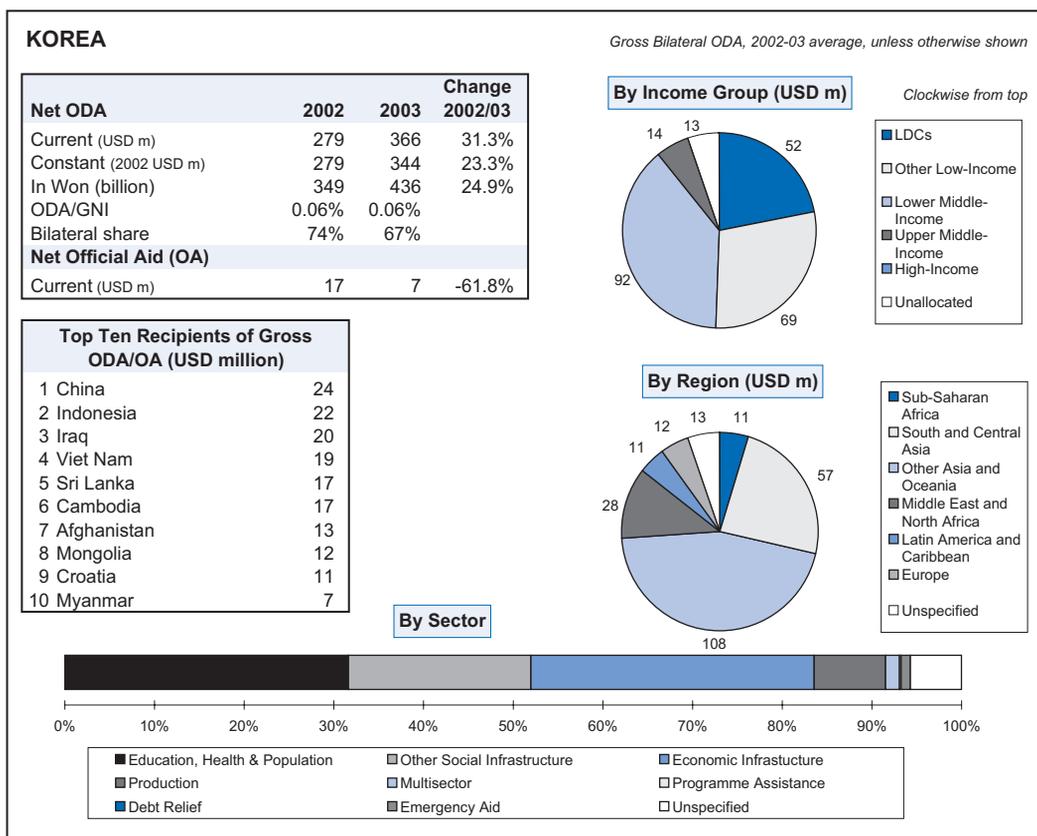
Korea

In 2003, Korea's ODA totalled USD 366 million, up 31.3% from 2002, though its ODA/GNI ratio remained the same at 0.06%. Multilateral ODA increased significantly to USD 121 million from USD 72 million due to contributions to regional development banks and the replenishment of IDA. In 2003, Korea's bilateral ODA rose by 19% over the previous year and represented 67% of total ODA. A notable difference from the past trend is the larger share of grants in bilateral ODA. In particular, support for Afghanistan and Iraq contributed to a major boost in the share of grants over loans in 2003. Bilateral loans decreased to USD 100 million, or 27% of total ODA, due to lower disbursements in 2003.

The profile of geographical allocation changed somewhat, with 65% of bilateral aid disbursed to Asia in 2003. Due to the special assistance to Iraq and Afghanistan in 2003, these two countries ranked among the top five recipients, which resulted in the increase in the share of the Middle East to 19%, up from 3% in 2002. In 2003, the main sector destinations were education (19%), government and civil society (15%), transport and storage (15%) and communications (12%).

Korea's ODA policy is focused on the following objectives:

- Contributing to sustainable economic and social development as well as poverty reduction in developing countries.
- Strengthening humanitarian aid, including emergency relief.
- Promoting international partnership to address global development issues.
- Transferring Korea's development experiences in human resource and information and communications technology.



Mexico

In 2003, Mexico's international co-operation programme included 614 projects, of which 484 were bilateral, 11 regional and 6 trilateral. Another 13 projects were carried out in conjunction with international organisations.

Mexico's international development co-operation is based on a partnership approach. International development co-operation continues to be principally directed to central America and Caribbean

countries, based on criteria of solidarity and mutual benefit. Contributing to the development of national capacities and the achievement of social stability and economic integration within the region are Mexico's principal development goals.

In 2003, the Mexican Government participated in 290 projects in diverse fields, among them agriculture, environment, natural resources, health, technical education, social development, tourism, public administration, fisheries, communications, transport, urban development and education. Some projects (171) were bilateral in nature, others (27) were implemented in the context of the programme "Mechanism of Tuxtla". The Caribbean countries were partners for 98 bilateral and 4 regional projects.

Mexican co-operation with organisations and agencies from the United Nations system focuses on areas of environment, social development and governance. The development of technical and scientific co-operation activities with multilateral organisations is based on co-participation, co-financing and sustainability.

Poland

Polish total ODA volume increased by 90% from USD 14.3 million in 2002 to USD 27.2 million in 2003, representing 0.013% of GNI. In 2003, bilateral ODA amounted to USD 19.0 million, while USD 8.2 million was channelled through multilateral institutions. Official Aid totalled USD 22.4 million, an increase of 47% from USD 15.2 million in 2002.

As in previous years, Polish development assistance was provided mainly in the form of technical assistance, concessional loans, debt relief and humanitarian aid. Among the main recipients of Polish ODA were Serbia and Montenegro, Kazakhstan, China, Iraq and Viet Nam. Most Official Aid was directed to Russia, Ukraine, Lithuania and Belarus.

The Polish aid programme is based on the Strategy of Poland's Development Co-operation, adopted by the government in October 2003, in which the main objectives, principles and priorities of development policy, as well as the institutional mechanisms of foreign aid delivery are outlined. For 2003, the first annual plan for development assistance was approved by the MFA. The plan aims at focusing Polish aid on six target countries: Afghanistan, Angola, Georgia, Iraq, Moldova and Viet Nam. The MFA is also preparing the legislative framework for Poland's development aid system. The draft law on development co-operation, which will open the way to establishing the separate aid agency, should enter into force in 2005.

Slovak Republic

In 2003, Slovakia's ODA disbursements totalled just over USD 15 million, representing 0.05% of GNI, compared with 0.02% of GNI in 2002. The increase in the ODA/GNI ratio was mainly due to a higher level of financial resources within the inter-ministerial programme entitled 05T – Official Development Assistance. ODA is projected to increase substantially in the near future, to reach 0.098% of GNI by 2006.

Slovak bilateral aid accounted for about 56% of total ODA while the share of multilateral aid represented about 44%. From bilateral aid, 34% (USD 2.9 million) was given for humanitarian assistance predominantly provided by the Ministry of the Interior. Bilateral technical assistance reached 32% of total ODA (USD 4.82 million). Roughly 1% of ODA, USD 0.17 million, was in the form of administrative costs. In addition, in 2003, Slovakia provided USD 3.26 million in official aid.

On 28 April 2004, the government approved the Annual Programme for 2004. In its framework, USD 4.4 million was provided for new specific projects, divided as follows: USD 1.7 million for Serbia and Montenegro, and USD 2.7 million for bilateral aid to 12 developing countries chosen as Slovak geographic priorities. It is envisaged that resources available for annual programmes will experience consistent growth, reaching USD 30.2 million in 2006, in line with the Slovak Government's goal to achieve an ODA/GNI ratio of 0.125% in 2010.

Turkey

In 2003, Turkey's ODA stood at USD 66.6 million, down from USD 73 million in 2002. As a share of national income, ODA remained stable at 0.04% of GNI. Turkish official aid dropped to USD 7.9 million, down from USD 12.3 million the previous year. In 2003, bilateral assistance represented 40% of Turkey's total ODA, and technical co-operation remained the main instrument of bilateral ODA and OA.

Turkey began providing development aid in 1985 and since 1997 the ODA disbursed has exceeded the ODA received, so it has become a net donor. Turkey's eighth five-year plan (covering the years 2001-05) calls for taking the required initiatives to become a member of the DAC. Legislative and restructuring processes begun in 2001 will continue with the efforts of all related public agencies.

The principal body dealing with the administration of Turkish development co-operation is the Turkish International Co-operation Agency (TICA) which is an autonomous technical co-operation organisation under the Prime Minister's office. It contributes to institutional development and the improvement of human resources in partner countries by way of technical co-operation in various fields including private sector development, agriculture, health, environment, taxation, banking, infrastructure, legislation and tourism.

The basic principles underlying TICA's co-operation policies are: respect for the national, social and cultural values of partner countries, making use of the existing technologies of aid recipient countries, equal responsibility and joint management in project implementation and extending priority to institutional and human resources.

Non-OECD donors

In addition to the donors above, Estonia, Latvia and Lithuania also provide official development assistance and report these flows to the DAC Secretariat.

Estonia

In 2003 Estonia disbursed USD 1.1 million in ODA. OA flows amounted to 0.9 million, with Russia the largest recipient, receiving over 60% of bilateral OA and accounting for one-third of the bilateral aid budget. 58% of Estonia's ODA went to multilateral organisations, principally to UN agencies.

Estonia's co-operation draws on its reform experiences and concentrates on the CIS and the Balkans, including Ukraine, Georgia, Armenia, Yugoslavia, Tajikistan, Moldova, Kyrgyz, Belarus, and Azerbaijan. Fields of assistance include WTO accession negotiations, reforming national health care systems, and enhancing information technology in state administration. In 2003, education and technical assistance was also a priority sector, with Russia the largest beneficiary.

Latvia

Latvia's total 2003 ODA flows totalled USD 0.9 million, of which 90% was in the form of multilateral contributions to UN agencies. OA from Latvia totalled USD 0.4 million, consisting of technical assistance to the Balkan region and the CIS countries.

The Cabinet approved the *Basic Principles for Development co-operation Policy* in February 2003. These set out the sectors of Latvia's support and principles for sharing its reform experiences with transition and developing countries. So far, assistance has been provided on an *ad hoc* basis. However, based on its *Policy Plan for 2005*, the MFA intends to establish a separate budget line for development co-operation. The plan defines core areas of assistance: promotion of democratic and civil society; national economy; support for public administration and defence system reform; environmental protection; education, social work, health; internal and judicial affairs. The priority countries are Georgia, Moldova, Ukraine and Uzbekistan. A Development Co-operation Program for the next five years is scheduled for submission to the Cabinet of Ministers shortly.

Lithuania

Of the Baltic countries, Lithuania is the largest donor, with 2003 ODA flows of USD 1.93 million. Of these, 65% were multilateral. Lithuania contributed a further USD 1.82 million in OA, with USD 0.43 million going to multilateral agencies and USD 1.4 million direct to Part II countries, of which Russia received nearly 95%.

Lithuania's co-operation complements its foreign policy aims. These include implementing agreements with Russia to promote mutually beneficial co-operation in economic affairs, energy, transport, and other spheres, and to expand cultural relations, public dialogue and people-to-people contacts. Lithuania co-operates with the countries of the Black Sea region to implement regional projects in energy, transport, economic co-operation, fighting international crime, and other areas. These are also likely also to become fields of co-operation with Kazakhstan, Georgia, and other Caucasian and central Asian states.

Other donors

Finally, for the past several years the DAC Secretariat has collected data on concessional financial flows from Israel, Kuwait, Saudi Arabia and the United Arab Emirates. These are included in Table 33 of the Statistical Annex.

The DAC at Work

Development Assistance Committee

The OECD's Development Assistance Committee (DAC) is the key forum in which the major bilateral donors work together to co-ordinate development co-operation and to increase the effectiveness of their efforts to support sustainable development.

Within the OECD, the DAC is one of the main committees. The DAC, however, has three distinctive features. First, it meets more frequently than other OECD committees (about 15 times a year) and the Chair is based at OECD headquarters. Second, the DAC has the power to make binding recommendations in matters within its competence directly to countries on the Committee as well as to the Council (*e.g.* Recommendation on Untying Aid to Least Developed Countries, 2001). Third, the Chair issues an annual report on the efforts and policies of DAC members. This report has become a standard reference in the field of development co-operation.

The DAC holds an annual High Level Meeting in which participants are ministers or heads of aid agencies. Once a year, a Senior Level Meeting is also convened at the OECD to review the Committee's work on current policy issues. Ordinary DAC meetings are attended by Paris-based delegates of DAC members and by officials from member capitals.

The DAC's mission

The mandate of the DAC (which is shown on the next page, followed by DAC permanent representatives in 2004) has been unchanged from its inception in 1961. The mission of the DAC is to foster co-ordinated, integrated, effective and adequately-financed international efforts in support of sustainable economic and social development. Recognising that developing countries themselves are ultimately responsible for their own development, the DAC concentrates on how international co-operation can contribute to the capacity of developing countries to participate in the global economy and the capacity of people to overcome poverty and participate fully in their societies. The DAC's basic mission folds into the "OECD Action for a Shared Development Agenda", as stated by OECD ministers in 2002.

Mandate of the Development Assistance Committee

(Paragraph 14 of the Report by the Preparatory Committee)

As decided by the Ministerial Resolution of 23 July 1960 [OECD(60)13], the Development Assistance Group shall, upon the inception of the OECD, be constituted as the Development Assistance Committee, and given the following mandate:

- a) The Committee will continue to consult on the methods for making national resources available for assisting countries and areas in the process of economic development and for expanding and improving the flow of long-term funds and other development assistance to them.
- b) The Development Assistance Committee will acquire the functions, characteristics and membership possessed by the Development Assistance Group at the inception of the Organisation.
- c) The Committee will select its Chairman, make periodic reports to the Council and its own members, receive assistance from the Secretariat as agreed with the Secretary-General, have power to make recommendations on matters within its competence to countries on the Committee and to the Council, and invite representatives of other countries and international organisations to take part in particular discussions as necessary.
- d) The Development Assistance Committee may act on behalf of the Organisation only with the approval of the Council.
- e) In case the responsibilities of the Development Assistance Committee were to be extended beyond those set forth under a), any member country not represented in the Development Assistance Committee could bring the matter before the Council.

The Development Assistance Committee Representatives in 2004 (as at 31 December 2004)

DAC Chair

Mr. Richard MANNING (United Kingdom)

Vice-Chairs of the DAC

Mr. Daisuke MATSUNAGA (Japan)

Ms. Pernilla JOSEFSSON (Sweden)

Mr. George CARNER (United States)

DAC members	Name
Australia	Ms. Donelle WHEELER
Austria	Ms. Maria ROTHEISER-SCOTTI
Belgium	Mr. Martinus DESMET
Canada	Mr. Pierre GIROUX
Denmark	Mr. Peter HERTEL RASMUSSEN
European Commission	Mr. Gilles FONTAINE
Finland	Ms. Pirkko-Liisa KYÖSTILÄ
France	Mr. Dominique BOCQUET
Germany	Mr. Eduard WESTREICHER
Greece	Mr. Dimitris SERRELIS
Ireland	Ms. Anne-Marie CALLAN
Italy	Mr. Vincenzo DE LUCA
Japan	Mr. Daisuke MATSUNAGA
Luxembourg	Mr. Alain de MUYSER
Netherlands	Mr. Jeroen VERHEUL
New Zealand	Ms. Stephanie LEE
Norway	Mr. Geir SJØBERG
Portugal	Mr. Paulo NASCIMENTO
Spain	Mr. José Manuel ALBARES
Sweden	Ms. Pernilla JOSEFSSON
Switzerland	Mr. Paul OBRIST
United Kingdom	Mr. David BENDOR
United States	Mr. George CARNER

Observers to the DAC	Other OECD countries		
IMF	Ms. Sonia BRUNSWIG	Czech Republic	Mr. Michal KAPLAN
UNDP	Mr. Luc FRANZONI	Hungary	Mr. George FEHER
World Bank	Mr. Brian NGO	Iceland	Mr. Thórdur GUNDMUNDSSON
		Korea	Mr. Haeryong KWON
		Mexico	Mr. Noel GONZALEZ SEGURA
		Poland	Mr. Michal RUSINSKI
		Slovak Republic	Mr. Juraj SYKORA
		Turkey	Mr. Cingiz Kamil FIRAT

Key Activities of the DAC

The DAC adopts **authoritative policy guidelines and reference documents** for members in the conduct of their development co-operation programmes. These reflect the views and experience of the members and benefit from input by multilateral institutions and individual experts, including experts from developing countries.

In 2004 a fourth title was added to the DAC Guidelines and Reference Series: *Security System Reform and Governance: Policy and Good Practice*. This publication recommends, for the first time, ways that OECD government departments can work better together to prevent violent conflict.

The “DAC Evaluation Series” was created to serve as a vehicle for the dissemination of work conducted by the DAC Network on Development Evaluation. Its first title, *Lessons Learned on Donor Support to Decentralisation and Local Governance*, presents a synthesis of recent evaluations of programmes and projects supporting decentralisation and local governance in developing countries.

The DAC aims to **increase aid volumes and effectiveness**. Its Working Party on Aid Effectiveness and Donor Practices (WP-EFF) is working closely with the World Bank, IMF, the UNDP, and the Strategic Partnership with Africa (SPA); partner countries are also fully involved in the group’s work. Harmonisation and alignment with country-owned poverty reduction strategies and development frameworks, systems and processes are treated as part of a single unified agenda. The working party will report on progress on harmonisation and alignment to the Paris High Level Forum on Aid Effectiveness to be held in March 2005. Chapter 3 of this report provides further details on the work programme of the WP-EFF. The following pages also provide further details on the mandates and key topics of the work programmes of all DAC subsidiary bodies.

The DAC promotes the continuous improvement of member efforts in all areas of development co-operation. An important part of this common learning process and individual member accountability are the periodic DAC **Peer Reviews** of each member’s development co-operation system. The reviews, which usually occur at four-yearly intervals, examine how each individual member programme applies DAC policy guidance, how the programme is managed, coherence of other policies with development objectives and trends in the volume and allocation of resources. DAC peer reviews in 2004 covered France, Italy, Austria, Norway and Australia. Peer Reviews for New Zealand, Sweden, Switzerland, Belgium and Germany are planned for 2005. All peer reviews now systematically include a chapter on policy coherence for development. Chapter 4 of this report provides further details on the reviews conducted in 2004.

The DAC provides a **forum for dialogue**, exchange of experience and the building of international consensus on policy and management issues of interest to members. Particular themes emerge from the High Level and Senior Level Meetings and from the annual work programme and medium-term priorities. The DAC also organises regular “Partnership Forums” on selected themes, with wide participation from partner countries. The most recent Forum took place in Paris on 9-10 December 2004 and focused on “Improving Donor Effectiveness in Combating Corruption”. Organised jointly by the DAC and Transparency International, this event brought together senior officials and leading actors in the field of anti-corruption from both member and partner countries. Discussions

centred around the role of donors in supporting anti-corruption programmes in partner countries, building on other related work across the OECD.

The DAC supports the NEPAD initiative and is working with the United Nations Economic Commission for Africa (UNECA) to carry out the “Mutual Review of Development Effectiveness”, an innovative consultation arrangement promoting mutual accountability among African nations and their development partners. This initiative responds to the concept underpinning the Monterrey Consensus that development is a shared responsibility among all countries and development partners, and that commitments on all sides should be monitored and subject to ongoing dialogue. The Mutual Review will monitor performance and identify good practice:

- Among African countries as regards political governance, economic governance and capacity-building.
- Among OECD countries as regards ODA supply, aid quality including capacity-building, and policy coherence.

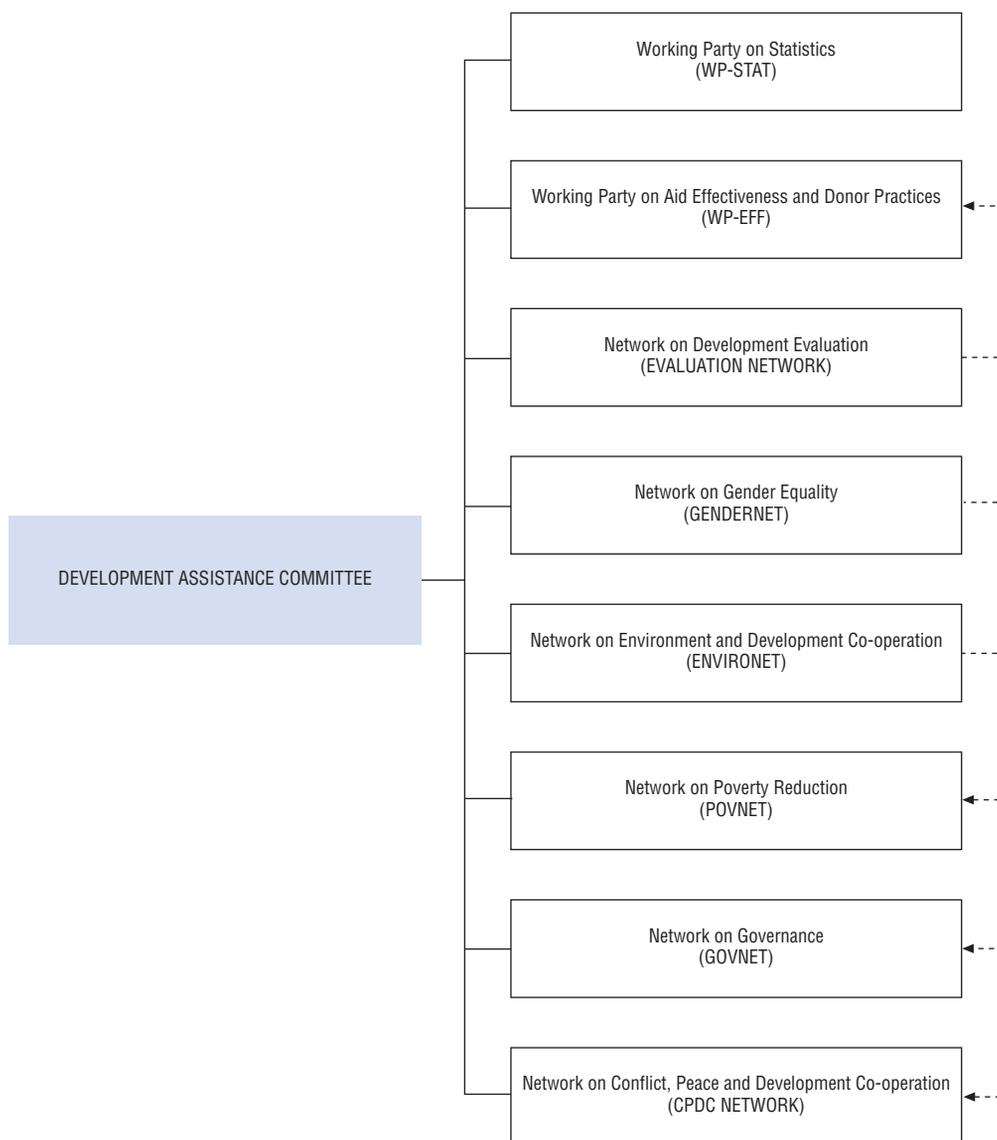
The inaugural *Mutual Review Report*, which underpins this consultation process, will be jointly produced by the ECA and the OECD and published in the summer of 2005. The Report will highlight key trends and issues and set out recommendations for future action by African and OECD countries that will be monitored in the follow-on 2007 *Mutual Review Report*.

The DAC collects and publishes statistics and reports on official development assistance (ODA) and other resource flows to developing countries and countries in transition and related matters, based principally on reporting by DAC members. ODA definitions and the “DAC List of Aid Recipients” (shown in the Technical Notes of this report) are constantly reviewed by DAC members.

The DAC’s subsidiary bodies

In April 2003 DAC members agreed on a new Committee architecture for its subsidiary bodies, which is shown in the organigramme on the next page. The mandates and key topics of the work programmes of the eight DAC subsidiary bodies are provided in the following pages.

Development Co-operation: Committee Structure



Dotted line indicates ex-officio membership of the Chair of a subsidiary body in another subsidiary body (being indicated by an arrow).

DAC Subsidiary Bodies' Mandates and Work Programmes

DAC Working Party on Statistics (WP-STAT)

Date created	1968
Duration	Current mandate through 2006
Chair	Mr. Fritz Meijndert (Netherlands)
Mandate	<p>The mandate of the DAC Working Party on Statistics is to keep under review and propose improvements in the statistical reporting of resource flows to developing and transition countries and multilateral agencies.</p> <p>It makes recommendations to the DAC about: ODA eligibility; guidelines and definitions for reporting; data comparability; and the use of DAC statistics.</p> <p>It proposes, for decision by the DAC, amendments to the statistical reporting directives; deals with related subjects referred to it by the DAC; and reports to the DAC as appropriate.</p>

Key Topics in the Work Programme for 2005-2006

Maintain and improve DAC's regular statistical products and better meet user requirements. Co-operate with members and UN on MDG reporting. Bi-annual updates to Reporting Directives.

Statistical policy issues – update policy relevance of data collections; aid to security sector; discount rate; DAC List; innovative financing mechanisms.

Dialogue with non-DAC donors to improve access to and completeness of aid statistics.

Use of the Creditor Reporting System (CRS) for special reporting – e.g. targeting of MDGs, trade capacity building, gender, environment, HIV/AIDS.

Co-operate with WP-EFF on indicators of aid effectiveness on harmonisation, results-based management and predictability. Provide data and analysis on trends and issues in the international aid system.

Maintain improved sharing of development information through AiDA.

DAC Working Party on Aid Effectiveness and Donor Practices (WP-EFF)

Date created April 2003

Duration Current mandate through 2006

Chair Mr. Michel Reveyrand (France)

Mandate The DAC Working Party on Aid Effectiveness and Donor Practices was set up in the context of the international consensus reached at Monterrey in March 2002 on the actions needed to promote a global partnership for development and accelerate progress towards the Millennium Development Goals. For DAC members, this entails improving the management, delivery and complementarity of development co-operation activities to ensure the highest development impact. As part of its mandate, the Working Party engages in: assessing and supporting the harmonisation of donor practices and alignment with country-owned poverty reduction strategies and other development frameworks, systems and processes, including implications for the appropriate use of instruments and for allocations; follow-up on the issues of untying and procurement; and results measurement, monitoring and management.

The Working Party focuses on facilitating the implementation of agreed policies and good practices and assessing overall progress on the ground, on further exchange of good practice and on selective policy development. Country ownership and capacity development are fundamental considerations in its work.

The Working Party involves partner countries in its work and collaborates with a wide range of development organisations beyond the permanent DAC Observers (World Bank, IMF and UNDP) including the Regional Development Banks and the Strategic Partnership with Africa (SPA). There is broad interaction with other DAC bodies especially with the DAC Network on Development Evaluation whose Chair is an *ex officio* member of the Working Party. The Working Party should propose task force approaches as appropriate in responding to particular DAC tasking and/or decide to use informal task teams as a working method.

Key Topics in Work Programme for 2005-2006

Review of progress, challenges and opportunities in aid effectiveness.

Monitoring and facilitating the harmonisation of donor practices and alignment with partner country priorities and systems.

Sourcebook on good practices in managing for development results.

Implementation of good practices in supporting public financial management in partner countries.

Strengthening procurement capacities in partner countries.

Report on implementation of the DAC Recommendation on aid untying.

DAC Network on Development Evaluation (EVALUATION NETWORK)

Date created	March 2003
Duration	Current mandate through 2006
Chair	Ms. Eva Lithman (Sweden)
Mandate	<p>The mandate of the DAC Network on Development Evaluation covers four principal areas:</p> <p>It aims to strengthen the exchange of information, experience and co-operation on evaluation among Network members and, as appropriate, with development evaluation partners, with a view to: a) improving the evaluation activities of individual members; b) encouraging harmonisation and standardisation of methodological and conceptual frameworks; c) facilitating co-ordination of major evaluation studies; d) encouraging development of new methods in evaluation and best practice.</p> <p>It contributes to improved development effectiveness by a) synthesising and extracting policy, strategic and operational lessons from evaluations for consideration by the DAC and the wider development community; b) promoting joint or co-ordinated evaluations and studies undertaken by individual members.</p> <p>It provides advice and support to the DAC and its subsidiary bodies, notably on peer reviews, development results and aid effectiveness.</p> <p>It promotes and supports evaluation capacity development in partner countries.</p>

Key Topics in Work Programme for 2005-2006

Joint studies and evaluations.

Assessing new aid modalities.

Strengthening evaluation tools and quality.

Enhancing evaluation capacity and use of evaluations.

Evaluation systems and structures.

Evaluation knowledge management.

DAC Network on Gender Equality (GENDERNET)

Date created	1984
Duration	Current mandate through 2006
Chair	Ms. To Tjoelker (Netherlands)
Mandate	<p>The DAC Network on Gender Equality:</p> <p>Contributes to improving the quality and effectiveness of development co-operation. The knowledge, insights and experience of both women and men are required if development is to be effective, sustainable and truly people-centred. Hence, progress towards gender equality and women's empowerment is vital for improving economic, social and political conditions in developing countries.</p> <p>Provides strategic support to the policies of the DAC: it acts as a catalyst and provides professional expertise to ensure that gender equality perspectives are mainstreamed in DAC work, reinforces this priority in members' programmes, and supports partner countries' development efforts.</p> <p>Meets the needs of members of the DAC and the Network by providing a unique opportunity to exchange innovative and catalytic thinking on strategies and practices for integrating gender perspectives and women's empowerment to support partners' own efforts in all spheres of development co-operation.</p> <p>Based on this mandate above, the GENDERNET plays a catalytic role to ensure mainstreaming of a gender equality perspective into DAC work. In doing so, it will continue to collaborate closely with the other DAC subsidiary bodies.</p>

Key Topics in Work Programme for 2005-2006

Beijing + 10, its follow up and the Millennium Review processes.

The gender-related goals and indicators of the MDGs, in particular MDG3 – the promotion of gender equality and the empowerment of women.

Conflict prevention, peace building and gender, including a specific focus on the trafficking of women and children in conflict situations.

Gender, poverty and pro-poor growth.

Gender and HIV/AIDS.

Gender mainstreaming and aid effectiveness.

DAC Network on Environment and Development Co-operation (ENVIRONET)

Date created	June 1989
Duration	Current mandate through 2006
Chair	Mr. Steve Bass (United Kingdom)
Mandate	<p>The DAC Network on Environment and Development Co-operation:</p> <p>Contributes to the formulation of coherent approaches to sustainable development in the context of the OECD cross-sectoral approach to sustainable development.</p> <p>Formulates specific guidance for development co-operation efforts in support of environment and sustainable development.</p> <p>Provides its members with a policy forum for sharing experience and disseminating good practice with regard to the integration of environmental concerns in development co-operation.</p>

Key Topics in Work Programme for 2005-2006

Development and climate change (joint activity with the Environment Policy Committee): formulation of Policy Guidance on Integrating Climate Change adaptation into development co-operation strategies.

Harmonisation of donors' approaches to environmental assessment of projects (Environmental Impact Assessment, EIA), programmes and sectoral strategies (Strategic Environmental Assessment, SEA).

Natural Resource Management and Pro-poor growth: Integration of environment into poverty reduction and growth strategies in support of Millennium Development Goal No. 7. Continued contributions to DAC peer reviews, from the perspective of environment and sustainable development.

Continued contributions to OECD horizontal work on sustainable development, from the perspective of development co-operation.

DAC Network on Poverty Reduction (POVNET)

Date created	June 1998
Duration	Current mandate through 2006
Chair	Ms. Emmy Simmons (United States)
Mandate	The mandate of the DAC Network on Poverty Reduction focuses on the multidimensionality of poverty and on the relationship between inequality, economic growth and poverty reduction in developing countries. POVNET provides a forum for the exchange of experience and best practice on pro-poor growth, i.e. involving the poor in generating growth and benefiting from growth and globalisation. It addresses, from this perspective, strategies and policies in areas such as infrastructure, agriculture, trade and investment capacity building, information and communication technology, and the role of the private sector and public-private partnerships. It promotes the pursuit of the Millennium Development Goals and a central role for broad-based growth and its determinants within the strategic framework of national poverty reduction strategies.

Key Topics in Work Programme for 2005-2006

A conceptual framework on the relationship between sustained economic growth and poverty reduction with a view to strengthening the contributions of the private sector, agriculture and infrastructure and synergies between these areas, and providing operational guidance at field level.

Managing and integrating the “broader” agenda, including trade capacity building, ODA/FDI for development and ICT.

Policy guidance and compendiums of good practices for supporting pro-poor growth and for the stronger integration of growth and its determinants into the PRSP process.

DAC Network on Governance (GOVNET)

Date created	1st meeting April 2001
Duration	Current mandate through 2006
Chair	Ms. Gabriele Geier* (Germany)
Mandate	The DAC Network on Governance aims at improving the effectiveness of donor assistance in governance and in support of capacity development. It provides members with a policy forum for exchanging experiences, and lessons, as well as identifying and disseminating good practice, and developing pro-poor policy and analytical tools. The GOVNET work focuses on how to improve the effectiveness of support in a broad range of areas including: the fight against corruption, public service reform, capacity development, human rights, democracy, the rule of law, assessing governance development, and difficult partnerships. This list is not intended to be exclusive. The work of the Network covers relationships between the State, citizens, civil society and the private sector.

Key Topics in Work Programme for 2005-2006

Fighting corruption.

Addressing capacity development.

Human rights and rights-based approaches to development.

Political economy analysis.

* Designated chair.

DAC Network on Conflict, Peace and Development Co-operation (CPDC)

Date created	1995 (Task Force became a Network in 2001)
Duration	Current mandate through 2006
Chair	Mr. Mark Berman (Canada)
Mandate	The DAC, through its Network on Conflict, Peace and Development Co-operation, strives to improve the effectiveness of development co-operation and the coherence of members' policies by promoting the principles and agreements in the DAC guidelines <i>Helping Prevent Violent Conflict</i> . The Network enhances donors' work with developing country actors – especially in fragile, difficult, conflict-prone countries – to promote structural stability and peace; prevent and manage violent conflict, and provide humanitarian relief and reconstruction assistance in crises.

Key Topics in Work Programme for 2005-2006

Mainstreaming conflict prevention and peace-building approaches in governments and organisations engaging in development co-operation.

Outreach: working with partner countries and regional organisations on security system reform and other aspects of conflict prevention and peace-building assistance.

Responding to crisis countries and to new and emerging issues.

Evaluating conflict prevention and peace-building activities.

Working with business to prevent violent conflict.

Links between the environment, conflict and peace.

Good humanitarian donorship, transition assistance, and long-term development.

The Development Co-operation Directorate

The Development Co-operation Directorate (DCD) – see organigramme on the next page – is one of the twelve substantive directorates in the OECD Secretariat. The role of the DCD is to assist members with policy formulation, policy co-ordination and information systems for development. In so doing, it supports the work of both the Development Assistance Committee (DAC) and of the OECD as a whole. However, so close is the relationship with the DAC that DCD is generally identified with the DAC itself (*e.g.* on the DAC Web site, details of which can be found towards the end of this section).

The Office of the Director oversees the work of some 90 staff in the following areas:

The **Policy Co-ordination Division (DCD/POL)**. The Division covers a wide range of policy issues, including aid effectiveness and donor practices; governance and capacity building; conflict and security issues; environment; gender, NEPAD/Africa. It also deals with the specific issues of failing states or “difficult partnerships”.

The **Policy Coherence Division (DCD/COH)**. The Division is active on all issues where the special expertise of other OECD policy communities can support, or leave an impact on, development. Trade capacity building is an important part of its work programme. It also concentrates on the relationship between economic growth and poverty reduction (treated in the POVNET) through work on agriculture, private sector development, and infrastructure; and deals with the issue of untying of aid and procurement.

DCD also works closely with other OECD Directorates on issues of policy coherence for development which are being addressed in a “Liaison Network” under the authority of the Deputy Secretary-General overseeing the “Development Cluster”.

The **Review and Evaluation Division (DCD/PEER)**. The Division monitors the aid programmes of individual members, as well as non-DAC donors, through peer reviews and country-level assessments. It also deals with evaluation, notably through the Evaluation Network, to improve effectiveness and results-based management of development co-operation.

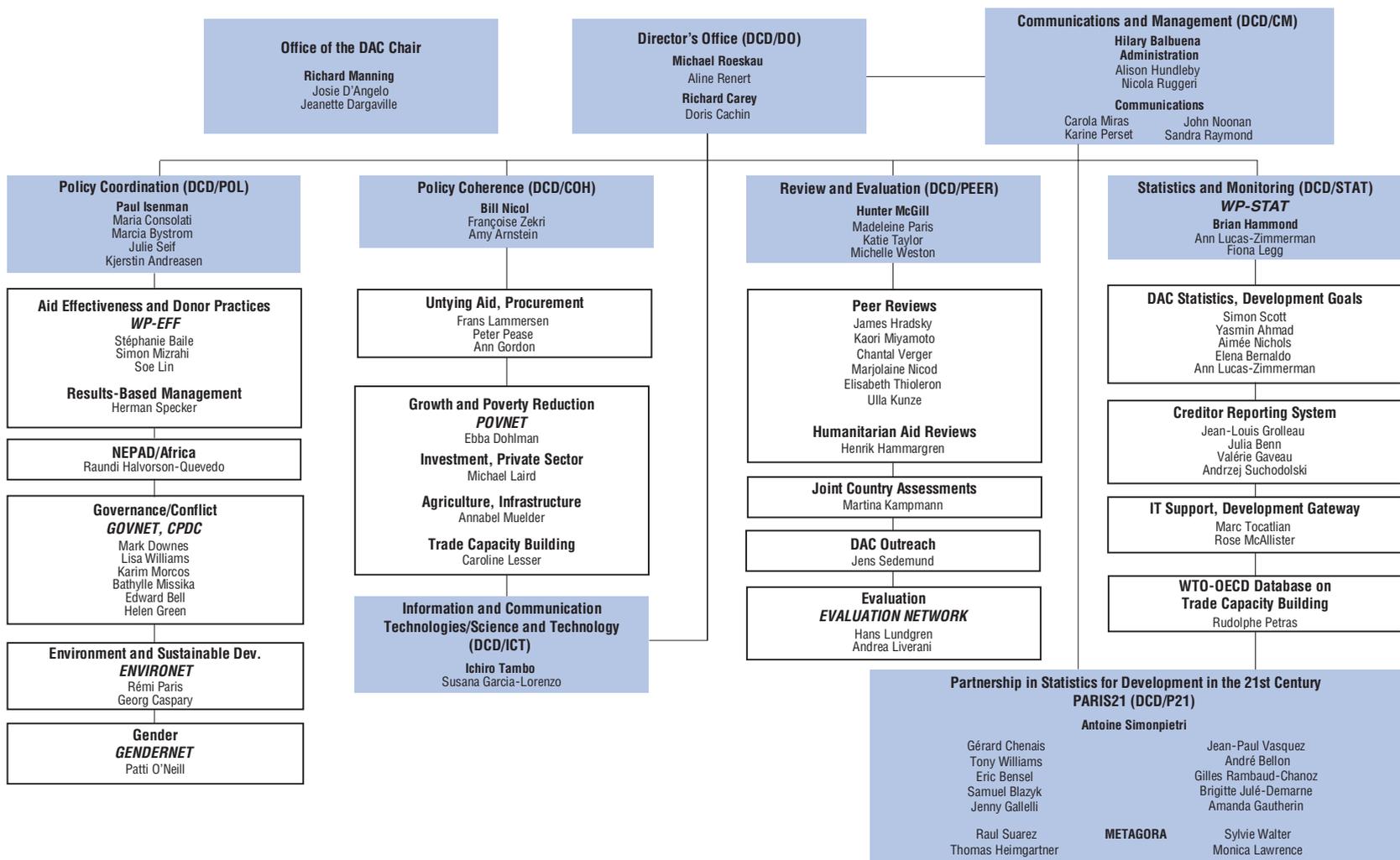
The **Statistics and Monitoring Division (DCD/STAT)**. The Division collects and compiles statistics on flows of aid and other resources, including their type, terms, sectoral breakdown, and geographical distribution among developing countries.

Partnership in Statistics for Development in the 21st Century (PARIS21). PARIS21 was established in 1999 to promote the use of statistics and help boost statistical capabilities in poor countries to inform and monitor development policy. Its founding organisers are the UN, OECD, World Bank, IMF and the EC. PARIS21 is hosted at the DCD.

Metagora is a pilot project focusing on methods, tools and frameworks for measuring democracy, human rights and governance. The Metagora Co-ordination Team began operations in February 2004. The programme is implemented under the auspices of PARIS21.

DCD is part of the “**Development Cluster**” of the OECD Secretariat. It is headed by a Deputy Secretary-General and includes the following units in addition to DCD:

- The **Development Centre**, a focal point in the OECD for research on development questions.
- The **Sahel and West Africa Club**, which is a facilitator and leader of informed action-oriented debates within West Africa and between that region and OECD member countries.
- The **Centre for Co-operation with Non-Members (CCNM)**, provides strategic co-ordination to the development of OECD’s relations with non-Members and with other international organisations.



DAC Web Site Themes and Aliases

Themes and sub-themes

DAC Home Page

Aid Statistics

- Aid Activities
- Aid from DAC members

Aid Effectiveness and Donor Practices

- Harmonisation and Alignment
- Managing for Development Results
- Public Financial Management
- Strengthening Procurement Capacities

Aid Untying

Conflict and Peace

Development Effectiveness in Difficult Partnerships

Environment and Development Co-operation

Evaluation of Development Programmes

Gender Equality

Governance and Capacity Development

Information and Communication Technology for Development

Millennium Development Goals

Peer Reviews of DAC Members

Poverty Reduction

Trade, Development and Capacity Building

Direct URL to themes and sub-themes

www.oecd.org/dac

www.oecd.org/dac/stats/

- www.oecd.org/dac/stats/crs/
- www.oecd.org/dac/stats/dac/

www.oecd.org/dac/wpeff

- www.oecd.org/dac/wpeff/harmonisation
- www.oecd.org/dac/wpeff/results
- www.oecd.org/dac/wpeff/pfm
- www.oecd.org/dac/wpeff/procurement

www.oecd.org/dac/aiduntying

www.oecd.org/dac/conflict

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www.oecd.org/dac/governance

www.oecd.org/dac/ict

www.oecd.org/dac/mdg/

www.oecd.org/dac/peerreviews

www.oecd.org/dac/poverty

www.oecd.org/dac/trade/

A selection of DCD/DAC key publications

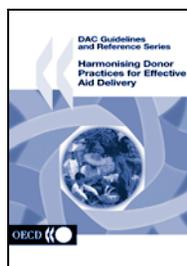
See www.oecd.org/dac or www.oecd.org/bookshop



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ISSN 1563-3152



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ISBN 92-64-19982-9



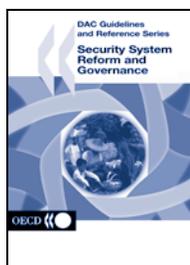
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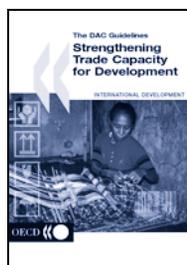
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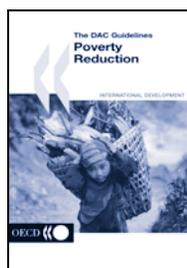
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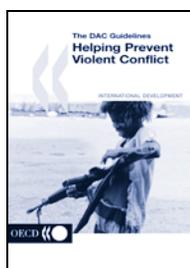
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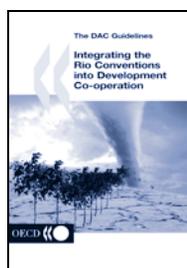
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Helping Prevent Violent Conflict

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Integrating the Rio Conventions into Development Co-operation

ISBN 92-64-19813-X

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**For more information on DAC statistics, please refer to our
WORLD WIDE WEB SITE
www.oecd.org/dac
See “Statistics”**

Note: This report incorporates data submitted up to 31 October 2004. 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 2003 (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 Aid Recipients 1999-2003* and the CD-ROM *International Development Statistics*.

Table 1

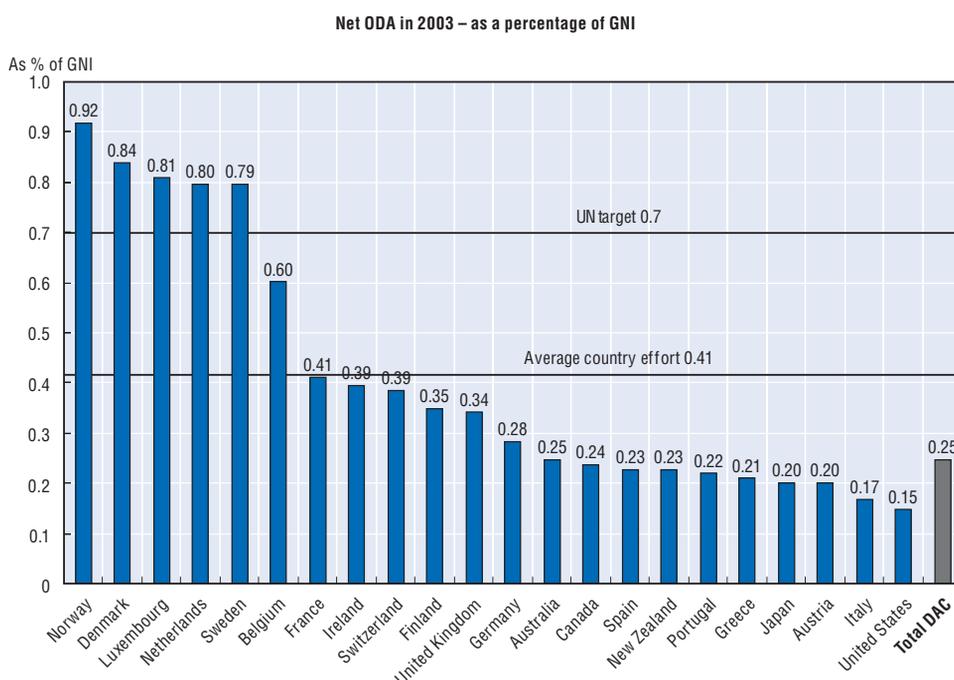
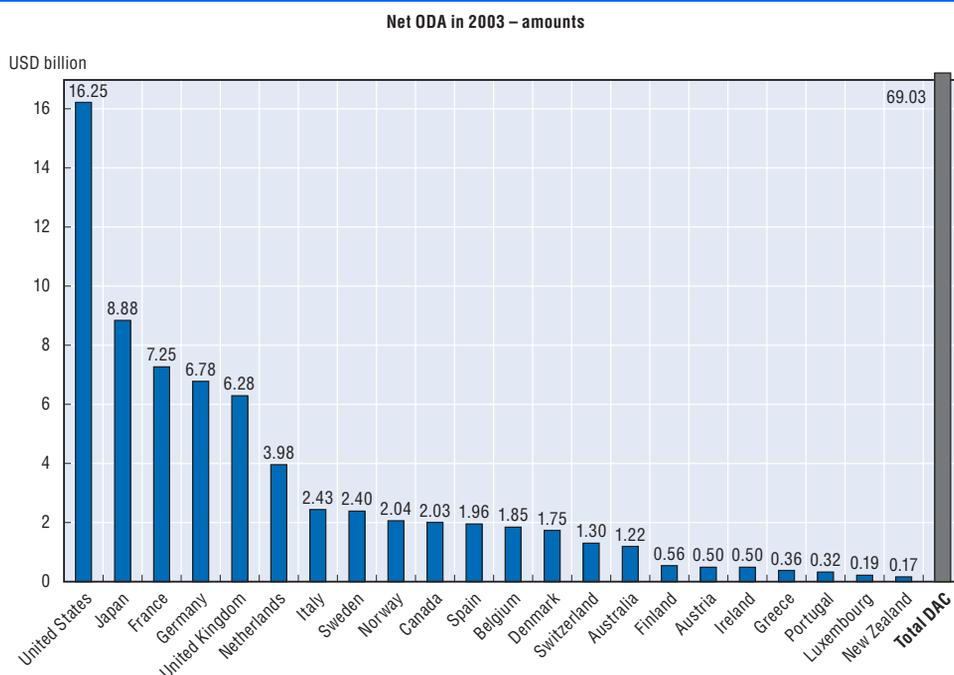
DAC Members' Net Official Development Assistance in 2003

	2003		2002		Percent change 2002 to 2003 in real terms ^a
	ODA USD million current	ODA/GNI %	ODA USD million current	ODA/GNI %	
Australia	1 219	0.25	989	0.26	0.4
Austria	505	0.20	520	0.26	-20.5
Belgium	1 853	0.60	1 072	0.43	40.7
Canada	2 031	0.24	2 004	0.28	-12.7
Denmark	1 748	0.84	1 643	0.96	-12.8
Finland	558	0.35	462	0.35	0.3
France	7 253	0.41	5 486	0.38	8.7
Germany	6 784	0.28	5 324	0.27	5.3
Greece	362	0.21	276	0.21	5.7
Ireland	504	0.39	398	0.40	3.8
Italy	2 433	0.17	2 332	0.20	-15.3
Japan	8 880	0.20	9 283	0.23	-9.2
Luxembourg	194	0.81	147	0.77	8.4
Netherlands	3 981	0.80	3 338	0.81	-3.2
New Zealand	165	0.23	122	0.22	6.9
Norway	2 042	0.92	1 696	0.89	4.6
Portugal	320	0.22	323	0.27	-19.4
Spain	1 961	0.23	1 712	0.26	-7.8
Sweden	2 400	0.79	2 012	0.84	-2.8
Switzerland	1 299	0.39	939	0.32	19.7
United Kingdom	6 282	0.34	4 924	0.31	14.0
United States	16 254	0.15	13 290	0.13	20.4
TOTAL DAC	69 029	0.25	58 292	0.23	4.8
Average Country Effort		0.41		0.41	
<i>Memo Items:</i>					
EC	7 173		5 448		7.7
EU countries combined	37 139	0.35	29 969	0.35	3.0
G7 countries	49 917	0.21	42 644	0.20	6.3
Non-G7 countries	19 112	0.46	15 648	0.47	0.5

a) Taking account of both inflation and exchange rate movements.

Figure 1

DAC Members' Net Official Development Assistance in 2003



	USD million						
	1987-1988 average	1992-1993 average	1999	2000	2001	2002	2003
I. Official Development Assistance	43 834	58 318	53 233	53 749	52 435	58 292	69 029
1. Bilateral grants and grant-like flows	23 479	34 133	33 931	33 040	33 522	39 813	50 965
of which: Technical co-operation	9 043	13 279	13 036	12 767	13 602	15 452	18 366
Developmental food aid (a)	1 745	1 723	1 045	1 180	1 007	1 086	1 196
Emergency & distress relief (a)	704	2 918	4 414	3 574	3 276	3 869	5 874
Debt forgiveness	240	2 849	2 277	2 045	2 514	4 534	8 338
Administrative costs	1 541	2 503	3 049	3 083	2 964	3 027	3 524
2. Bilateral loans	6 956	6 756	3 912	3 024	1 602	939	-1 153
3. Contributions to multilateral institutions	13 399	18 364	15 390	17 685	17 311	17 540	19 217
of which: UN (b)	3 251	4 425	3 654	5 185	5 233	4 634	4 705
EC (b)	2 275	4 207	5 017	4 950	4 946	5 695	6 834
IDA (b)	4 762	5 636	2 834	3 672	3 599	3 279	3 120
Regional development banks (b)	1 897	2 450	1 860	2 187	1 491	1 813	1 734
II. Other Official Flows	3 022	8 567	15 589	-4 326	-1 589	-45	-1 127
1. Bilateral	3 181	7 646	14 640	-4 303	-797	2 401	-1 597
2. Multilateral	-159	922	949	-23	-792	-2 446	470
III. Private Flows at market terms	21 491	49 803	115 999	78 128	49 745	6 252	30 481
1. Direct investment	21 202	33 309	94 314	71 729	66 041	36 286	36 660
2. Bilateral portfolio investment	319	18 396	25 575	2 416	-14 946	-26 902	-6 611
3. Multilateral portfolio investment	2 033	-2 297	-5 786	-3 369	-4 086	-3 146	635
4. Export credits	-2 064	396	1 896	7 352	2 736	14	-203
IV. Net grants by NGOs	4 123	5 848	6 715	6 934	7 289	8 765	10 162
TOTAL NET FLOWS	72 470	122 539	191 536	134 485	107 881	73 263	108 545
Total net flows at 2002 prices and exchange rates (c)	87 226	119 083	182 612	134 043	112 019	73 263	95 956

a) Emergency food aid included with developmental food aid up to and including 1995.

b) Grants and capital subscriptions, does not include concessional lending to multilateral agencies.

c) Deflated by the total DAC deflator.

Source of private flows: DAC members' reporting to the annual DAC Questionnaire on total official and private flows.

Table 2

Total Net Flows from DAC Countries by Type of Flow

Net disbursements at current prices and exchange rates

1987-1988 average	1992-1993 average	Per cent of total					
		1999	2000	2001	2002	2003	
60	48	28	40	49	80	64	I. Official Development Assistance
32	28	18	25	31	54	47	1. Bilateral grants and grant-like flows
12	11	7	9	13	21	17	of which: Technical co-operation
2	1	1	1	1	1	1	Developmental food aid (a)
1	2	2	3	3	5	5	Emergency & distress relief (a)
0	2	1	2	2	6	8	Debt forgiveness
2	2	2	2	3	4	3	Administrative costs
10	6	2	2	1	1	-1	2. Bilateral loans
18	15	8	13	16	24	18	3. Contributions to multilateral institutions
4	4	2	4	5	6	4	of which: UN (b)
3	3	3	4	5	8	6	EC (b)
7	5	1	3	3	4	3	IDA (b)
3	2	1	2	1	2	2	Regional development banks (b)
4	7	8	-3	-1	0	-1	II. Other Official Flows
4	6	8	-3	-1	3	-1	1. Bilateral
0	1	0	0	-1	-3	0	2. Multilateral
30	41	61	58	46	9	28	III. Private Flows at market terms
29	27	49	53	61	50	34	1. Direct investment
0	15	13	2	-14	-37	-6	2. Bilateral portfolio investment
3	-2	-3	-3	-4	-4	1	3. Multilateral portfolio investment
-3	0	1	5	3	0	0	4. Export credits
6	5	4	5	7	12	9	IV. Net grants by NGOs
100	100	100	100	100	100	100	TOTAL NET FLOWS

	USD million						2003
	1987-1988 average	1992-1993 average ^a	1999	2000	2001	2002	
Australia	2 252	3 123	2 159	1 961	1 290	834	3 010
Austria	275	580	2 040	1 135	836	1 910	1 445
Belgium	736	1 460	5 528	2 281	304	1 337	1 221
Canada	2 933	4 720	6 992	6 483	1 538	2 044	4 949
Denmark	790	1 501	1 992	2 176	2 645	1 577	1 896
Finland	667	553	858	1 087	1 334	- 180	- 44
France	6 252	10 867	9 160	5 557	16 327	4 729	6 936
Germany	10 327	12 143	20 006	12 331	6 345	7 207	3 709
Greece	..	..	195	229	202	322	403
Ireland	67	142	251	740	735	1 469	2 334
Italy	3 552	4 299	11 337	10 846	- 189	1 399	4 218
Japan	18 745	16 016	17 633	11 423	13 714	4 659	6 335
Luxembourg	18	48	124	129	144	148	201
Netherlands	2 946	4 472	7 985	6 947	-3 432	-1 487	12 167
New Zealand	132	111	163	142	139	164	208
Norway	909	1 328	2 060	1 437	1 485	2 279	3 306
Portugal	62	325	2 457	4 622	1 775	171	1 145
Spain	265	1 481	29 029	23 471	11 523	8 171	6 667
Sweden	2 048	2 758	2 892	3 952	3 077	2 232	1 255
Switzerland	- 58	3 362	3 241	2 054	- 158	2 234	3 684
United Kingdom	3 891	8 322	15 299	10 230	9 627	7 634	5 705
United States	15 663	45 864	50 138	25 252	38 618	24 410	37 795
TOTAL DAC	72 471	122 539	191 536	134 485	107 880	73 263	108 545
<i>of which:</i>							
EU Members	31 896	48 951	109 152	85 732	51 254	36 640	49 257

a) Including debt forgiveness of non-ODA claims in 1992, except for total DAC. See Technical Notes on Definitions and Measurement.

Table 3

Total Net Flows by DAC Country

Net disbursements at current prices and exchange rates

1987-1988 average	1992-1993 average ^a	Per cent of GNI					
		1999	2000	2001	2002	2003	
1.06	1.13	0.57	0.53	0.37	0.22	0.61	Australia
0.23	0.32	0.99	0.61	0.45	0.94	0.58	Austria
0.50	0.68	2.21	1.00	0.13	0.54	0.40	Belgium
0.67	0.87	1.14	0.95	0.22	0.28	0.58	Canada
0.78	1.13	1.16	1.39	1.67	0.93	0.91	Denmark
0.71	0.62	0.68	0.91	1.11	-0.14	-0.03	Finland
0.68	0.85	0.64	0.43	1.24	0.33	0.39	France
0.89	0.61	0.96	0.66	0.34	0.36	0.16	Germany
..	..	0.16	0.20	0.17	0.24	0.23	Greece
0.25	0.34	0.32	0.93	0.85	1.49	1.83	Ireland
0.45	0.40	0.97	1.01	-0.02	0.12	0.29	Italy
0.71	0.40	0.39	0.24	0.32	0.11	0.14	Japan
0.20	0.34	0.69	0.75	0.78	0.78	0.84	Luxembourg
1.34	1.42	2.02	1.85	-0.89	-0.36	2.44	Netherlands
0.37	0.29	0.33	0.32	0.32	0.30	0.28	New Zealand
1.08	1.27	1.32	0.87	0.88	1.19	1.49	Norway
0.16	0.38	2.28	4.45	1.66	0.14	0.79	Portugal
0.08	0.28	4.90	4.25	2.01	1.25	0.79	Spain
1.22	1.32	1.24	1.76	1.42	0.93	0.42	Sweden
-0.03	1.36	1.17	0.80	-0.06	0.75	1.09	Switzerland
0.52	0.84	1.05	0.72	0.67	0.48	0.31	United Kingdom
0.33	0.73	0.54	0.25	0.38	0.23	0.34	United States
0.55	0.66	0.81	0.56	0.45	0.30	0.39	TOTAL DAC
0.66	0.68	1.29	1.10	0.65	0.42	0.47	<i>of which:</i> EU Members

	1987-88 average	1992-1993 average ^a	1999	USD million 2000	2001	2002	2003
Australia	864	984	982	987	873	989	1 219
Austria	251	205	492	440	633	520	505
Belgium	644	840	760	820	867	1 072	1 853
Canada	2 116	2 457	1 706	1 744	1 533	2 004	2 031
Denmark	890	1 366	1 733	1 664	1 634	1 643	1 748
Finland	520	499	416	371	389	462	558
France	5 356	8 093	5 639	4 105	4 198	5 486	7 253
Germany	4 561	7 269	5 515	5 030	4 990	5 324	6 784
Greece	..	..	194	226	202	276	362
Ireland	54	76	245	234	287	398	504
Italy	2 904	3 583	1 806	1 376	1 627	2 332	2 433
Japan	8 238	11 205	12 163	13 508	9 847	9 283	8 880
Luxembourg	16	44	119	123	139	147	194
Netherlands	2 163	2 639	3 134	3 135	3 172	3 338	3 981
New Zealand	95	97	134	113	112	122	165
Norway	938	1 144	1 370	1 264	1 346	1 696	2 042
Portugal	62	264	276	271	268	323	320
Spain	240	1 411	1 363	1 195	1 737	1 712	1 961
Sweden	1 454	2 114	1 630	1 799	1 666	2 012	2 400
Switzerland	582	966	984	890	908	939	1 299
United Kingdom	2 258	3 082	3 426	4 501	4 579	4 924	6 282
United States	9 628	10 916	9 145	9 955	11 429	13 290	16 254
TOTAL DAC	43 834	58 318	53 233	53 749	52 435	58 292	69 029
<i>of which:</i>							
EU Members	21 374	31 483	26 750	25 289	26 388	29 969	37 139

a) Including debt forgiveness of non-ODA claims in 1992, except for total DAC. See Technical Notes on Definitions and Measurement.

Table 4

Net Official Development Assistance by DAC Country

Net disbursements at current prices and exchange rates

1987-88 average	1992-1993 average ^a	Per cent of GNI					2003	
		1999	2000	2001	2002	2003		
0.41	0.36	0.26	0.27	0.25	0.26	0.25	Australia	
0.21	0.11	0.24	0.23	0.34	0.26	0.20	Austria	
0.44	0.39	0.30	0.36	0.37	0.43	0.60	Belgium	
0.48	0.46	0.28	0.25	0.22	0.28	0.24	Canada	
0.88	1.03	1.01	1.06	1.03	0.96	0.84	Denmark	
0.55	0.56	0.33	0.31	0.32	0.35	0.35	Finland	
0.59	0.63	0.39	0.32	0.32	0.38	0.41	France	
0.39	0.36	0.26	0.27	0.27	0.27	0.28	Germany	
..	..	0.15	0.20	0.17	0.21	0.21	Greece	
0.20	0.18	0.31	0.29	0.33	0.40	0.39	Ireland	
0.37	0.33	0.15	0.13	0.15	0.20	0.17	Italy	
0.31	0.28	0.27	0.28	0.23	0.23	0.20	Japan	
0.19	0.31	0.66	0.71	0.76	0.77	0.81	Luxembourg	
0.98	0.84	0.79	0.84	0.82	0.81	0.80	Netherlands	
0.27	0.25	0.27	0.25	0.25	0.22	0.23	New Zealand	
1.11	1.09	0.88	0.76	0.80	0.89	0.92	Norway	
0.16	0.31	0.26	0.26	0.25	0.27	0.22	Portugal	
0.08	0.27	0.23	0.22	0.30	0.26	0.23	Spain	
0.87	1.01	0.70	0.80	0.77	0.84	0.79	Sweden	
0.31	0.39	0.35	0.34	0.34	0.32	0.39	Switzerland	
0.30	0.31	0.24	0.32	0.32	0.31	0.34	United Kingdom	
0.21	0.17	0.10	0.10	0.11	0.13	0.15	United States	
0.33	0.31	0.22	0.22	0.22	0.23	0.25	TOTAL DAC	
							<i>of which:</i>	
0.44	0.44	0.32	0.32	0.33	0.35	0.35	EU Members	
							<i>Memo:</i>	
0.44	0.46	0.38	0.39	0.40	0.41	0.41	Average country effort	

	USD million						
	1987-1988 average	1992-1993 average	1999	2000	2001	2002	2003
Australia	1 350	1 784	410	252	151	- 433	1 374
Austria	- 30	62	1 334	560	279	1 369	824
Belgium	- 307	254	4 765	1 394	- 712	86	-1 752
Canada	468	1 569	4 484	4 621	- 12	188	2 711
Denmark	- 11	142	410	482	998	- 63	106
Finland	119	- 53	296	709	932	- 656	- 622
France	- 424	2 078	3 524	1 439	12 168	-1 392	-3 123
Germany	3 724	2 865	13 678	6 911	1 210	-2 650	- 519
Greece	..	..	..	..	..	40	33
Ireland	- 11	40	..	416	347	986	1 547
Italy	- 257	- 444	9 484	9 537	-1 903	- 563	2 044
Japan	11 631	1 082	-4 297	2 725	5 380	- 573	- 731
Luxembourg	..	..	..	..	..	..	..
Netherlands	603	1 473	4 581	3 469	-6 886	-5 310	7 766
New Zealand	28	..	16	17	16	17	21
Norway	- 81	53	522	- 5	- 71	131	1 264
Portugal	..	32	2 074	4 273	1 503	- 150	823
Spain	25	..	27 655	22 272	9 640	6 404	4 633
Sweden	480	510	1 192	2 127	1 394	199	-1 153
Switzerland	- 722	2 241	2 236	997	-1 252	1 089	2 104
United Kingdom	1 109	4 582	11 416	5 265	4 699	2 360	-1 016
United States	3 799	31 536	32 218	10 666	21 864	5 173	14 147
TOTAL DAC	21 491	49 803	115 999	78 128	49 745	6 252	30 481
<i>of which:</i>							
EU Members	5 018	11 540	80 410	58 855	23 669	659	9 591

a) Excluding grants by NGOs.

Table 5

Total Net Private Flows^a by DAC Country

Net disbursements at current prices and exchange rates

1987-1988 average	1992-1993 average	Per cent of GNI					2003	
		1999	2000	2001	2002	2003		
0.63	0.65	0.11	0.07	0.04	-0.11	0.28	Australia	
-0.02	0.03	0.65	0.30	0.15	0.67	0.33	Austria	
-0.21	0.12	1.90	0.61	-0.30	0.03	-0.57	Belgium	
0.11	0.29	0.73	0.68	-0.00	0.03	0.32	Canada	
-0.01	0.11	0.24	0.31	0.63	-0.04	0.05	Denmark	
0.13	-0.06	0.23	0.59	0.78	-0.50	-0.39	Finland	
-0.05	0.16	0.25	0.11	0.92	-0.10	-0.18	France	
0.32	0.14	0.65	0.37	0.07	-0.13	-0.02	Germany	
..	..	..	..	..	0.03	0.02	Greece
-0.04	0.10	..	0.52	0.40	1.00	1.21	Ireland	
-0.03	-0.04	0.81	0.89	-0.18	-0.05	0.14	Italy	
0.44	0.03	-0.09	0.06	0.13	-0.01	-0.02	Japan	
..	..	..	..	..	..	..	Luxembourg
0.27	0.47	1.16	0.93	-1.78	-1.29	1.55	Netherlands	
0.08	..	0.03	0.04	0.04	0.03	0.03	New Zealand	
-0.10	0.05	0.33	-0.00	-0.04	0.07	0.57	Norway	
..	0.04	1.92	4.12	1.40	-0.13	0.57	Portugal	
0.01	..	4.67	4.03	1.68	0.98	0.55	Spain	
0.29	0.24	0.51	0.95	0.64	0.08	-0.38	Sweden	
-0.39	0.91	0.81	0.39	-0.47	0.37	0.62	Switzerland	
0.15	0.46	0.79	0.37	0.33	0.15	-0.06	United Kingdom	
0.08	0.50	0.35	0.11	0.22	0.05	0.13	United States	
0.16	0.27	0.49	0.32	0.21	0.03	0.11	TOTAL DAC	
0.10	0.16	0.95	0.75	0.30	0.01	0.09	<i>of which:</i> EU Members	

	Current USD billion							
	1996	1997	1998	1999	2000	2001	2002	2003 (p)
I. OFFICIAL DEVELOPMENT FINANCE (ODF)	73.6	75.4	89.1	85.9	65.5	68.7	62.3	69.7
1. Official development assistance (ODA)	55.8	47.9	50.4	52.1	49.5	51.1	57.6	67.0
of which: Bilateral	39.1	32.4	35.2	37.8	36.1	35.1	40.8	49.8
Multilateral	16.7	15.5	15.2	14.3	13.4	16.0	16.9	17.2
2. Official Aid (OA)	5.6	5.6	7.0	7.8	7.8	6.4	6.4	7.2
of which: Bilateral	4.0	4.0	4.5	4.9	4.9	3.6	4.5	3.9
Multilateral	1.5	1.6	2.5	2.9	2.9	2.8	2.0	3.4
3. Other ODF	12.2	22.0	31.7	26.1	8.2	11.1	-1.7	-4.6
of which: Bilateral	5.7	5.9	12.8	10.4	-1.4	1.5	1.9	-1.7
Multilateral	6.5	16.0	18.9	15.6	9.6	9.7	-3.7	-2.9
II. TOTAL EXPORT CREDITS	4.0	4.8	8.4	4.1	7.8	2.8	-1.5	2.0
III. PRIVATE FLOWS	273.1	241.4	130.7	222.6	143.0	148.6	79.8	192.4
1. Direct investment (DAC)	68.9	102.3	117.1	145.5	124.4	134.8	80.8	76.3
of which: to offshore centres	16.7	19.1	20.3	37.9	25.7	32.9	23.2	15.4
2. International bank lending (a)	86.0	12.0	-76.3	-21.2	-17.8	-11.4	-12.1	49.9
3. Total bond lending	78.5	83.7	34.2	29.9	19.7	19.5	19.1	28.1
4. Other (including equities) (b)	33.8	37.0	48.4	59.5	7.2	-4.8	-20.3	23.6
5. Grants by non-governmental organisations	5.9	6.4	7.2	8.9	9.5	10.4	12.3	14.5
TOTAL NET RESOURCE FLOWS (I+II+III)	350.7	321.6	228.2	312.7	216.2	220.1	140.6	264.1
Memorandum items (not included):								
Net Use of IMF Credit (c)	0.3	14.4	18.2	-13.0	-10.8	8.0	12.6	-3.6
Non-DAC donors (ODA/OA)	0.9	1.0	0.9	0.8	1.0	1.0	2.8	3.2
For cross reference								
Total DAC net ODA (d)	55.6	48.5	52.1	53.2	53.7	52.4	58.3	69.0
of which: Bilateral grants	36.6	31.3	32.5	33.9	33.0	33.5	39.8	51.0

a) Excluding bond lending by banks (item III.3.), and guaranteed financial credits (included in II).

b) Incomplete reporting from several DAC countries (including France, the United Kingdom and the United States). Includes Japan from 1996.

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.

p) Provisional.

Note: The data on private flows in this table differ from those shown in Table 2, and the other tables in the statistical annex of this report due to: 1) the coverage of the data which includes flows to all aid recipients including those on Part II of the DAC List of Aid Recipients; and 2) the data sources for bank lending (BIS) and bond lending (Joint BIS-IMF-OECD-WB Statistics on External Debt) which are more comprehensive than the DAC Questionnaire data shown on Table 2.

Table 6

Total Net Resource Flows from DAC Countries and from Multilateral Agencies by Type of Flow

1996	1997	1998	Per cent of total					2003 (p)	
			1999	2000	2001	2002	2003		
21.0	23.5	39.0	27.5	30.3	31.2	44.3	26.4	I. OFFICIAL DEVELOPMENT FINANCE (ODF)	
15.9	14.9	22.1	16.7	22.9	23.2	41.0	25.4	1. Official development assistance (ODA)	
11.1	10.1	15.4	12.1	16.7	16.0	29.0	18.9	of which: Bilateral	
4.8	4.8	6.7	4.6	6.2	7.3	12.0	6.5	Multilateral	
1.6	1.7	3.1	2.5	3.6	2.9	4.6	2.7	2. Official Aid (OA)	
1.2	1.3	2.0	1.6	2.3	1.7	3.2	1.5	of which: Bilateral	
0.4	0.5	1.1	0.9	1.3	1.3	1.4	1.3	Multilateral	
3.5	6.8	13.9	8.3	3.8	5.1	-1.2	-1.7	3. Other ODF	
1.6	1.8	5.6	3.3	-0.6	0.7	1.4	-0.6	of which: Bilateral	
1.8	5.0	8.3	5.0	4.5	4.4	-2.6	-1.1	Multilateral	
1.1	1.5	3.7	1.3	3.6	1.3	-1.1	0.8	II. TOTAL EXPORT CREDITS	
77.9	75.0	57.3	71.2	66.1	67.5	56.7	72.9	III. PRIVATE FLOWS	
19.6	31.8	51.3	46.5	57.5	61.2	57.5	28.9	1. Direct investment (DAC)	
4.8	5.9	8.9	12.1	11.9	14.9	16.5	5.8	of which: to offshore centres	
24.5	3.7	-33.4	-6.8	-8.2	-5.2	-8.6	18.9	2. International bank lending (a)	
22.4	26.0	15.0	9.6	9.1	8.9	13.6	10.6	3. Total bond lending	
9.6	11.5	21.2	19.0	3.3	-2.2	-14.5	8.9	4. Other (including equities) (b)	
1.7	2.0	3.1	2.9	4.4	4.7	8.7	5.5	5. Grants by non-governmental organisations	
100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	TOTAL NET RESOURCE FLOWS (I+II+III)	

Table 7

Burden Sharing Indicators
2002-2003 average
 Net disbursements

	Grant equivalent of total ODA ^a as % of GNI	Multilateral ODA as % of GNI ^b		of which:		ODA per capita of donor country 2002 USD		Aid by NGOs as % of GNI	
				Aid to LICs ^c	Aid to LDCs ^d	Memo:		Memo:	
				as % of GNI		1992-1993	2002-2003	1992-1993	2002-2003
Australia	0.25	0.05	n.a.	0.14	0.06	52	50	0.03	0.07
Austria	0.24	0.04	(0.10)	0.10	0.08	23	58	0.04	0.03
Belgium	0.54	0.05	(0.13)	0.31	0.26	76	125	0.01	0.04
Canada	0.28	0.08	n.a.	0.08	0.06	79	59	0.05	0.05
Denmark	0.95	0.28	(0.35)	0.45	0.33	249	285	0.03	..
Finland	0.35	0.10	(0.16)	0.17	0.12	94	89	0.01	0.01
France	0.48	0.04	(0.12)	0.21	0.15	126	96	0.02	..
Germany	0.33	0.04	(0.11)	0.14	0.09	79	66	0.04	0.04
Greece	0.21	0.02	(0.10)	0.05	0.03	..	26	..	0.00
Ireland	0.40	0.06	(0.12)	0.24	0.21	24	103	0.06	0.16
Italy	0.20	0.04	(0.10)	0.10	0.08	57	37	0.01	0.00
Japan	0.26	0.06	n.a.	0.11	0.04	79	69	0.00	0.01
Luxembourg	0.79	0.10	(0.17)	0.40	0.29	109	344	0.03	0.02
Netherlands	0.85	0.16	(0.21)	0.39	0.27	170	203	0.08	0.06
New Zealand	0.22	0.05	n.a.	0.09	0.06	28	32	0.03	0.03
Norway	0.91	0.27	n.a.	0.44	0.35	302	381	0.12	0.11
Portugal	0.24	0.04	(0.10)	0.17	0.15	27	28	0.00	0.00
Spain	0.26	0.04	(0.10)	0.06	0.04	33	39	0.01	..
Sweden	0.81	0.21	(0.25)	0.37	0.27	195	221	0.06	0.01
Switzerland	0.35	0.08	n.a.	0.16	0.10	140	141	0.06	0.08
United Kingdom	0.34	0.05	(0.11)	0.17	0.10	62	89	0.05	0.02
United States	0.15	0.02	n.a.	0.05	0.03	51	51	0.04	0.06
TOTAL DAC	0.27	0.05	(0.07)	0.11	0.07	72	69	0.03	0.04

a) Equals grant disbursements plus grant equivalent of new loan commitments calculated against a 10% discount rate.

b) In brackets, including EC. 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 745 or less in 2001. Includes imputed multilateral ODA.

d) Least developed countries (LDCs) are countries on the United Nations' list. Includes imputed multilateral ODA.

Table 8**ODA by Individual DAC Countries at 2002 Prices and Exchange Rates**

Net disbursements

USD million

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Australia	957	1 017	846	867	925	913	981	943	989	993
Austria	281	465	409	439	411	457	465	675	520	414
Belgium	638	790	724	689	795	704	868	928	1 072	1 508
Canada	2 212	1 997	1 697	1 939	1 741	1 713	1 682	1 526	2 004	1 750
Denmark	1 357	1 319	1 454	1 497	1 564	1 628	1 758	1 741	1 643	1 433
Finland	283	303	336	345	359	395	394	414	462	464
France	7 456	6 572	5 862	5 590	5 101	5 207	4 350	4 502	5 486	5 961
Germany	5 770	5 510	5 786	5 104	4 880	5 008	5 293	5 334	5 324	5 605
Greece	..	..	157	157	168	183	246	221	276	292
Ireland	122	155	177	189	200	251	265	318	398	413
Italy	2 702	1 559	2 088	1 179	2 107	1 721	1 486	1 759	2 332	1 976
Japan	9 996	10 123	7 685	8 445	10 399	10 506	11 257	9 396	9 283	8 429
Luxembourg	56	53	69	89	103	112	129	147	147	159
Netherlands	2 412	2 673	2 793	2 875	2 968	3 139	3 492	3 451	3 338	3 232
New Zealand	98	97	89	117	120	126	121	123	122	130
Norway	1 365	1 305	1 346	1 427	1 552	1 559	1 400	1 496	1 696	1 775
Portugal	318	236	199	250	256	277	304	295	323	260
Spain	1 303	1 195	1 088	1 213	1 347	1 358	1 329	1 909	1 712	1 578
Sweden	1 630	1 365	1 488	1 444	1 355	1 450	1 752	1 795	2 012	1 955
Switzerland	905	854	843	879	866	977	982	990	939	1 124
United Kingdom	3 851	3 645	3 563	3 542	3 834	3 404	4 712	4 924	4 924	5 616
United States	11 442	8 310	10 377	7 466	9 421	9 667	10 306	11 560	13 290	15 997
TOTAL DAC	55 155	49 541	49 074	45 741	50 476	50 753	53 573	54 447	58 292	61 062
<i>Memo:</i>										
Total DAC at current prices and exchange rates	58 820	58 780	55 591	48 465	52 087	53 233	53 749	52 435	58 292	69 029

Table 9

Long-term Trends in DAC ODA

	Volume of net ODA (USD million at 2002 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		
	1982-1983	1992-1993 ^a	2002-2003	1982-1983	1992-1993	2002-2003	1982-1983	1992-1993 ^a	2002-2003
Australia	946	906	991	3.0	1.7	1.7	0.53	0.36	0.25
Austria	369	184	467	0.7	0.3	0.8	0.30	0.11	0.23
Belgium	914	764	1 290	1.8	1.4	2.3	0.58	0.39	0.53
Canada	1 654	2 250	1 877	4.9	4.1	3.2	0.43	0.46	0.26
Denmark	805	1 291	1 538	1.5	2.3	2.7	0.75	1.03	0.89
Finland	247	475	463	0.6	0.8	0.8	0.30	0.56	0.35
France	5 137	7 239	5 724	11.1	13.7	10.0	0.56	0.63	0.40
Germany	5 573	6 355	5 464	11.8	12.3	9.5	0.48	0.36	0.28
Greece	..	..	284	..	..	0.5	..	..	0.21
Ireland	77	84	405	0.1	0.1	0.7	0.23	0.18	0.40
Italy	1 621	3 225	2 154	3.1	6.0	3.7	0.20	0.33	0.18
Japan	7 243	9 882	8 856	12.6	18.9	14.3	0.31	0.28	0.22
Luxembourg	8	44	153	0.0	0.1	0.3	0.09	0.31	0.79
Netherlands	2 294	2 592	3 285	5.0	4.5	5.7	0.99	0.84	0.80
New Zealand	96	98	126	0.2	0.2	0.2	0.28	0.25	0.22
Norway	967	1 299	1 735	2.1	1.9	2.9	1.06	1.09	0.90
Portugal	22	271	291	0.0	0.4	0.5	0.04	0.31	0.24
Spain	309	1 272	1 645	0.6	2.4	2.9	0.09	0.27	0.25
Sweden	1 334	1 692	1 983	3.2	3.6	3.5	0.93	1.01	0.81
Switzerland	569	965	1 032	1.1	1.6	1.8	0.28	0.39	0.35
United Kingdom	3 386	3 599	5 270	6.3	5.2	8.8	0.36	0.31	0.33
United States	13 342	13 009	14 643	30.3	18.4	23.2	0.25	0.17	0.14
TOTAL DAC	46 912	56 519	59 677	100.0	100.0	100.0	0.35	0.31	0.24
<i>of which:</i>									
EU Members	22 095	29 087	30 417	45.8	53.1	52.7	0.45	0.44	0.35

a) Including debt forgiveness of non-ODA claims in 1992, except for total DAC. See Technical Notes on Definitions and Measurement.

Table 10**Technical Co-operation Expenditure**

Net disbursements

USD million at current prices and exchange rates

	1987-1988 average	1992-1993 average	1999	2000	2001	2002	2003
Australia	191	246	361	407	401	424	559
Austria	52	85	105	87	89	89	114
Belgium	165	163	276	221	214	291	324
Canada	292	535	347	352	346	328	345
Denmark	80	163	83	128	138	93	111
Finland	23	62	72	71	71	93	129
France	1 877	2 179	1 965	1 283	1 337	1 525	1 934
Germany	1 565	1 966	1 911	1 640	1 588	1 781	2 299
Greece	..	..	24	22	16	22	117
Ireland	13	20	..	..	11	13	11
Italy	345	191	53	27	92	102	148
Japan	916	1 712	2 136	2 430	1 942	1 812	1 880
Luxembourg	0	1	1	2	5	3	3
Netherlands	587	966	598	579	634	512	698
New Zealand	32	32	53	41	41	36	40
Norway	85	118	134	109	150	178	236
Portugal	..	67	97	90	117	127	142
Spain	45	96	118	107	185	239	313
Sweden	196	439	47	70	57	68	92
Switzerland	89	299	110	100	113	154	177
United Kingdom	552	745	667	685	773	874	993
United States	1 938	3 196	3 877	4 316	5 282	6 690	7 701
TOTAL DAC	9 043	13 279	13 036	12 767	13 602	15 452	18 366

Table 11

Non-ODA Financial Flows to Developing Countries in 2003

Per cent of reporting country's GNI

	<i>Memo:</i> Total net flows	<i>of which:</i>							<i>Memo:</i> Non-ODA debt claims ^a on developing countries	
		Total non-ODA flows	Export credits	OOF excl. export credits	Direct investment	Bank lending	Non-bank portfolio	Multi-lateral private flows		NGOs net
Australia	0.61	0.36	-0.02	0.04	0.05	0.10	0.13	-	0.07	0.47
Austria	0.58	0.38	0.04	-0.00	0.31	-	-	-	0.03	5.79
Belgium	0.40	-0.21	-0.56	0.31	-	-	-	-	0.05	2.67
Canada	0.58	0.34	-0.03	-0.01	0.31	0.01	-	-	0.07	1.08
Denmark	0.91	0.07	-	0.02	0.05	-	-	-	-	1.30
Finland	-0.03	-0.38	-0.18	0.00	0.05	-0.31	0.06	-	0.01	1.18
France	0.39	-0.02	-0.13	0.16	0.04	-0.11	0.03	-	-	2.61
Germany	0.16	-0.13	-0.01	-0.13	0.05	-0.04	-0.03	-0.02	0.04	1.96
Greece	0.23	0.02	-	-	0.02	-	-	-	0.00	..
Ireland	1.83	1.43	-	-	-	1.21	-	-	0.22	..
Italy	0.29	0.12	0.11	-0.02	0.03	0.01	-0.02	-	0.00	0.99
Japan	0.14	-0.06	0.08	-0.05	0.16	-0.27	-	0.01	0.01	1.24
Luxembourg	0.84	0.03	-	-	-	-	-	-	0.03	0.31
Netherlands	2.44	1.64	-0.02	0.02	0.77	0.33	0.34	0.13	0.06	1.02
New Zealand	0.28	0.06	-	0.00	0.03	-	-	-	0.02	..
Norway	1.49	0.57	0.03	0.00	0.54	-	-	-	-	0.68
Portugal	0.79	0.57	0.10	-0.00	0.47	-	-	-	0.00	2.59
Spain	0.79	0.56	-0.01	0.01	0.56	-	-	-	-	1.30
Sweden	0.42	-0.38	-0.27	-0.01	-0.11	-	-	-	0.01	2.58
Switzerland	1.09	0.71	0.02	0.00	0.61	-	-	-0.00	0.08	2.11
United Kingdom	0.31	-0.03	-0.03	-0.00	-0.17	0.15	-	-	0.02	1.16
United States	0.34	0.20	-0.00	0.01	0.13	-0.01	0.01	0.00	0.06	0.45
TOTAL DAC	0.39	0.14	-0.01	0.00	0.13	-0.03	0.01	0.00	0.04	1.10
<i>of which:</i>										
EU Members	0.47	0.12	-0.04	0.01	0.09	0.03	0.01	0.00	0.02	1.75

a) Official and officially guaranteed credits outstanding.

	Total DAC Countries	Australia	Austria	Belgium	Canada	Denmark	Finland	France	Germany
NET DISBURSEMENTS									
I. Official Development Assistance (ODA) (A + B)	58 292	989	520	1 072	2 004	1 643	462	5 486	5 324
ODA as % of GNI	0.23	0.26	0.26	0.43	0.28	0.96	0.35	0.38	0.27
A. Bilateral Official Development Assistance (1 + 2)	40 752	774	364	712	1 501	1 038	251	3 615	3 328
1. Grants and grant-like contributions	39 813	774	367	736	1 527	1 019	248	3 874	3 904
of which: Technical co-operation	15 452	424	89	291	328	93	93	1 525	1 781
Developmental food aid	1 086	32	1	10	67	-	0	33	23
Emergency and distress relief	3 869	98	30	29	191	110	40	257	224
Contributions to NGOs	1 246	0	1	3	165	6	5	29	-
Administrative costs	3 027	45	22	40	159	87	20	194	244
2. Development lending and capital	939	-	- 2	- 25	- 26	19	4	- 259	- 576
of which: New development lending	958	-	- 2	- 23	- 26	-	- 3	- 312	- 227
B. Contributions to Multilateral Institutions	17 540	215	156	360	503	605	211	1 871	1 997
Grants and capital subscriptions, Total	17 574	215	156	360	504	605	211	1 849	2 005
of which: EC	5 695	-	98	208	-	109	63	1 286	1 259
IDA	3 279	71	26	52	129	51	31	244	14
Regional Development Banks	1 813	53	8	24	97	64	41	130	199
II. Other Official Flows (OOF) net (C + D)	- 45	31	- 36	106	- 424	- 3	3	635	3 710
C. Bilateral Other Official Flows (1 + 2)	2 401	- 35	- 36	106	- 424	- 3	3	635	3 710
1. Official export credits (a)	- 1 226	- 83	61	1	- 192	-	-	-	- 296
2. Equities and other bilateral assets	3 626	48	- 98	104	- 233	- 3	3	635	4 006
D. Multilateral Institutions	- 2 446	66	-	-	-	-	-	-	-
III. Grants by Private Voluntary Agencies	8 765	248	57	74	276	-	10	-	823
IV. Private Flows at Market Terms (long-term) (1 to 4)	6 252	- 433	1 369	86	188	- 63	- 656	- 1 392	- 2 650
1. Direct investment	36 286	- 103	1 073	555	829	- 63	16	2 915	324
2. Private export credits	14	-	296	- 469	- 37	-	48	- 1 448	287
3. Securities of multilateral agencies	- 3 146	-	-	-	-	-	-	-	- 698
4. Bilateral portfolio investment	- 26 902	- 331	-	0	- 604	-	- 720	- 2 859	- 2 562
V. Total Resource Flows (long-term) (I to IV)	73 263	834	1 910	1 337	2 044	1 577	- 180	4 729	7 207
Total Resource Flows as a % of GNI	0.30	0.22	0.94	0.54	0.28	0.93	- 0.14	0.33	0.36
For reference:									
GROSS DISBURSEMENTS									
Official Development Assistance (b)	65 556	989	525	1 112	2 034	1 701	468	6 720	6 685
New development lending	6 705	-	1	12	3	-	-	554	600
Food aid, Total bilateral	2 094	47	1	14	67	-	10	44	120
Other Official Flows	17 336	119	156	137	1 004	9	5	883	5 300
of which: Official export credits	3 039	5	156	1	927	-	-	-	225
Private export credits	12 719	-	572	343	64	-	61	-	2 922
COMMITMENTS									
Official Development Assistance, Total (b)	65 793	926	628	681	2 237	1 434	533	6 751	7 135
Bilateral grants, Total	42 243	651	458	515	1 715	799	300	3 961	3 999
Debt forgiveness	4 072	7	-	115	264	-	0	507	1 037
Bilateral loans, Total	7 503	-	0	13	19	46	11	782	598
Memo items:									
Gross ODA debt reorganisation grants	5 370	5	167	167	264	17	0	1 302	1 037
of which: debt forgiveness	4 534	5	167	167	264	17	0	507	1 037
Net debt reorganisation grants (c)	4 560	5	166	163	264	-	0	1 072	560
Refugees in donor countries	1 076	4	28	0	126	110	8	246	36

a) Including funds in support of private export credits.

b) Including debt reorganisation.

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 12

Comparison of Flows by Type in 2002

USD million

Greece	Ireland	Italy	Japan	Luxembourg	Netherlands	New Zealand	Norway	Portugal	Spain	Sweden	Switzerland	United Kingdom	United States
276	398	2 332	9 283	147	3 338	122	1 696	323	1 712	2 012	939	4 924	13 290
0.21	0.40	0.20	0.23	0.77	0.81	0.22	0.89	0.27	0.26	0.84	0.32	0.31	0.13
107	267	1 007	6 692	116	2 449	92	1 145	186	998	1 271	765	3 506	10 570
107	267	1 083	4 373	116	2 585	92	1 143	183	769	1 262	750	3 384	11 251
22	13	102	1 812	3	512	36	178	127	239	68	154	874	6 690
-	2	42	41	2	6	0	-	-	9	-	-	-	817
6	17	82	36	13	212	11	252	2	32	302	146	400	1 382
-	48	43	143	2	431	7	-	2	5	90	39	226	-
3	21	37	700	2	195	8	82	7	61	74	19	279	727
-	-	- 77	2 320	-	- 136	-	2	3	229	8	15	121	- 681
-	-	- 109	2 084	-	- 90	-	- 5	2	229	9	9	- 25	- 553
169	131	1 326	2 591	31	889	30	551	137	714	741	174	1 419	2 720
169	131	1 326	2 591	31	889	30	551	137	714	741	174	1 455	2 731
125	63	762	-	14	210	-	-	73	416	83	-	925	-
4	8	126	786	4	76	5	73	7	57	359	5	-	1 153
10	-	46	393	-	72	5	62	44	130	70	41	103	221
-	-	- 370	- 4 208	-	229	2	-	- 1	54	2	3	- 4	227
-	-	- 370	- 1 696	-	229	2	-	- 1	54	2	3	- 4	227
-	-	-	- 524	-	-	-	-	-	-	-	-	97	- 292
-	-	- 370	- 1 173	-	229	2	-	- 1	54	2	3	- 101	518
-	-	-	- 2 512	-	-	-	-	-	-	-	-	-	-
6	86	-	157	2	257	23	452	-	-	19	202	353	5 720
40	986	- 563	- 573	-	- 5 310	17	131	- 150	6 404	199	1 089	2 360	5 173
40	-	639	6 362	-	281	17	23	- 360	6 540	296	1 222	2 753	12 928
-	-	2 048	- 1 054	-	859	-	109	210	- 136	- 97	- 133	- 1 233	765
-	-	-	- 2 804	-	946	-	-	-	-	-	0	-	- 590
-	986	- 3 250	- 3 077	-	- 7 395	-	0	-	0	-	-	840	- 7 930
322	1 469	1 399	4 659	148	- 1 487	164	2 279	171	8 171	2 232	2 234	7 634	24 410
0.24	1.49	0.12	0.11	0.78	- 0.36	0.30	1.19	0.14	1.25	0.93	0.75	0.48	0.23
276	398	2 532	12 230	147	3 525	122	1 701	323	1 872	2 012	943	5 073	14 170
-	-	91	5 031	-	-	-	-	2	383	9	13	6	-
-	7	42	41	2	37	1	11	-	15	12	19	78	1 526
-	-	252	7 360	-	229	2	-	-	54	4	3	179	1 640
-	-	-	760	-	-	-	-	-	-	-	-	97	868
-	-	2 163	2 793	-	2 003	-	198	220	-	1 094	287	-	-
276	398	2 671	10 711	141	4 815	129	1 653	323	1 872	1 675	875	5 073	14 857
107	267	1 166	4 335	110	4 436	97	1 088	183	769	1 257	774	3 384	11 871
-	-	620	232	-	141	-	-	10	112	-	-	607	420
-	-	93	5 014	-	20	-	14	3	388	8	10	229	254
-	0	620	261	-	344	-	13	11	118	0	0	607	436
-	-	620	261	-	341	-	-	10	112	0	-	607	420
-	0	620	261	-	291	-	13	11	113	-	0	598	423
3	1	-	-	-	83	6	124	-	-	138	20	-	144

	Total DAC Countries	Australia	Austria	Belgium	Canada	Denmark	Finland	France	Germany
NET DISBURSEMENTS									
I. Official Development Assistance (ODA) (A + B)	69 029	1 219	505	1 853	2 031	1 748	558	7 253	6 784
ODA as % of GNI	0.25	0.25	0.20	0.60	0.24	0.84	0.35	0.41	0.28
A. Bilateral Official Development Assistance (1 + 2)	49 812	975	228	1 468	1 348	1 032	309	5 213	4 060
1. Grants and grant-like contributions	50 965	975	266	1 496	1 681	1 144	300	5 725	4 737
of which: Technical co-operation	18 366	559	114	324	345	111	129	1 934	2 299
Developmental food aid	1 196	19	2	11	116	1	0	40	26
Emergency and distress relief	5 874	139	37	111	246	117	45	476	182
Contributions to NGOs	1 476	1	0	7	1	12	6	28	-
Administrative costs	3 524	55	26	57	202	97	25	256	237
2. Development lending and capital	-1 153	-	-37	-27	-333	-113	8	-511	-678
of which: New development lending	-461	-	-35	-23	-333	-103	2	-798	-585
B. Contributions to Multilateral Institutions	19 217	244	276	385	683	717	250	2 040	2 724
Grants and capital subscriptions, Total	19 280	244	276	385	683	717	250	2 048	2 734
of which: EC	6 834	-	169	282	-	146	108	1 311	1 604
IDA	3 120	90	42	-	164	61	35	291	491
Regional Development Banks	1 734	69	27	24	102	57	15	156	146
II. Other Official Flows (OOF) net (C + D)	-1 127	80	44	955	-358	41	7	2 806	-3 564
C. Bilateral Other Official Flows (1 + 2)	-1 597	-6	44	955	-358	41	7	2 806	-3 564
1. Official export credits (a)	-1 285	-118	48	0	-277	-	-	-	-444
2. Equities and other bilateral assets	-431	112	-4	955	-81	41	7	2 806	-3 120
D. Multilateral Institutions	470	86	-	-	-	-	-	-	-
III. Grants by Private Voluntary Agencies	10 162	337	71	165	566	-	13	-	1 008
IV. Private Flows at Market Terms (long-term) (1 to 4)	30 481	1 374	824	-1 752	2 711	106	-622	-3 123	-519
1. Direct investment	36 660	239	765	-	2 626	106	78	681	1 237
2. Private export credits	-203	-	59	-1 719	3	0	-297	-2 345	249
3. Securities of multilateral agencies	635	-	-	-	-	-	-	-	-465
4. Bilateral portfolio investment	-6 611	1 135	-	-33	82	-	-403	-1 460	-1 539
V. Total Resource Flows (long-term) (I to IV)	108 545	3 010	1 445	1 221	4 949	1 896	-44	6 936	3 709
Total Resource Flows as a % of GNI	0.39	0.61	0.58	0.40	0.58	0.91	-0.03	0.39	0.16
<i>For reference:</i>									
GROSS DISBURSEMENTS									
Official Development Assistance (b)	79 726	1 219	545	1 887	2 368	1 890	560	9 156	8 029
New development lending	7 017	-	1	6	4	-	3	447	474
Food aid, Total bilateral	3 170	37	2	17	116	1	9	71	69
Other Official Flows	19 913	199	162	1 000	721	51	21	4 236	-1 092
of which: Official export credits	3 109	2	162	0	655	-	-	-	126
Private export credits	16 626	-	217	-	272	-	-	-	4 964
COMMITMENTS									
Official Development Assistance, Total (b)	91 283	1 242	570	1 761	2 558	1 558	659	10 151	8 567
Bilateral grants, Total	56 019	1 140	277	1 564	1 865	823	381	5 805	5 031
Debt forgiveness	6 533	3	8	753	96	-	-	569	1 337
Bilateral loans, Total	14 808	-	-	4	11	23	8	1 399	616
<i>Memo items:</i>									
Gross ODA debt reorganisation grants	8 554	7	41	757	96	-	-	2 432	1 337
of which: debt forgiveness	8 338	6	41	757	96	-	-	2 329	1 337
Net ODA debt reorganisation grants (c)	6 971	7	39	753	96	-	-	2 127	1 220
Refugees in donor countries	1 520	31	34	79	145	106	11	445	25

a) Including funds in support of private export credits.

b) Including debt reorganisation.

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

Comparison of Flows by Type in 2003

USD million

Greece	Ireland	Italy	Japan	Luxembourg	Netherlands	New Zealand	Norway	Portugal	Spain	Sweden	Switzerland	United Kingdom	United States
362	504	2 433	8 880	194	3 981	165	2 042	320	1 961	2 400	1 299	6 282	16 254
0.21	0.39	0.17	0.20	0.81	0.80	0.23	0.92	0.22	0.23	0.79	0.39	0.34	0.15
228	352	1 061	6 334	150	2 951	129	1 462	182	1 151	1 779	945	3 861	14 594
228	352	1 126	4 443	150	3 084	129	1 455	183	938	1 753	929	3 576	16 294
117	11	148	1 880	3	698	40	236	142	313	92	177	993	7 701
-	1	51	65	2	18	0	4	-	6	-	-	-	834
11	26	89	30	14	305	17	350	1	89	387	158	565	2 478
-	74	34	188	26	660	11	-	1	7	105	47	268	-
16	25	48	679	3	230	10	99	10	77	100	28	464	779
-	-	- 65	1 891	-	- 133	-	7	- 1	213	26	16	285	-1 701
-	-	- 105	1 262	-	- 135	-	- 7	- 1	251	26	- 5	129	-
134	152	1 372	2 545	44	1 030	36	580	137	810	621	355	2 421	1 661
134	152	1 372	2 545	44	1 030	36	580	137	810	621	355	2 456	1 671
116	73	942	-	19	250	-	-	88	525	123	-	1 078	-
4	7	2	713	4	162	7	100	11	63	-	135	737	-
-	-	33	480	2	59	6	72	24	85	133	66	129	48
-	-	- 285	-2 149	-	119	3	0	- 2	73	- 15	0	50	1 068
-	-	- 285	-2 533	-	119	3	0	- 2	73	- 15	0	50	1 068
-	-	-	- 130	-	-	-	-	-	-	-	-	94	- 459
-	-	- 285	-2 404	-	-	3	0	- 2	73	- 15	0	- 44	1 527
-	-	-	384	-	-	-	-	-	-	-	-	-	-
8	283	27	335	7	300	18	-	4	-	23	280	389	6 326
33	1 547	2 044	- 731	-	7 766	21	1 264	823	4 633	- 153	2 104	- 1 016	14 147
33	-	505	7 016	-	3 837	21	1 199	680	4 737	- 337	2 051	- 3 111	14 298
-	-	1 644	3 643	-	- 98	-	65	143	- 104	- 816	54	- 679	- 6
-	-	-	371	-	651	-	-	-	-	-	- 1	-	78
-	1 547	- 106	-11 760	-	3 376	-	0	-	-	0	-	2 774	- 224
403	2 334	4 218	6 335	201	12 167	208	3 306	1 145	6 667	1 255	3 684	5 705	37 795
0.23	1.83	0.29	0.14	0.84	2.44	0.28	1.49	0.79	0.79	0.42	1.09	0.31	0.34
362	504	2 670	12 971	194	4 232	165	2 049	321	2 217	2 400	1 305	6 491	18 192
-	-	132	5 304	-	-	-	-	1	454	26	-	167	-
0	4	56	65	2	51	2	19	-	13	20	24	94	2 498
-	-	411	10 152	-	588	3	0	-	80	68	0	243	3 068
-	-	-	1 266	-	-	-	-	-	-	-	-	94	805
-	-	1 951	7 688	-	-	-	156	165	-	758	455	-	-
362	504	3 614	17 568	194	4 232	185	2 226	321	2 217	2 388	1 393	6 491	22 521
228	352	1 140	4 085	150	3 194	144	1 607	183	938	1 953	869	3 576	20 715
-	-	558	158	-	255	-	-	5	116	165	30	81	2 400
-	-	375	11 120	-	7	-	39	1	469	28	33	454	221
-	-	558	162	-	255	-	22	6	144	165	37	130	2 406
-	-	558	162	-	255	-	-	5	116	165	30	81	2 400
-	-	558	162	-	249	-	22	6	91	165	37	126	1 314
3	1	44	-	-	178	8	176	-	21	191	22	-	-

	1992-93	2000	Australia 2001	2002	2003
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	984	987	873	989	1 219
ODA as % of GNI	0.36	0.27	0.25	0.26	0.25
A. Bilateral Official Development Assistance (1 + 2)	727	758	660	774	975
1. Grants and grant-like contributions	727	758	660	774	975
of which: Technical co-operation	246	407	401	424	559
Developmental food aid (a)	29	24	17	32	19
Emergency and distress relief (a)	28	84	49	98	139
Contributions to NGOs	14	-	1	-	1
Administrative costs	38	47	47	45	55
2. Development lending and capital	-	-	-	-	-
of which: New development lending	-	-	-	-	-
B. Contributions to Multilateral Institutions	257	229	212	215	244
Grants and capital subscriptions, Total	257	229	212	215	244
of which: EC	-	-	-	-	-
IDA	86	74	66	71	90
Regional Development Banks	62	71	62	53	69
II. Other Official Flows (OOF) net (C + D)	277	573	56	31	80
C. Bilateral Other Official Flows (1 + 2)	200	502	- 27	- 35	- 6
1. Official export credits (b)	200	- 49	- 70	- 83	- 118
2. Equities and other bilateral assets	-	551	44	48	112
D. Multilateral Institutions	77	71	83	66	86
III. Grants by Private Voluntary Agencies	78	150	211	248	337
IV. Private Flows at Market Terms (long-term) (1 to 4)	1 784	252	151	- 433	1 374
1. Direct investment	980	644	- 318	- 103	239
2. Private export credits	23	-	-	-	-
3. Securities of multilateral agencies	-	-	-	-	-
4. Bilateral portfolio investment	781	- 392	469	- 331	1 135
V. Total Resource Flows (long-term) (I to IV)	3 123	1 961	1 290	834	3 010
Total Resource Flows as a % of GNI	1.13	0.53	0.37	0.22	0.61
<i>For reference:</i>					
GROSS DISBURSEMENTS					
Official Development Assistance (c)	984	987	873	989	1 219
New development lending	-	-	-	-	-
Food aid, Total bilateral	29	47	25	47	37
Other Official Flows	301	657	141	119	199
of which: Official export credits	225	35	14	5	2
Private export credits	117	-	-	-	-
COMMITMENTS					
Official Development Assistance, Total (c)	984	1 146	966	926	1 242
Bilateral grants, Total	790	1 041	737	651	1 140
Debt forgiveness	4	8	7	7	3
Bilateral loans, Total	-	-	-	-	-
<i>Memo items:</i>					
Gross ODA debt reorganisation grants	4	8	9	5	7
of which: debt forgiveness	4	8	7	5	6
Net ODA debt reorganisation grants (d)	-	8	9	5	7
Refugees in donor countries	-	10	-	4	31

a) Emergency food aid included with developmental food aid up to and including 1995.

b) Including funds in support of private export credits.

c) Including debt reorganisation.

Table 14

The Flow of Financial Resources to Developing Countries and Multilateral Organisations

USD million

Austria					Belgium				
1992-93	2000	2001	2002	2003	1992-93	2000	2001	2002	2003
205	440	633	520	505	840	820	867	1 072	1 853
0.11	0.23	0.34	0.26	0.20	0.39	0.36	0.37	0.43	0.60
70	273	442	364	228	508	477	502	712	1 468
381	273	446	367	266	494	477	507	736	1 496
85	87	89	89	114	163	221	214	291	324
6	1	3	1	2	15	11	8	10	11
135	30	26	30	37	16	26	27	29	111
4	2	2	1		2	86	5	3	7
9	18	16	22	26	33	36	23	40	57
- 311	-	- 4	- 2	- 37	14	-	- 4	- 25	- 27
- 311	-	- 4	- 2	- 35	23	3	- 1	- 23	- 23
135	167	191	156	276	332	343	365	360	385
135	167	191	156	276	332	344	365	360	385
-	87	94	98	169	155	191	191	208	282
52	26	25	26	42	92	51	49	52	-
30	23	14	8	27	24	8	41	24	24
238	73	- 133	- 36	44	336	- 9	7	106	955
238	73	- 133	- 36	44	306	- 9	7	106	955
238	73	25	61	48	20	6	5	1	-
-	-	- 157	- 98	- 4	285	- 15	2	104	955
-	-	-	-	-	30	-	-	-	-
74	63	57	57	71	30	75	141	74	165
62	560	279	1 369	824	254	1 394	- 712	86	-1 752
74	421	277	1 073	765	80	1 441	530	555	-
- 12	139	2	296	59	110	447	142	- 469	-1 719
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	63	- 494	- 1 383	-	- 33
580	1 135	836	1 910	1 445	1 460	2 281	304	1 337	1 221
0.32	0.61	0.45	0.94	0.58	0.68	1.00	0.13	0.54	0.40
585	442	642	525	545	866	842	886	1 112	1 887
69	1	2	1	1	33	21	13	12	6
6	2	3	1	2	17	11	9	14	17
287	159	109	156	162	360	52	40	137	1 000
287	159	109	156	162	20	6	5	1	-
69	270	125	572	217	968	952	410	343	-
1 091	573	618	628	570	866	842	925	681	1 761
773	330	411	458	277	497	477	543	515	1 564
414	124	196	-	8	19	35	54	115	753
184	48	1	-	-	35	21	17	13	4
23	56	244	167	41	19	35	54	167	757
23	56	244	167	41	19	35	54	167	757
-	56	244	166	39	-	32	50	163	753
115	23	21	28	34	-	-	-	-	79

d) 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.

	1992-93	2000	Canada 2001	2002	2003
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	2 457	1 744	1 533	2 004	2 031
ODA as % of GNI	0.46	0.25	0.22	0.28	0.24
A. Bilateral Official Development Assistance (1 + 2)	1 664	1 160	1 200	1 501	1 348
1. Grants and grant-like contributions	1 762	1 184	1 222	1 527	1 681
of which: Technical co-operation	535	352	346	328	345
Developmental food aid (a)	132	80	86	67	116
Emergency and distress relief (a)	176	201	210	191	246
Contributions to NGOs	190	169	168	165	1
Administrative costs	147	132	137	159	202
2. Development lending and capital	- 98	- 24	- 22	- 26	- 333
of which: New development lending	16	- 24	- 22	- 26	- 333
B. Contributions to Multilateral Institutions	793	583	333	503	683
Grants and capital subscriptions, Total	793	584	333	504	683
of which: EC	-	-	-	-	-
IDA	221	136	-	129	164
Regional Development Banks	183	89	79	97	102
II. Other Official Flows (OOF) net (C + D)	417	5	- 98	- 424	- 358
C. Bilateral Other Official Flows (1 + 2)	417	5	- 98	- 424	- 358
1. Official export credits (b)	417	8	- 91	- 192	- 277
2. Equities and other bilateral assets	-	- 3	- 7	- 233	- 81
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	277	113	116	276	566
IV. Private Flows at Market Terms (long-term) (1 to 4)	1 569	4 621	- 12	188	2 711
1. Direct investment	1 632	3 814	633	829	2 626
2. Private export credits	102	- 14	- 44	- 37	3
3. Securities of multilateral agencies	- 6	-	-	-	-
4. Bilateral portfolio investment	- 159	821	- 601	- 604	82
V. Total Resource Flows (long-term) (I to IV)	4 720	6 483	1 538	2 044	4 949
Total Resource Flows as a % of GNI	0.87	0.95	0.22	0.28	0.58
<i>For reference:</i>					
GROSS DISBURSEMENTS					
Official Development Assistance (c)	2 596	1 768	1 556	2 034	2 368
New development lending	40	1	-	3	4
Food aid, Total bilateral	132	80	86	67	116
Other Official Flows	987	1 209	1 256	1 004	721
of which: Official export credits	987	1 209	1 173	927	655
Private export credits	259	76	68	64	272
COMMITMENTS					
Official Development Assistance, Total (c)	2 613	1 996	1 569	2 237	2 558
Bilateral grants, Total	1 675	1 412	1 235	1 715	1 865
Debt forgiveness	92	3	11	264	96
Bilateral loans, Total	108	-	-	19	11
<i>Memo items:</i>					
Gross ODA debt reorganisation grants	92	12	11	264	96
of which: debt forgiveness	92	3	11	264	96
Net ODA debt reorganisation grants (d)	-	12	11	264	96
Refugees in donor countries	92	143	137	126	145

a) Emergency food aid included with developmental food aid up to and including 1995.

b) Including funds in support of private export credits.

c) Including debt reorganisation.

Table 14

The Flow of Financial Resources to Developing Countries and Multilateral Organisations
(continued)
USD million

1992-93	Denmark				1992-93	Finland			
	2000	2001	2002	2003		2000	2001	2002	2003
1 366	1 664	1 634	1 643	1 748	499	371	389	462	558
1.03	1.06	1.03	0.96	0.84	0.56	0.31	0.32	0.35	0.35
755	1 024	1 035	1 038	1 032	332	217	224	251	309
770	1 011	1 048	1 019	1 144	337	219	229	248	300
163	128	138	93	111	62	71	71	93	129
-	-	-	-	1	4	-	-	-	-
91	124	114	110	117	42	39	40	40	45
5	3	9	6	12	5	4	4	5	6
53	81	82	87	97	27	16	16	20	25
- 15	13	- 14	19	- 113	- 6	- 2	- 4	4	8
- 4	- 18	- 19	-	- 103	31	- 6	- 5	- 3	2
610	641	600	605	717	168	154	165	211	250
610	641	600	605	717	168	154	165	211	250
87	93	88	109	146	-	51	55	63	108
81	51	50	51	61	47	14	31	31	35
43	68	36	64	57	16	22	9	41	15
- 51	- 3	- 4	- 3	41	100	2	5	3	7
- 42	- 3	- 4	- 3	41	100	2	5	3	7
- 41	-	-	-	-	159	-	- 3	-	-
- 1	- 3	- 4	- 3	41	- 59	2	8	3	7
- 9	-	-	-	-	-	-	-	-	-
45	32	17	-	-	7	5	9	10	13
142	482	998	- 63	106	- 53	709	932	- 656	- 622
111	482	998	- 63	106	55	530	641	16	78
31	-	-	-	-	31	673	361	48	- 297
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	- 138	- 494	- 70	- 720	- 403
1 501	2 176	2 645	1 577	1 896	553	1 087	1 334	- 180	- 44
1.13	1.39	1.67	0.93	0.91	0.62	0.91	1.11	- 0.14	- 0.03
1 397	1 682	1 683	1 701	1 890	536	378	397	468	560
15	-	-	-	-	31	-	-	-	3
-	-	-	-	1	4	3	5	10	9
29	9	7	9	51	178	2	8	5	21
14	-	-	-	-	178	-	-	-	-
243	-	-	-	-	62	3	-	61	-
1 516	1 577	1 516	1 434	1 558	465	353	451	533	659
897	940	880	799	823	354	183	280	300	381
-	-	11	-	-	35	-	5	-	-
3	-	43	46	23	17	17	1	11	8
13	4	11	17	-	35	-	5	-	-
13	-	11	17	-	35	-	5	-	-
-	4	-	-	-	-	-	1	-	-
91	124	114	110	106	27	16	15	8	11

d) 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.

	1992-93	2000	France 2001	2002	2003
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	8 093	4 105	4 198	5 486	7 253
ODA as % of GNI	0.63	0.32	0.32	0.38	0.41
A. Bilateral Official Development Assistance (1 + 2)	6 228	2 829	2 596	3 615	5 213
1. Grants and grant-like contributions	4 509	3 116	2 920	3 874	5 725
of which: Technical co-operation	2 179	1 283	1 337	1 525	1 934
Developmental food aid (a)	43	47	52	33	40
Emergency and distress relief (a)	75	159	211	257	476
Contributions to NGOs	23	29	27	29	28
Administrative costs	263	189	179	194	256
2. Development lending and capital	1 719	- 287	- 325	- 259	- 511
of which: New development lending	1 928	- 82	- 191	- 312	- 798
B. Contributions to Multilateral Institutions	1 865	1 276	1 602	1 871	2 040
Grants and capital subscriptions, Total	1 865	1 368	1 530	1 849	2 048
of which: EC	870	792	1 043	1 286	1 311
IDA	445	238	232	244	291
Regional Development Banks	233	83	109	130	156
II. Other Official Flows (OOF) net (C + D)	404	14	- 39	635	2 806
C. Bilateral Other Official Flows (1 + 2)	404	14	- 39	635	2 806
1. Official export credits (b)	123	-	-	-	-
2. Equities and other bilateral assets	281	14	- 39	635	2 806
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	292	-	-	-	-
IV. Private Flows at Market Terms (long-term) (1 to 4)	2 078	1 439	12 168	-1 392	-3 123
1. Direct investment	2 036	2 740	8 049	2 915	681
2. Private export credits	-1 313	-	280	-1 448	-2 345
3. Securities of multilateral agencies	- 66	-	-	-	-
4. Bilateral portfolio investment	1 421	-1 301	3 838	-2 859	-1 460
V. Total Resource Flows (long-term) (I to IV)	10 867	5 557	16 327	4 729	6 936
Total Resource Flows as a % of GNI	0.85	0.43	1.24	0.33	0.39
<i>For reference:</i>					
GROSS DISBURSEMENTS					
Official Development Assistance (c)	8 721	4 999	5 112	6 720	9 156
New development lending	2 075	411	352	554	447
Food aid, Total bilateral	43	59	60	44	71
Other Official Flows	1 589	352	368	883	4 236
of which: Official export credits	168	-	-	-	-
Private export credits	-	-	-	-	-
COMMITMENTS					
Official Development Assistance, Total (c)	7 625	4 688	4 832	6 751	10 151
Bilateral grants, Total	3 789	2 984	2 652	3 961	5 805
Debt forgiveness	-	680	589	507	569
Bilateral loans, Total	1 972	428	577	782	1 399
<i>Memo items:</i>					
Gross ODA debt reorganisation grants	773	685	596	1 302	2 432
of which: debt forgiveness	773	680	593	507	2 329
Net ODA debt reorganisation grants (d)	-	409	348	1 072	2 127
Refugees in donor countries	-	147	203	246	445

a) Emergency food aid included with developmental food aid up to and including 1995.

b) Including funds in support of private export credits.

c) Including debt reorganisation.

Table 14

The Flow of Financial Resources to Developing Countries and Multilateral Organisations
(continued)
USD million

1992-93	Germany				1992-93	Greece			
	2000	2001	2002	2003		2000	2001	2002	2003
7 269	5 030	4 990	5 324	6 784	-	226	202	276	362
0.36	0.27	0.27	0.27	0.28	-	0.20	0.17	0.21	0.21
4 880	2 687	2 853	3 328	4 060	-	99	83	107	228
4 031	2 696	2 858	3 904	4 737	-	97	81	107	228
1 966	1 640	1 588	1 781	2 299	-	22	16	22	117
133	21	18	23	26	-	-	-	-	-
615	178	235	224	182	-	8	4	6	11
201	-	-	-	-	-	-	-	-	-
235	235	223	244	237	-	-	-	3	16
848	- 10	- 5	- 576	- 678	-	1	1	-	-
556	- 4	18	- 227	- 585	-	1	1	-	-
2 389	2 343	2 136	1 997	2 724	-	127	119	169	134
2 401	2 352	2 144	2 005	2 734	-	127	119	169	134
1 161	1 242	1 147	1 259	1 604	-	98	94	125	116
630	384	376	14	491	-	2	5	4	4
184	209	79	199	146	-	4	6	10	-
1 148	- 456	- 663	3 710	-3 564	-	3	-	-	-
1 137	- 456	- 663	3 710	-3 564	-	3	-	-	-
233	- 125	- 154	- 296	- 444	-	3	-	-	-
905	- 331	- 509	4 006	-3 120	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-
861	846	808	823	1 008	-	-	-	6	8
2 865	6 911	1 210	-2 650	- 519	-	-	-	40	33
742	4 488	1 864	324	1 237	-	-	-	40	33
2 011	1 478	551	287	249	-	-	-	-	-
- 615	- 1 669	- 867	- 698	- 465	-	-	-	-	-
727	2 614	- 339	-2 562	- 1 539	-	-	-	-	-
12 143	12 331	6 345	7 207	3 709	-	229	202	322	403
0.61	0.66	0.34	0.36	0.16	-	0.20	0.17	0.24	0.23
8 545	5 805	5 864	6 685	8 029	-	226	202	276	362
1 740	709	673	600	474	-	1	1	-	-
133	69	98	120	69	-	4	-	-	-
3 804	1 124	591	5 300	-1 092	-	3	-	-	-
928	345	302	225	126	-	3	-	-	-
4 908	4 402	3 344	2 922	4 964	-	-	-	-	-
8 967	5 719	6 178	7 135	8 567	-	226	202	276	362
4 293	2 609	2 646	3 999	5 031	-	97	81	107	228
386	64	74	1 037	1 337	-	-	-	-	-
2 012	359	847	598	616	-	1	1	-	-
386	193	174	1 037	1 337	-	-	-	-	-
386	193	174	1 037	1 337	-	-	-	-	-
-	193	24	560	1 220	-	-	-	-	-
561	67	80	36	25	-	1	-	3	3

d) 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.

	1992-93	2000	Ireland 2001	2002	2003
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	76	234	287	398	504
ODA as % of GNI	0.18	0.29	0.33	0.40	0.39
A. Bilateral Official Development Assistance (1 + 2)	34	154	184	267	352
1. Grants and grant-like contributions	34	154	184	267	352
of which: Technical co-operation	20	-	11	13	11
Developmental food aid (a)	1	-	-	2	1
Emergency and distress relief (a)	4	24	18	17	26
Contributions to NGOs	1	13	28	48	74
Administrative costs	4	8	14	21	25
2. Development lending and capital	-	-	-	-	-
of which: New development lending	-	-	-	-	-
B. Contributions to Multilateral Institutions	42	80	102	131	152
Grants and capital subscriptions, Total	42	80	102	131	152
of which: EC	28	47	61	63	73
IDA	7	8	8	8	7
Regional Development Banks	-	-	-	-	-
II. Other Official Flows (OOF) net (C + D)	-	-	-	-	-
C. Bilateral Other Official Flows (1 + 2)	-	-	-	-	-
1. Official export credits (b)	-	-	-	-	-
2. Equities and other bilateral assets	-	-	-	-	-
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	26	90	101	86	283
IV. Private Flows at Market Terms (long-term) (1 to 4)	40	416	347	986	1 547
1. Direct investment	-	-	-	-	-
2. Private export credits	40	-	-	-	-
3. Securities of multilateral agencies	-	-	-	-	-
4. Bilateral portfolio investment	-	416	347	986	1 547
V. Total Resource Flows (long-term) (I to IV)	142	740	735	1 469	2 334
Total Resource Flows as a % of GNI	0.34	0.93	0.85	1.49	1.83
<i>For reference:</i>					
GROSS DISBURSEMENTS					
Official Development Assistance (c)	76	234	287	398	504
New development lending	-	-	-	-	-
Food aid, Total bilateral	1	-	-	7	4
Other Official Flows	-	-	-	-	-
of which: Official export credits	-	-	-	-	-
Private export credits	40	-	-	-	-
COMMITMENTS					
Official Development Assistance, Total (c)	76	234	287	398	504
Bilateral grants, Total	34	154	184	267	352
Debt forgiveness	-	-	-	-	-
Bilateral loans, Total	-	-	-	-	-
<i>Memo items:</i>					
Gross ODA debt reorganisation grants	-	-	11	-	-
of which: debt forgiveness	-	-	-	-	-
Net ODA debt reorganisation grants (d)	-	-	11	-	-
Refugees in donor countries	-	-	-	1	1

a) Emergency food aid included with developmental food aid up to and including 1995.

b) Including funds in support of private export credits.

c) Including debt reorganisation.

Table 14

The Flow of Financial Resources to Developing Countries and Multilateral Organisations
(continued)
USD million

1992-93	Italy					1992-93	Japan				
	2000	2001	2002	2003	2000		2001	2002	2003		
3 583	1 376	1 627	2 332	2 433	11 205	13 508	9 847	9 283	8 880		
0.33	0.13	0.15	0.20	0.17	0.28	0.28	0.23	0.23	0.20		
2 180	377	442	1 007	1 061	8 214	9 768	7 458	6 692	6 334		
1 317	525	546	1 083	1 126	4 131	5 678	4 742	4 373	4 443		
191	27	92	102	148	1 712	2 430	1 942	1 812	1 880		
123	32	76	42	51	50	42	54	41	65		
240	72	65	82	89	28	85	30	36	30		
-	28	84	43	34	120	212	179	143	188		
109	22	32	37	48	505	932	715	700	679		
863	- 148	- 104	- 77	- 65	4 083	4 090	2 716	2 320	1 891		
867	- 163	- 108	- 109	- 105	7 097	4 090	2 716	2 084	1 262		
1 402	999	1 185	1 326	1 372	2 991	3 740	2 389	2 591	2 545		
1 402	999	1 185	1 326	1 372	2 991	3 740	2 389	2 591	2 545		
579	638	619	762	942	-	-	-	-	-		
414	-	240	126	2	1 277	1 146	869	786	713		
12	76	76	46	33	810	891	428	393	480		
1 082	- 103	55	- 370	- 285	3 554	- 5 041	- 1 748	- 4 208	- 2 149		
1 116	- 103	55	- 370	- 285	2 707	- 4 948	- 873	- 1 696	- 2 533		
533	-	31	-	-	54	- 1 239	- 427	- 524	- 130		
583	- 103	23	- 370	- 285	2 653	- 3 709	- 447	- 1 173	- 2 404		
- 34	-	-	-	-	847	- 93	- 875	- 2 512	384		
79	37	32	-	27	175	231	235	157	335		
- 444	9 537	- 1 903	- 563	2 044	1 082	2 725	5 380	- 573	- 731		
70	1 414	1 221	639	505	2 557	2 874	6 473	6 362	7 016		
- 942	832	494	2 048	1 644	480	- 799	- 384	- 1 054	3 643		
-	-	-	-	-	- 3 426	- 52	- 355	- 2 804	371		
427	7 292	- 3 617	- 3 250	- 106	1 471	702	- 354	- 3 077	- 11 760		
4 299	10 846	- 189	1 399	4 218	16 016	11 423	13 714	4 659	6 335		
0.40	1.01	- 0.02	0.12	0.29	0.40	0.24	0.32	0.11	0.14		
3 895	1 599	1 814	2 532	2 670	14 219	16 300	12 625	12 230	12 971		
889	60	79	91	132	7 097	6 882	5 494	5 031	5 304		
123	32	76	42	56	50	42	54	41	65		
2 682	103	89	252	411	9 448	5 483	7 563	7 360	10 152		
1 791	-	59	-	-	1 862	1 179	1 237	760	1 266		
2 044	1 329	118	2 163	1 951	7 256	5 552	3 255	2 793	7 688		
3 854	1 616	2 144	2 671	3 614	16 369	17 113	14 186	10 711	17 568		
1 193	538	576	1 166	1 140	4 327	5 533	5 002	4 335	4 085		
185	201	10	620	558	238	372	480	232	158		
933	191	66	93	375	9 051	8 321	6 601	5 014	11 120		
185	201	10	620	558	236	414	446	261	162		
185	201	10	620	558	236	414	446	261	162		
-	201	10	620	558	-	414	446	261	162		
26	3	16	-	44	-	-	-	-	-		

d) 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.

	1992-93	2000	Luxembourg 2001	2002	2003
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	44	123	139	147	194
ODA as % of GNI	0.31	0.71	0.76	0.77	0.81
A. Bilateral Official Development Assistance (1 + 2)	26	99	107	116	150
1. Grants and grant-like contributions	26	99	107	116	150
of which: Technical co-operation	1	2	5	3	3
Developmental food aid (a)	1	1	1	2	2
Emergency and distress relief (a)	8	10	13	13	14
Contributions to NGOs	-	2	1	2	26
Administrative costs	-	1	1	2	3
2. Development lending and capital	-	-	-	-	-
of which: New development lending	-	-	-	-	-
B. Contributions to Multilateral Institutions	17	24	32	31	44
Grants and capital subscriptions, Total	17	24	32	31	44
of which: EC	10	11	13	14	19
IDA	3	4	4	4	4
Regional Development Banks	-	-	-	-	2
II. Other Official Flows (OOF) net (C + D)	-	-	-	-	-
C. Bilateral Other Official Flows (1 + 2)	-	-	-	-	-
1. Official export credits (b)	-	-	-	-	-
2. Equities and other bilateral assets	-	-	-	-	-
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	4	6	5	2	7
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)	48	129	144	148	201
Total Resource Flows as a % of GNI	0.34	0.75	0.78	0.78	0.84
<i>For reference:</i>					
GROSS DISBURSEMENTS					
Official Development Assistance (c)	44	123	139	147	194
New development lending	-	-	-	-	-
Food aid, Total bilateral	1	1	2	2	2
Other Official Flows	-	-	-	-	-
of which: Official export credits	-	-	-	-	-
Private export credits	-	-	-	-	-
COMMITMENTS					
Official Development Assistance, Total (c)	44	123	139	141	194
Bilateral grants, Total	27	99	107	110	150
Debt forgiveness	-	-	-	-	-
Bilateral loans, Total	-	-	-	-	-
<i>Memo items:</i>					
Gross ODA debt reorganisation grants	-	1	-	-	-
of which: debt forgiveness	-	-	-	-	-
Net ODA debt reorganisation grants (d)	-	1	-	-	-
Refugees in donor countries	2	-	-	-	-

a) Emergency food aid included with developmental food aid up to and including 1995.

b) Including funds in support of private export credits.

c) Including debt reorganisation.

Table 14

The Flow of Financial Resources to Developing Countries and Multilateral Organisations
(continued)
USD million

1992-93	Netherlands				1992-93	New Zealand			
	2000	2001	2002	2003		2000	2001	2002	2003
2 639	3 135	3 172	3 338	3 981	97	113	112	122	165
0.84	0.84	0.82	0.81	0.80	0.25	0.25	0.25	0.22	0.23
1 828	2 243	2 224	2 449	2 951	74	85	85	92	129
1 965	2 334	2 392	2 585	3 084	74	85	85	92	129
966	579	634	512	698	32	41	41	36	40
87	2	13	6	18	-	-	-	-	-
250	366	285	212	305	5	3	3	11	17
104	338	310	431	660	1	4	5	7	11
102	210	183	195	230	8	7	7	8	10
- 137	- 92	- 167	- 136	- 133	-	-	-	-	-
51	- 92	- 55	- 90	- 135	-	-	-	-	-
811	892	948	889	1 030	24	28	27	30	36
811	892	948	889	1 030	24	28	27	30	36
249	233	194	210	250	-	-	-	-	-
169	197	115	76	162	6	5	4	5	7
50	38	56	72	59	1	4	4	5	6
94	38	42	229	119	-	-	-	2	3
94	38	42	229	119	-	-	-	2	3
-	- 95	- 79	-	-	-	-	-	-	-
94	133	121	229	-	-	-	-	2	3
-	-	-	-	-	-	-	-	-	-
266	306	240	257	300	13	12	11	23	18
1 473	3 469	-6 886	-5 310	7 766	-	17	16	17	21
824	2 135	2 526	281	3 837	-	17	16	17	21
- 11	- 290	182	859	- 98	-	-	-	-	-
- 12	- 646	- 1 133	946	651	-	-	-	-	-
672	2 270	-8 462	-7 395	3 376	-	-	-	-	-
4 472	6 947	-3 432	-1 487	12 167	111	142	139	164	208
1.42	1.85	-0.89	-0.36	2.44	0.29	0.32	0.32	0.30	0.28
2 829	3 226	3 340	3 525	4 232	97	113	112	122	165
51	-	-	-	-	-	-	-	-	-
87	14	45	37	51	-	1	-	1	2
134	133	304	229	588	-	-	-	2	3
-	-	184	-	-	-	-	-	-	-
245	501	339	2 003	-	-	-	-	-	-
3 200	3 441	3 701	4 815	4 232	97	120	110	129	185
2 056	2 834	2 390	4 436	3 194	72	92	83	97	144
97	143	134	141	255	-	-	-	-	-
35	-	1	20	7	-	-	-	-	-
95	154	167	344	255	-	-	-	-	-
95	100	163	341	255	-	-	-	-	-
-	154	54	291	249	-	-	-	-	-
140	163	155	83	178	-	-	-	6	8

d) 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.

	1992-93	2000	Norway 2001	2002	2003
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	1 144	1 264	1 346	1 696	2 042
ODA as % of GNI	1.09	0.76	0.80	0.89	0.92
A. Bilateral Official Development Assistance (1 + 2)	735	934	940	1 145	1 462
1. Grants and grant-like contributions	731	925	938	1 143	1 455
of which: Technical co-operation	118	109	150	178	236
Developmental food aid (a)	16	-	-	-	4
Emergency and distress relief (a)	100	204	180	252	350
Contributions to NGOs	-	-	-	-	-
Administrative costs	43	64	66	82	99
2. Development lending and capital	3	9	2	2	7
of which: New development lending	4	-2	-4	-5	-7
B. Contributions to Multilateral Institutions	409	330	406	551	580
Grants and capital subscriptions, Total	409	330	406	551	580
of which: EC	-	-	-	-	-
IDA	78	31	80	73	100
Regional Development Banks	49	49	47	62	72
II. Other Official Flows (OOF) net (C + D)	1	-	-	-	-
C. Bilateral Other Official Flows (1 + 2)	1	-	-	-	-
1. Official export credits (b)	-	-	-	-	-
2. Equities and other bilateral assets	1	-	-	-	-
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	130	179	210	452	-
IV. Private Flows at Market Terms (long-term) (1 to 4)	53	-5	-71	131	1 264
1. Direct investment	53	-36	-131	23	1 199
2. Private export credits	-	31	60	109	65
3. Securities of multilateral agencies	-	-	-	-	-
4. Bilateral portfolio investment	-	-	-	-	-
V. Total Resource Flows (long-term) (I to IV)	1 328	1 437	1 485	2 279	3 306
Total Resource Flows as a % of GNI	1.27	0.87	0.88	1.19	1.49
<i>For reference:</i>					
GROSS DISBURSEMENTS					
Official Development Assistance (c)	1 145	1 270	1 350	1 701	2 049
New development lending	5	4	-	-	-
Food aid, Total bilateral	16	17	15	11	19
Other Official Flows	2	-	-	-	-
of which: Official export credits	-	-	-	-	-
Private export credits	54	94	124	198	156
COMMITMENTS					
Official Development Assistance, Total (c)	946	1 125	1 490	1 653	2 226
Bilateral grants, Total	572	769	1 080	1 088	1 607
Debt forgiveness	27	-	-	-	-
Bilateral loans, Total	6	26	5	14	39
<i>Memo items:</i>					
Gross ODA debt reorganisation grants	30	9	21	13	22
of which: debt forgiveness	30	-	-	-	-
Net ODA debt reorganisation grants (d)	-	9	21	13	22
Refugees in donor countries	-	98	68	124	176

a) Emergency food aid included with developmental food aid up to and including 1995.

b) Including funds in support of private export credits.

c) Including debt reorganisation.

Table 14

The Flow of Financial Resources to Developing Countries and Multilateral Organisations
(continued)
USD million

1992-93	Portugal				1992-93	Spain			
	2000	2001	2002	2003		2000	2001	2002	2003
264	271	268	323	320	1 411	1 195	1 737	1 712	1 961
0.31	0.26	0.25	0.27	0.22	0.27	0.22	0.30	0.26	0.23
206	179	183	186	182	1 018	720	1 150	998	1 151
92	320	166	183	183	220	603	966	769	938
67	90	117	127	142	96	107	185	239	313
-	-	-	-	-	7	4	6	9	6
4	3	2	2	1	7	38	38	32	89
-	1	2	2	1	-	2	6	5	7
4	5	7	7	10	32	49	54	61	77
113	- 141	18	3	- 1	798	117	184	229	213
-	4	16	2	- 1	828	161	177	229	251
58	92	85	137	137	393	475	588	714	810
58	92	85	137	137	393	475	588	714	810
46	59	69	73	88	312	352	342	416	525
1	13	7	7	11	12	31	98	57	63
6	11	6	44	24	29	19	49	130	85
28	78	- 1	- 1	- 2	-	3	146	54	73
28	78	- 1	- 1	- 2	-	3	146	54	73
-	-	-	-	-	-	-	-	-	-
28	78	- 1	- 1	- 2	-	3	146	54	73
-	-	-	-	-	-	-	-	-	-
1	-	5	-	4	71	-	-	-	-
32	4 273	1 503	- 150	823	-	22 272	9 640	6 404	4 633
- 3	4 011	1 273	- 360	680	-	22 286	10 160	6 540	4 737
35	262	230	210	143	-	- 14	- 520	- 136	- 104
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
325	4 622	1 775	171	1 145	1 481	23 471	11 523	8 171	6 667
0.38	4.45	1.66	0.14	0.79	0.28	4.25	2.01	1.25	0.79
267	416	268	323	321	1 441	1 388	1 852	1 872	2 217
-	4	16	2	1	828	310	291	383	454
-	2	-	-	-	7	6	9	15	13
29	79	-	-	-	-	3	146	54	80
-	-	-	-	-	-	-	-	-	-
499	275	243	220	165	-	-	-	-	-
183	416	268	323	321	1 445	1 388	1 852	1 872	2 217
63	320	166	183	183	221	603	966	769	938
-	164	17	10	5	2	57	382	112	116
47	4	18	3	1	833	310	299	388	469
3	171	17	11	6	2	60	382	118	144
3	164	17	10	5	2	57	382	112	116
-	26	17	11	6	-	17	382	113	91
-	-	-	-	-	-	11	7	-	21

d) 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.

	1992-93	2000	Sweden 2001	2002	2003
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	2 114	1 799	1 666	2 012	2 400
ODA as % of GNI	1.01	0.80	0.77	0.84	0.79
A. Bilateral Official Development Assistance (1 + 2)	1 554	1 242	1 205	1 271	1 779
1. Grants and grant-like contributions	1 549	1 222	1 185	1 262	1 753
of which: Technical co-operation	439	70	57	68	92
Developmental food aid (a)	2	-	-	-	-
Emergency and distress relief (a)	310	265	242	302	387
Contributions to NGOs	69	106	85	90	105
Administrative costs	85	83	69	74	100
2. Development lending and capital	6	19	20	8	26
of which: New development lending	-	19	20	9	26
B. Contributions to Multilateral Institutions	560	557	461	741	621
Grants and capital subscriptions, Total	560	557	461	741	621
of which: EC	-	83	112	83	123
IDA	133	149	-	359	-
Regional Development Banks	64	67	59	70	133
II. Other Official Flows (OOF) net (C + D)	3	-	1	2	- 15
C. Bilateral Other Official Flows (1 + 2)	3	-	1	2	- 15
1. Official export credits (b)	-	-	-	-	-
2. Equities and other bilateral assets	3	-	1	2	- 15
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	130	26	16	19	23
IV. Private Flows at Market Terms (long-term) (1 to 4)	510	2 127	1 394	199	- 1 153
1. Direct investment	27	871	507	296	- 337
2. Private export credits	477	1 256	888	- 97	- 816
3. Securities of multilateral agencies	6	-	-	-	-
4. Bilateral portfolio investment	-	-	-	-	-
V. Total Resource Flows (long-term) (I to IV)	2 758	3 952	3 077	2 232	1 255
Total Resource Flows as a % of GNI	1.32	1.76	1.42	0.93	0.42
<i>For reference:</i>					
GROSS DISBURSEMENTS					
Official Development Assistance (c)	2 114	1 799	1 666	2 012	2 400
New development lending	-	19	20	9	26
Food aid, Total bilateral	2	8	8	12	20
Other Official Flows	4	5	2	4	68
of which: Official export credits	-	-	-	-	-
Private export credits	940	2 238	1 987	1 094	758
COMMITMENTS					
Official Development Assistance, Total (c)	2 022	1 438	1 365	1 675	2 388
Bilateral grants, Total	1 508	1 071	1 058	1 257	1 953
Debt forgiveness	13	-	-	-	165
Bilateral loans, Total	-	22	10	8	28
<i>Memo items:</i>					
Gross ODA debt reorganisation grants	18	38	44	-	165
of which: debt forgiveness	18	-	-	-	165
Net ODA debt reorganisation grants (d)	-	38	44	-	165
Refugees in donor countries	-	83	81	138	191

a) Emergency food aid included with developmental food aid up to and including 1995.

b) Including funds in support of private export credits.

c) Including debt reorganisation.

Table 14

The Flow of Financial Resources to Developing Countries and Multilateral Organisations
(continued)
USD million

Switzerland					United Kingdom				
1992-93	2000	2001	2002	2003	1992-93	2000	2001	2002	2003
966	890	908	939	1 299	3 082	4 501	4 579	4 924	6 282
0.39	0.34	0.34	0.32	0.39	0.31	0.32	0.32	0.31	0.34
656	627	644	765	945	1 611	2 710	2 622	3 506	3 861
659	608	643	750	929	1 731	2 563	2 643	3 384	3 576
299	100	113	154	177	745	685	773	874	993
35	-	-	-	-	51	-	-	-	-
68	146	135	146	158	122	344	257	400	565
106	32	32	39	47	34	169	189	226	268
20	5	18	19	28	108	227	288	279	464
- 3	20	1	15	16	- 120	146	- 21	121	285
- 1	- 2	- 6	9	- 5	- 113	15	- 7	- 25	129
310	263	263	174	355	1 471	1 792	1 957	1 419	2 421
310	263	263	174	355	1 471	1 790	1 985	1 455	2 456
-	-	-	-	-	710	975	824	925	1 078
33	83	83	5	135	336	258	491	-	737
54	62	38	41	66	85	130	81	103	129
-	8	6	3	-	214	- 72	23	- 4	50
-	8	6	3	-	214	- 72	23	- 4	50
-	-	-	-	-	82	22	125	97	94
-	8	6	3	-	132	- 94	- 102	- 101	- 44
-	-	-	-	-	-	-	-	-	-
156	159	180	202	280	445	536	327	353	389
2 241	997	- 1 252	1 089	2 104	4 582	5 265	4 699	2 360	- 1 016
1 728	1 134	- 1 107	1 222	2 051	5 060	4 005	8 194	2 753	- 3 111
246	500	- 144	- 133	54	- 523	- 447	- 493	- 1 233	- 679
267	- 638	- 1	-	- 1	-	-	-	-	-
-	-	-	-	-	45	1 706	- 3 001	840	2 774
3 362	2 054	- 158	2 234	3 684	8 322	10 230	9 627	7 634	5 705
1.36	0.80	- 0.06	0.75	1.09	0.84	0.72	0.67	0.48	0.31
971	893	913	943	1 305	3 249	4 552	4 727	5 073	6 491
1	-	-	13	-	10	31	10	6	167
35	18	18	19	24	51	10	23	78	94
-	8	6	3	-	364	178	248	179	243
-	-	-	-	-	85	22	125	97	94
742	873	191	287	455	1 434	-	-	-	-
708	906	875	875	1 393	3 187	4 552	4 727	5 073	6 491
528	654	740	774	869	1 678	2 563	2 643	3 384	3 576
10	-	-	-	30	26	113	374	607	81
-	21	19	10	33	42	195	99	229	454
37	6	-	-	37	88	155	374	607	130
37	-	-	-	30	88	113	374	607	81
-	6	-	-	37	-	155	374	598	126
-	19	20	20	22	-	-	-	-	-

d) 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.

	United States				
	1992-93	2000	2001	2002	2003
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	10 916	9 955	11 429	13 290	16 254
ODA as % of GNI	0.17	0.10	0.11	0.13	0.15
A. Bilateral Official Development Assistance (1 + 2)	7 588	7 405	8 284	10 570	14 594
1. Grants and grant-like contributions	8 592	8 093	8 954	11 251	16 294
of which: Technical co-operation	3 196	4 316	5 282	6 690	7 701
Developmental food aid (a)	991	914	673	817	834
Emergency and distress relief (a)	595	1 165	1 092	1 382	2 478
Contributions to NGOs	-	-	-	-	-
Administrative costs	678	716	788	727	779
2. Development lending and capital	-1 004	- 688	- 670	- 681	-1 701
of which: New development lending	64	- 591	-	- 553	-
B. Contributions to Multilateral Institutions	3 328	2 550	3 145	2 720	1 661
Grants and capital subscriptions, Total	3 337	2 565	3 160	2 731	1 671
of which: EC	-	-	-	-	-
IDA	1 513	771	773	1 153	-
Regional Development Banks	516	263	213	221	48
II. Other Official Flows (OOF) net (C + D)	723	562	755	227	1 068
C. Bilateral Other Official Flows (1 + 2)	723	562	755	227	1 068
1. Official export credits (b)	-1 906	211	351	- 292	- 459
2. Equities and other bilateral assets	2 629	351	404	518	1 527
D. Multilateral Institutions	-	-	-	-	-
III. Grants by Private Voluntary Agencies	2 690	4 069	4 569	5 720	6 326
IV. Private Flows at Market Terms (long-term) (1 to 4)	31 536	10 666	21 864	5 173	14 147
1. Direct investment	17 284	18 456	24 236	12 928	14 298
2. Private export credits	- 390	3 299	1 130	765	- 6
3. Securities of multilateral agencies	1 556	- 365	-1 729	- 590	78
4. Bilateral portfolio investment	13 086	-10 724	-1 773	-7 930	- 224
V. Total Resource Flows (long-term) (I to IV)	45 864	25 252	38 618	24 410	37 795
Total Resource Flows as a % of GNI	0.73	0.25	0.38	0.23	0.34
<i>For reference:</i>					
GROSS DISBURSEMENTS					
Official Development Assistance (c)	12 713	10 863	12 309	14 170	18 192
New development lending	64	-	-	-	-
Food aid, Total bilateral	1 296	1 135	930	1 526	2 498
Other Official Flows	3 739	1 626	1 858	1 640	3 068
of which: Official export credits	519	1 132	1 397	868	805
Private export credits	3 739	-	6 329	-	-
COMMITMENTS					
Official Development Assistance, Total (c)	12 600	12 609	12 876	14 857	22 521
Bilateral grants, Total	8 574	9 829	9 406	11 871	20 715
Debt forgiveness	362	21	23	420	2 400
Bilateral loans, Total	609	200	194	254	221
<i>Memo items:</i>					
Gross ODA debt reorganisation grants	809	21	39	436	2 406
of which: debt forgiveness	809	21	23	420	2 400
Net ODA debt reorganisation grants (d)	-	20	28	423	1 314
Refugees in donor countries	-	451	416	144	-

a) Emergency food aid included with developmental food aid up to and including 1995.

b) Including funds in support of private export credits.

c) Including debt reorganisation.

Table 14

The Flow of Financial Resources to Developing Countries and Multilateral Organisations
(continued)
USD million

Total DAC Countries					EC				
1992-93	2000	2001	2002	2003	1992-93	2000	2001	2002	2003
58 318	53 749	52 435	58 292	69 029	4 234	4 912	5 961	5 448	7 173
0.31	0.22	0.22	0.23	0.25	-	-	-	-	-
40 889	36 064	35 124	40 752	49 812	3 897	4 414	5 517	5 150	6 445
34 133	33 040	33 522	39 813	50 965	3 788	4 019	4 810	5 102	6 197
13 279	12 767	13 602	15 452	18 366	100	211	179	192	403
1 723	1 180	1 007	1 086	1 196	411	320	350	317	317
2 918	3 574	3 276	3 869	5 874	374	519	526	510	691
879	1 200	1 137	1 246	1 476	143	120	144	-	-
2 503	3 083	2 964	3 027	3 524	-	102	139	80	459
6 756	3 024	1 602	939	-1 153	108	395	707	48	248
11 035	3 310	2 525	958	- 461	181	395	707	48	248
18 364	17 685	17 311	17 540	19 217	337	498	444	298	728
18 384	17 799	17 289	17 574	19 280	337	498	444	298	728
4 207	4 950	4 946	5 695	6 834	-	-	-	-	-
5 636	3 672	3 599	3 279	3 120	-	378	313	170	236
2 450	2 187	1 491	1 813	1 734	-	-	-	-	-
8 567	-4 326	-1 589	- 45	-1 127	194	427	331	883	1 146
7 646	-4 303	- 797	2 401	-1 597	194	427	331	883	1 146
111	-1 185	- 288	-1 226	-1 285	4	-	-	-	-
7 534	-3 118	- 509	3 626	- 431	190	427	331	883	1 146
922	- 23	- 792	-2 446	470	-	-	-	-	-
5 848	6 934	7 289	8 765	10 162	-	-	-	-	-
49 803	78 128	49 745	6 252	30 481	-	-	-	-	-
33 309	71 729	66 041	36 286	36 660	-	-	-	-	-
396	7 352	2 736	14	- 203	-	-	-	-	-
-2 297	-3 369	-4 086	-3 146	635	-	-	-	-	-
18 396	2 416	-14 946	-26 902	-6 611	-	-	-	-	-
122 539	134 485	107 880	73 263	108 545	4 428	5 339	6 293	6 332	8 319
0.66	0.56	0.45	0.30	0.39	-	-	-	-	-
67 289	59 904	58 615	65 556	79 726	4 354	5 261	6 352	5 792	7 393
12 948	8 454	6 952	6 705	7 017	229	744	1 099	392	468
2 030	1 561	1 467	2 094	3 170	411	320	350	318	514
23 937	11 183	12 736	17 336	19 913	293	608	662	1 435	1 547
7 063	4 090	4 604	3 039	3 109	4	-	-	-	-
23 617	16 566	16 533	12 719	16 626	-	-	-	-	-
68 859	62 201	61 276	65 793	91 283	6 025	8 371	5 816	6 166	9 651
33 921	35 133	33 864	42 243	56 019	5 043	6 625	4 981	5 761	8 270
1 910	1 986	2 368	4 072	6 533	-	-	-	-	-
15 887	10 166	8 800	7 503	14 808	444	601	649	177	320
2 849	2 224	2 615	5 370	8 554	-	-	-	-	-
2 849	2 045	2 514	4 534	8 338	-	-	-	-	-
-	1 755	2 075	4 560	6 971	-	-	-	-	-
1 053	1 361	1 332	1 076	1 520	-	-	-	-	-

d) 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.

Net disbursements

	Total	World Bank Group	<i>of which:</i>	Regional Development Banks	<i>of which:</i>		
			IDA		African Dev. Bank	Asian Dev. Bank	Inter-American Dev. Bank
Australia	244	91	90	69	-	69	-
Austria	276	42	42	27	26	2	0
Belgium	385	0	-	24	17	6	1
Canada	683	164	164	102	50	35	1
Denmark	717	77	61	57	32	10	1
Finland	250	35	35	15	0	4	0
France	2 039	293	291	156	101	35	8
Germany	2 724	491	491	146	99	46	1
Greece	134	4	4	-	-	-	-
Ireland	152	12	7	-	-	-	-
Italy	1 372	38	2	33	4	-	16
Japan	2 545	917	713	480	135	340	6
Luxembourg	44	7	4	2	-	2	-
Netherlands	1 030	270	162	59	34	23	1
New Zealand	36	7	7	6	-	6	-
Norway	580	123	100	72	50	8	2
Portugal	137	11	11	24	17	7	-
Spain	810	76	63	85	19	11	21
Sweden	621	-	-	133	110	-	-
Switzerland	355	135	135	66	55	10	1
United Kingdom	2 421	732	699	129	68	35	-
United States	1 661	2	-	38	5	-	18
TOTAL DAC	19 217	3 527	3 082	1 724	822	648	78
<i>of which:</i>							
EU Members	13 112	2 089	1 872	892	528	181	49

a) IMF PRGF.

Table 15

ODA from DAC Countries to Multilateral Organisations in 2003

USD million

United Nations Agencies	<i>of which:</i>				<i>of which:</i>		Other Multilateral	<i>of which:</i>			
	UNDP	WFP	UNICEF	UNHCR	EC	EDF		IFAD	IMF ^a		
51	5	-	3	5	-	-	33	2	2	Australia	
21	5	1	1	0	169	66	17	-	1	Austria	
45	13	-	3	3	282	97	33	3	7	Belgium	
173	31	33	21	10	-	-	244	13	18	Canada	
290	75	38	38	41	146	53	146	10	0	Denmark	
78	15	8	14	8	108	37	13	2	0	Finland	
169	18	3	9	8	1 311	504	110	9	- 8	France	
299	29	26	6	6	1 598	581	189	-	17	Germany	
7	0	-	0	1	116	31	8	1	-	Greece	
56	14	3	9	8	73	13	11	0	1	Ireland	
207	22	20	12	11	942	315	151	9	0	Italy	
866	170	123	100	87	-	-	283	14	45	Japan	
11	1	-	1	1	19	7	4	1	2	Luxembourg	
384	98	-	38	46	250	130	67	12	14	Netherlands	
14	4	1	2	1	-	-	9	-	-	New Zealand	
360	113	31	68	24	-	-	25	0	4	Norway	
8	2	0	0	0	88	20	5	-	-	Portugal	
61	7	3	2	3	525	145	63	3	-	Spain	
231	34	26	37	50	123	24	134	37	-	Sweden	
104	39	1	13	10	-	-	50	-	11	Switzerland	
346	69	12	29	26	1 080	254	134	3	14	United Kingdom	
921	103	29	127	207	-	-	700	15	-	United States	
4 705	867	359	534	554	6 832	2 277	2 429	134	127	TOTAL DAC	
										<i>of which:</i>	
2 215	403	142	200	212	6 832	2 277	1 086	90	48	EU Members	

Table 16

Capital Subscriptions to Multilateral Organisations^a on a Deposit and an Encashment Basis

Net disbursements

USD million

	Deposit basis					Encashment basis				
	1993	2000	2001	2002	2003	1993	2000	2001	2002	2003
Australia	139	2	-	133	-	152	-	128	133	161
Austria	97	50	41	34	80	97	60	63	55	67
Belgium	136	-	41	-	-	-	131	111	110	-
Canada	461	233	81	92	103	314	352	275	197	504
Denmark	112	114	86	112	107	98	114	109	100	304
Finland	56	36	35	64	47	-	26	24	28	20
France	652	325	347	382	495	-	-	455	486	857
Germany	946	690	516	304	792	904	548	567	542	634
Greece	-	13	16	19	9	-	13	-	-	-
Ireland	-	-	-	-	-	-	-	-	-	-
Italy	237	144	346	220	18	259	193	417	-	265
Japan	213	2 436	1 545	844	847	-	-	-	698	1 916
Luxembourg	-	-	-	-	-	-	-	-	-	-
Netherlands	226	235	171	148	-	-	38	53	-	-
New Zealand	9	9	8	10	14	9	12	8	11	16
Norway	140	83	127	174	195	-	-	-	-	-
Portugal	3	0	0	4	3	6	10	11	34	23
Spain	58	13	185	139	128	-	-	-	139	-
Sweden	170	202	38	406	219	-	202	150	145	188
Switzerland	40	145	133	41	197	75	99	125	135	154
United Kingdom	435	413	698	108	901	-	428	471	484	692
United States	1 541	1 066	1 321	1 477	177	1 110	1 457	1 643	1 614	1 435
TOTAL DAC	5 671	6 207	5 737	4 709	4 332	..	..	..	..	..
<i>of which:</i>										
EU Members	3 128	2 235	2 521	1 939	2 799	..	..	..	..	..

a) World Bank, IMF-PRGF, IDB, African Development Bank, Asian Development Bank and Caribbean Development Bank.
Note: Not all contributions to these agencies are in the form of capital subscriptions.

	Gross disbursements						
	1987-1988 average	1992-1993 average	1999	2000	2001	2002	2003
CONCESSIONAL FLOWS							
<i>International Financial Institutions</i>							
AfDF	368	710	516	360	464	741	586
AsDF	651	1 006	1 114	1 135	1 031	1 168	1 138
Caribbean Dev. Bank	35	29	33	36	50	113	37
Council of Europe	8	1	-	-	-	-	-
EBRD	-	-	11	5	17	44	53
IBRD	0	-	-	-	-	-	-
IDA	3 711	5 018	6 135	5 468	6 160	6 923	6 884
IDB	346	232	512	442	545	425	593
IFAD	261	158	231	250	254	250	264
IMF ^b	537	573	1 011	650	1 088	1 741	1 187
Nordic Dev. Fund	-	-	38	39	33	35	55
Total IFIs	5 918	7 727	9 601	8 384	9 641	11 440	10 797
<i>United Nations^c</i>							
UNDP	850	741	508	390	282	275	296
UNFPA	118	130	185	133	311	310	271
UNHCR	437	1 145	253	493	545	633	534
UNICEF	382	770	564	576	600	567	629
UNRWA	219	303	286	301	359	392	430
UNTA	291	288	428	454	410	466	504
WFP	799	1 531	354	357	379	351	319
Other UN	452	687	161	568	574	614	484
Total UN	3 549	5 596	2 741	3 272	3 462	3 608	3 467
EC	2 138	4 147	5 238	4 763	5 908	5 494	6 665
Global Environment Facility	-	-	66	86	101	109	107
Montreal Protocol Fund	-	-	44	56	72	60	66
Arab Funds	278	487	227	215	381	298	202
Total concessional	11 883	17 957	17 916	16 776	19 565	21 009	21 304
NON-CONCESSIONAL FLOWS							
<i>International Financial Institutions</i>							
African Dev. Bank	662	1 447	723	506	614	679	969
Asian Dev. Bank	825	1 948	3 710	2 884	2 850	3 067	2 688
Caribbean Dev. Bank	21	25	77	65	50	108	37
Council of Europe	530	490	-	-	-	-	-
EBRD	-	-	366	439	548	627	854
IBRD	11 297	10 735	13 256	11 778	10 729	8 381	10 628
IFC	750	973	1 596	1 276	1 061	1 409	2 126
IDB	1 758	2 956	7 934	6 662	6 016	5 508	8 409
IFAD	-	-	40	33	33	20	23
Total IFIs	15 843	18 575	27 703	23 643	21 902	19 799	25 735
EC	295	471	855	608	662	1 435	1 547
Arab Funds	66	32	-	-	-	-	-
Total non-concessional	16 203	19 078	28 559	24 251	22 564	21 234	27 283

a) To countries and territories on Part I of the DAC List of Aid Recipients.

b) IMF Trust Fund and PRGF.

Table 17

Concessional and Non-concessional Flows by Multilateral Organisations^a

USD million, at current prices and exchange rates

	Net disbursements						
	1987-1988 average	1992-1993 average	1999	2000	2001	2002	2003
CONCESSIONAL FLOWS							
<i>International Financial Institutions</i>							
AfDF	362	680	459	300	419	616	483
AsDF	623	938	937	927	812	906	826
Caribbean Dev. Bank	35	20	12	20	32	63	19
Council of Europe	6	- 3	-	-	-	-	-
EBRD	-	-	11	5	17	44	53
IBRD	0	-	-	-	-	-	-
IDA	3 549	4 646	4 509	4 179	4 965	5 407	5 237
IDB	127	81	223	153	276	166	292
IFAD	234	80	131	143	166	148	155
IMF ^b	- 157	461	194	- 148	105	567	9
Nordic Dev. Fund	-	-	38	38	32	33	52
Total IFIs	4 779	6 903	6 514	5 616	6 824	7 949	7 126
<i>United Nations^c</i>							
UNDP	850	741	508	390	282	275	296
UNFPA	118	130	185	133	311	310	271
UNHCR	437	1 145	253	493	545	633	534
UNICEF	382	770	564	576	600	567	629
UNRWA	219	303	286	301	359	392	430
UNTA	291	288	428	454	410	466	504
WFP	799	1 531	354	357	379	351	319
Other UN	452	687	161	568	574	614	484
Total UN	3 549	5 596	2 741	3 272	3 462	3 608	3 467
EC	2 101	4 026	4 911	4 414	5 517	5 150	6 445
Global Environment Facility	-	-	66	86	101	109	107
Montreal Protocol Fund	-	-	44	56	72	60	66
Arab Funds	66	234	37	35	145	139	44
Total concessional	10 495	16 759	14 311	13 479	16 120	17 016	17 256
NON-CONCESSIONAL FLOWS							
<i>International Financial Institutions</i>							
African Dev. Bank	520	1 125	- 114	- 304	- 5	- 675	- 530
Asian Dev. Bank	426	1 295	2 580	1 049	1 654	- 267	-4 449
Caribbean Dev. Bank	21	15	61	50	31	58	19
Council of Europe	424	109	-	-	-	-	-
EBRD	-	3	218	237	222	92	218
IBRD	3 906	359	3 802	2 762	1 759	-6 528	-5 000
IFC	282	483	663	229	22	32	1 253
IDB	1 010	1 459	5 956	4 360	4 104	1 413	1 266
IFAD	-	-	13	5	6	- 5	- 8
Total IFIs	6 589	4 849	13 178	8 388	7 792	-5 880	-7 230
EC	98	463	637	427	331	883	1 146
Arab Funds	13	- 9	-	-	-	-	-
Total non-concessional	6 700	5 302	13 815	8 814	8 123	-4 996	-6 084

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.

	Social and administrative infrastructure		Economic infrastructure		Agriculture		Industry and other production	
	1982-1983	2002-2003	1982-1983	2002-2003	1982-1983	2002-2003	1982-1983	2002-2003
Australia	15.0	44.0	4.7	6.7	7.3	6.6	3.5	0.7
Austria	12.7	39.3	62.3	7.7	1.2	1.4	13.5	2.2
Belgium	11.1	25.7	4.2	4.7	3.5	4.3	34.3	0.6
Canada	16.3	38.6	15.7	3.5	15.7	4.4	27.9	2.6
Denmark	20.4	38.5	22.6	19.2	19.4	4.6	32.1	3.1
Finland	15.9	49.3	21.1	5.4	16.9	4.3	35.1	2.2
France	51.3	30.1	14.8	4.4	9.5	2.4	6.9	0.9
Germany	29.7	36.2	28.7	11.6	10.3	3.1	13.8	1.1
Greece	..	83.1	..	1.6	..	0.7	..	0.7
Ireland	-	65.6	-	2.1	-	5.1	-	0.4
Italy	19.3	13.1	21.6	1.2	18.5	1.5	10.8	0.8
Japan	13.1	20.4	43.8	27.8	10.4	6.8	15.4	1.6
Luxembourg	..	..	..	..	..	..	..	..
Netherlands	32.0	24.6	14.9	6.8	17.7	2.5	9.1	0.4
New Zealand	22.4	47.8	27.3	4.0	16.8	2.6	3.7	1.8
Norway	19.6	48.6	24.9	7.2	17.5	4.5	12.8	0.8
Portugal	..	75.5	..	3.6	..	2.0	..	0.9
Spain	..	41.0	..	17.4	..	4.5	..	2.4
Sweden	21.4	33.2	5.8	8.0	12.9	2.1	12.2	0.8
Switzerland	20.4	19.6	2.1	9.4	23.0	5.3	31.4	4.0
United Kingdom	18.7	37.6	26.9	7.5	7.8	5.3	25.3	2.0
United States	17.3	37.1	4.2	3.3	14.2	1.8	13.4	4.3
TOTAL DAC	25.0	32.0	18.6	10.5	12.1	3.7	13.8	2.2

a) On a disbursements basis.

Table 18

Major Aid Uses by Individual DAC Donors

Per cent of total bilateral commitments

Commodity aid and programme assistance		Emergency aid		Other		Memo: Share of total ODA to / through NGO's ^a 2002-2003	
1982-1983	2002-2003	1982-1983	2002-2003	1982-1983	2002-2003		
59.5	4.7	1.3	13.6	8.5	23.7	4.8	Australia
1.3	0.4	0.7	9.1	8.2	40.0	7.8	Austria
1.9	2.7	0.4	6.2	44.6	55.8	4.2	Belgium
14.1	1.9	2.3	12.1	8.0	36.9	4.1	Canada
-	0.6	-	8.4	5.4	25.6	4.8	Denmark
0.2	2.6	3.7	11.9	7.2	24.4	8.0	Finland
6.7	3.4	0.2	6.3	10.6	52.5	0.5	France
2.9	0.9	0.7	3.8	14.0	43.3	7.4	Germany
..	0.0	..	5.1	..	8.7	5.0	Greece
-	5.7	-	7.0	100.0	14.1	13.6	Ireland
9.8	5.0	1.7	6.8	18.3	71.6	2.4	Italy
4.0	0.4	0.1	0.7	13.2	42.4	1.8	Japan
..	..	..	..	..	..	8.2	Luxembourg
4.3	3.2	1.9	3.3	20.0	59.2	14.9	Netherlands
24.2	7.4	2.1	12.7	3.5	23.7	6.5	New Zealand
0.1	3.6	7.0	18.7	18.1	16.6	21.1	Norway
..	0.8	..	0.8	..	16.4	0.7	Portugal
..	0.7	..	4.7	..	29.3	18.7	Spain
0.6	3.1	12.7	22.8	34.4	30.0	13.4	Sweden
8.9	5.1	11.2	17.7	3.1	38.8	9.6	Switzerland
3.7	0.3	0.4	12.6	17.2	34.7	8.7	United Kingdom
26.1	13.8	1.9	12.7	22.9	27.0	-	United States
12.4	5.1	1.5	8.1	16.5	38.3	5.2	TOTAL DAC

Commitments

	<i>Per cent of bilateral total</i>											
	Australia	Austria	Belgium	Canada	Den- mark	Finland	France	Germany	Greece	Ireland	Italy	Japan
Social and administrative												
infrastructure	45.6	55.9	20.8	45.2	41.7	46.3	27.9	38.3	83.9	63.2	14.1	18.3
Education ^a	7.7	27.3	6.7	16.9	4.4	10.6	17.6	17.4	35.2	14.4	1.9	6.5
of which: Basic education	3.3	1.2	0.4	6.9	1.4	0.8	2.9	1.5	14.3	-	0.0	0.4
Health	8.2	4.6	4.6	8.6	9.5	8.1	2.6	2.5	9.2	22.8	5.0	2.0
of which: Basic health	4.9	1.3	2.5	6.3	7.7	2.0	0.2	1.1	8.0	10.1	4.9	0.6
Population ^b	2.9	0.4	1.1	1.4	1.2	1.3	0.1	1.6	0.4	2.3	0.1	0.1
Water supply and sanitation	2.4	7.1	1.6	4.1	6.7	4.4	2.4	6.8	0.5	5.7	0.5	6.8
Government and civil society	15.2	13.7	5.0	12.4	15.3	16.9	0.9	6.3	35.1	14.1	2.6	1.7
Other social infrastructure/service	9.2	2.8	1.9	1.9	4.7	4.9	4.4	3.7	3.5	3.9	3.9	1.2
Economic infrastructure	5.5	3.4	4.1	4.4	23.3	7.0	5.0	11.9	0.9	1.8	1.6	21.7
Transport and communications	4.5	2.2	0.6	1.2	11.2	1.7	2.5	3.4	0.2	1.6	0.6	6.8
Energy	0.2	0.3	0.2	1.0	3.5	3.6	1.1	3.6	-	-	0.2	14.7
Other	0.8	0.9	3.3	2.3	8.5	1.6	1.4	5.0	0.7	0.2	0.8	0.2
Production	7.4	5.1	3.9	10.1	5.5	4.0	2.8	4.0	1.3	5.4	2.3	6.4
Agriculture	6.7	2.2	3.5	6.8	2.9	2.2	1.8	2.7	0.7	5.3	1.5	5.1
Industry, mining and construction	0.1	2.0	0.3	1.5	2.4	1.4	0.9	1.1	0.1	0.1	0.8	0.9
Trade and tourism	0.5	0.9	0.1	1.7	0.2	0.5	0.1	0.2	0.4	-	0.0	0.4
Multisector	16.8	4.7	3.8	5.8	8.6	15.5	6.0	11.6	2.2	5.1	6.4	2.1
Programme assistance	3.6	0.6	2.7	-	0.7	3.1	1.8	0.9	-	6.0	5.3	0.4
Action relating to debt ^c	0.7	2.8	50.4	5.1	-	-	44.7	24.3	-	-	46.1	43.1
Emergency aid	14.3	13.3	7.4	13.1	2.4	11.5	6.6	3.0	4.6	7.5	6.9	0.2
Administrative expenses	5.7	7.6	3.8	10.8	11.7	6.8	3.6	4.4	7.0	7.0	3.7	4.5
Unspecified	0.5	6.6	3.1	5.5	6.2	5.9	1.6	1.5	0.1	4.1	13.7	3.2
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
<i>Memo item:</i>												
Food aid, total	3.8	0.6	1.1	-	-	2.4	0.6	1.3	0.1	1.3	4.3	0.4

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.

Table 19

Aid by Major Purposes in 2003

Luxem- bourg	Nether- lands	New Zealand	Norway	Portugal	Spain	Sweden	Switzer- land	United Kingdom	United States	TOTAL DAC	Per cent of total Multilateral finance (ODF)			
											Total	EC	World Bank	Regional Dev. Banks ^d
..	24.6	47.4	41.2	74.3	39.4	30.8	21.2	40.0	34.0	30.7	40.4	36.6	33.8	51.6
..	7.1	23.8	9.1	34.3	11.1	4.7	4.1	8.6	1.3	7.7	7.4	6.8	5.7	10.0
..	4.8	2.7	4.8	2.2	2.1	1.5	1.4	5.8	1.1	1.9	2.7	2.6	3.8	1.4
..	3.4	5.6	6.7	4.4	6.7	4.1	3.0	8.0	3.3	3.8	4.5	5.2	5.0	3.3
..	1.3	4.2	3.5	0.2	5.4	2.0	2.7	2.4	3.2	2.2	1.7	4.2	1.8	-
..	1.5	0.6	2.4	-	0.8	2.4	0.2	3.4	7.1	2.8	3.1	0.5	6.3	0.4
..	2.8	1.0	1.4	0.1	4.7	2.1	3.7	0.8	0.5	3.2	5.1	3.9	4.3	6.8
..	6.5	8.6	15.4	25.6	5.7	11.5	8.6	16.1	13.9	8.5	6.8	11.3	4.5	7.1
..	3.3	7.7	6.2	9.9	10.4	6.0	1.6	3.1	7.9	4.7	13.6	8.9	8.0	23.9
..	6.8	3.6	7.6	2.5	17.0	8.8	8.8	8.4	2.2	9.2	26.0	17.5	24.6	32.9
..	4.0	1.1	1.7	1.6	11.4	4.4	1.8	2.2	0.2	3.1	12.7	11.7	13.7	11.9
..	1.1	0.6	4.2	0.2	4.4	2.6	1.6	3.9	0.6	4.4	6.1	1.4	4.9	10.5
..	1.7	1.9	1.7	0.7	1.2	1.8	5.4	2.3	1.3	1.7	7.3	4.5	6.1	10.6
..	2.9	4.2	4.5	2.1	6.6	2.7	11.3	6.7	5.6	5.3	9.7	7.4	10.8	9.5
..	2.5	2.6	3.9	1.6	4.7	2.1	6.5	5.2	1.0	3.0	6.4	3.1	8.6	5.4
..	0.1	0.4	0.1	0.4	1.6	0.2	3.5	1.0	4.1	1.9	2.5	1.7	1.9	3.6
..	0.4	1.2	0.6	0.1	0.3	0.4	1.3	0.5	0.6	0.4	0.9	2.6	0.3	0.5
..	5.0	5.1	9.2	8.4	8.7	5.5	20.0	2.5	14.8	8.5	4.7	7.8	3.7	4.1
..	3.5	8.7	3.6	1.6	0.6	3.7	3.9	0.4	13.8	5.2	15.2	14.9	25.2	1.9
..	8.2	-	1.5	3.5	11.3	9.3	3.9	3.2	12.3	22.9	0.8	-	1.9	-
..	3.4	13.2	23.8	0.7	6.3	21.7	16.6	14.0	13.2	8.4	1.7	8.4	-	-
..	7.2	8.1	6.8	5.4	5.5	5.6	3.0	11.5	4.0	5.1	1.4	7.0	-	-
..	38.3	9.8	1.7	1.4	4.5	11.9	11.2	13.2	-	4.7	0.1	0.4	-	-
..	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
..	1.6	1.8	1.3	-	1.0	1.1	2.5	2.3	11.9	4.3	1.1	5.2	-	-

Table 20

Financial Terms of ODA Commitments^a
2002-2003 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
	1992-1993	2002-2003	Bilateral ODA	Total ODA			
Australia	100.0	100.0	100.0	100.0	-	100.0	100.0
Austria	88.0	100.0	99.9	100.0	68.2	100.0	99.9
Belgium	99.3	99.2	98.6	98.9	72.6	99.8	99.7
Canada	99.3	99.9	99.1	99.3	89.4	100.0	100.0
Denmark	100.0	100.0	97.0	98.3	-	100.0	100.0
Finland	97.4	100.0	97.2	98.4	-	100.0	100.0
France	88.8	95.2	84.5	88.3	48.4	99.3	99.3
Germany	93.3	97.4	87.1	92.5	65.6	100.0	100.0
Greece	..	100.0	100.0	100.0	-	100.0	100.0
Ireland	100.0	100.0	100.0	100.0	-	100.0	100.0
Italy	92.8	98.7	71.3	91.1	82.2	99.9	99.9
Japan	78.4	87.3	46.8	56.3	71.0	99.2	99.0
Luxembourg	100.0	100.0	100.0	100.0	-	100.0	100.0
Netherlands	99.5	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	99.5	100.0	98.0	98.6	-	100.0	100.0
Portugal	98.4	99.7	99.2	99.6	51.3	100.0	100.0
Spain	82.3	92.8	63.3	78.0	70.2	91.5	89.8
Sweden	100.0	99.8	98.8	99.1	54.2	99.7	99.7
Switzerland	100.0	100.0	97.4	98.1	-	100.0	100.0
United Kingdom	100.0	100.0	90.1	93.7	-	100.0	100.0
United States	99.1	99.9	99.4	99.5	65.5	100.0	100.0
TOTAL DAC	91.7	97.0	86.1	89.7	68.9	99.7	99.7

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 the United States in 2003.

c) Including imputed multilateral grant element. See note a) to Table 31.

Table 21

DAC Members' Compliance in 2002 and 2003 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) 3 years average		
	2002	2003	2002	2003	2002 Norm: 0.18%	2003 Norm: 0.20%	Annually for all LDCs Norm: 90%	for each LDC Norm: 86%	
					2002	2003	2002	2003	2001-2003 ^d
Australia	919	1 238	100.0	100.0	0.24	0.25	100.0	100.0	c
Austria	441	562	100.0	100.0	0.22	0.22	99.9	100.0	c
Belgium	565	1 008	98.9	99.5	0.23	0.33	99.2	99.9	c
Canada	1 973	2 463	99.9	100.0	0.27	0.29	100.0	100.0	c
Denmark	1 416	1 558	100.0	100.0	0.83	0.75	100.0	100.0	c
Finland	533	659	100.0	100.0	0.41	0.41	100.0	100.0	c
France	5 167	6 931	95.3	95.1	0.36	0.39	100.0	99.0	c
Germany	5 906	7 195	97.5	97.2	0.30	0.30	100.0	100.0	c
Greece ^c	276	362	100.0	100.0	0.21	0.21	100.0	100.0	c
Ireland ^c	398	504	100.0	100.0	0.40	0.39	100.0	100.0	c
Italy	2 037	3 056	97.8	99.4	0.17	0.21	99.7	100.0	c
Japan	9 889	11 009	87.1	87.5	0.24	0.25	100.0	97.9	c
Luxembourg ^c	141	194	100.0	100.0	0.74	0.81	100.0	100.0	c
Netherlands ^c	4 653	3 969	100.0	100.0	1.13	0.79	100.0	100.0	c
New Zealand	129	185	100.0	100.0	0.24	0.25	100.0	100.0	c
Norway	1 639	2 204	100.0	100.0	0.86	0.99	100.0	100.0	c
Portugal ^c	311	315	99.4	100.0	0.26	0.22	100.0	100.0	c
Spain ^c	1 748	2 058	93.8	92.0	0.27	0.25	95.4	84.8	n
Sweden	1 669	2 223	99.8	99.9	0.69	0.74	99.6	99.7	c
Switzerland	875	1 358	100.0	100.0	0.29	0.40	100.0	100.0	c
United Kingdom ^c	4 466	6 361	100.0	100.0	0.28	0.35	100.0	100.0	c
United States	14 275	19 951	99.7	100.0	0.14	0.18	99.9	100.0	c
TOTAL DAC	59 425	75 363	96.8	97.2	0.24	0.27	100.0	99.6	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 significantly below the DAC average are not considered as having met the terms target. This provision disqualified the United States in 2003.

c) Gross disbursements.

d) c = compliance, n = non-compliance.

Table 22

Other Terms Parameters^a

Commitments

	Grant share of total ODA (per cent)		Bilateral ODA loans								
			Grant element (per cent)		Average maturity (years)		Average grace period (years)		Average interest rate (per cent)		
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	
Australia	100.0	100.0	-	-	-	-	-	-	-	-	-
Austria	99.9	100.0	68.2	..	23.0	..	4.0	..	0.0	..	
Belgium	97.7	99.6	65.1	78.1	21.9	29.8	6.5	10.8	0.0	0.7	
Canada	99.1	99.6	89.0	90.1	37.8	38.3	13.0	14.0	0.0	0.0	
Denmark	98.1	98.5	-	-	-	-	-	-	-	-	
Finland	97.9	98.8	-	-	-	-	-	-	-	-	
France	87.2	89.0	48.0	45.4	14.7	17.1	5.8	5.7	1.9	2.7	
Germany	93.1	91.9	66.4	64.9	38.0	34.5	6.0	6.9	1.6	1.4	
Greece	100.0	100.0	-	-	-	-	-	-	-	-	
Ireland	100.0	100.0	-	-	-	-	-	-	-	-	
Italy	96.2	87.7	72.9	90.7	24.4	38.1	9.3	19.8	0.4	0.2	
Japan	55.3	57.1	70.9	70.9	33.6	33.1	9.7	9.8	1.5	1.5	
Luxembourg	100.0	100.0	-	-	-	-	-	-	-	-	
Netherlands	100.0	100.0	-	-	-	-	-	-	-	-	
New Zealand	100.0	100.0	-	-	-	-	-	-	-	-	
Norway	99.1	98.2	-	-	-	-	-	-	-	-	
Portugal	99.3	99.8	51.3	..	20.1	..	10.1	..	3.3	..	
Spain	78.1	78.0	71.5	69.3	26.1	27.2	9.5	10.2	0.8	1.3	
Sweden	99.5	98.7	55.7	51.8	13.7	13.0	5.5	3.0	0.4	0.0	
Switzerland	98.8	97.6	-	-	-	-	-	-	-	-	
United Kingdom	94.9	92.8	-	-	-	-	-	-	-	-	
United States	99.2	99.7	65.5	..	27.6	..	5.0	..	1.0	..	
TOTAL DAC	89.2	90.0	68.7	68.0	31.5	31.1	9.0	9.4	1.4	1.6	

a) Excluding debt reorganisation. Equities are treated as having 100% grant element, but are not treated as loans.

Table 23

Tying Status of ODA by Individual DAC Members, 2003

Commitments (excluding technical co-operation and administrative costs)

Per cent

	Bilateral ODA				Memo: Reporting Rate ^b
	Untied	Partially Untied	Tied	Total	
Australia	67.2	-	32.8	100.0	100.0
Austria	51.4	-	48.6	100.0	100.0
Belgium	99.1	-	0.9	100.0	99.4
Canada	52.6	0.0	47.4	100.0	98.1
Denmark	71.5	-	28.5	100.0	100.0
Finland	85.8	-	14.2	100.0	100.0
France	93.1	3.9	3.1	100.0	100.0
Germany	94.6	-	5.4	100.0	100.0
Greece (a)	93.8	1.2	5.0	100.0	100.0
Ireland (a)	100.0	-	-	100.0	100.0
Italy	..	..	..	..	Not reported
Japan	96.1	0.5	3.4	100.0	100.0
Luxembourg	..	..	..	..	Not reported
Netherlands	..	..	..	..	Not reported
New Zealand	81.4	-	18.6	100.0	100.0
Norway	99.9	-	0.1	100.0	100.0
Portugal (a)	93.7	-	6.3	100.0	100.0
Spain (a)	55.8	0.2	44.0	100.0	100.0
Sweden	93.6	6.4	-	100.0	100.0
Switzerland	96.4	-	3.6	100.0	100.0
United Kingdom (a)	100.0	-	-	100.0	67.2
United States	..	..	..	..	Not reported
TOTAL DAC	(92.0)	(1.2)	(6.8)	100.0	(64.9)

a) Gross disbursements.

b) Reporting rate is the percentage of bilateral ODA covered by tying status reporting (excluding technical co-operation and administrative costs).

Table 24

Tying Status of ODA by Individual DAC Members, 2003

Commitments (excluding technical co-operation
and administrative costs)

USD million

	Bilateral ODA				Memo: Technical Co-operation
	Untied	Partially Untied	Tied	Total	
Australia	221	-	108	330	767
Austria	68	-	65	133	123
Belgium	1 152	-	10	1 162	343
Canada	551	0	497	1 049	604
Denmark	464	-	185	650	96
Finland	192	-	32	224	139
France	4 666	193	153	5 013	1 934
Germany	2 868	-	163	3 031	2 368
Greece (a)	90	1	5	96	117
Ireland (a)	316	-	-	316	11
Italy	..	..	..	..	169
Japan	12 145	59	430	12 634	1 891
Luxembourg	..	..	..	..	3
Netherlands	..	..	..	..	698
New Zealand	66	-	15	81	52
Norway	1 303	-	2	1 304	242
Portugal (a)	30	-	2	32	142
Spain (a)	568	2	447	1 017	313
Sweden	1 694	117	-	1 811	70
Switzerland	642	-	24	666	225
United Kingdom (a)	1 729	-	-	1 729	993
United States	..	..	..	..	7 751
TOTAL DAC	(28 766)	(372)	(2 139)	(31 277)	19 051

a) Gross disbursements.

	Net ODA Receipts (USD million)					GNI/CAP (d)	Population	Current GNI	ODA/GNI
	1999	2000	2001	2002	2003	2002 USD	2002 million	2002 USD million	2002 per cent
<i>AFRICA</i>									
<i>NORTH OF SAHARA</i>									
Algeria	138	201	224	329	232	1 720	31.32	53 684	0.61
Egypt	1 582	1 328	1 257	1 239	894	1 470	66.37	89 954	1.38
Libya (b)	7	-	-	-	-	..	..	..	-
Morocco	679	419	519	487	523	1 170	29.64	35 355	1.38
Tunisia	253	223	378	265	306	1 990	9.78	20 028	1.32
North of Sahara Unall.	64	36	19	29	112				
North of Sahara, Total	2 723	2 207	2 395	2 349	2 067	..	137.11	(199 021)	(1.18)
<i>SOUTH OF SAHARA</i>									
Angola	388	307	289	421	499	680	13.12	9 308	4.53
Benin	211	239	274	216	294	380	6.55	2 670	8.10
Botswana	61	31	29	38	30	2 990	1.71	5 012	0.75
Burkina Faso	398	336	392	473	451	250	11.83	3 196	14.79
Burundi	74	93	137	172	224	100	7.07	712	24.19
Cameroon	435	380	487	609	884	570	15.77	9 223	6.60
Cape Verde	137	94	77	92	144	1 280	0.46	632	14.59
Central African Rep.	118	75	67	60	50	250	3.82	1 039	5.75
Chad	188	131	187	229	247	220	8.34	1 971	11.62
Comoros	21	19	27	32	24	380	0.59	248	13.11
Congo, Dem. Rep.	132	184	263	1 169	5 381	90	51.58	5 501	21.25
Congo, Rep.	142	33	75	57	70	610	3.66	2 198	2.61
Côte d'Ivoire	448	352	170	1 069	252	620	16.51	11 150	9.59
Djibouti	75	71	58	78	78	850	0.69	602	12.91
Equatorial Guinea	20	21	13	20	21	..	0.48	..	..
Eritrea	149	176	281	230	307	190	4.30	748	30.82
Ethiopia	643	693	1 116	1 307	1 504	100	67.22	6 020	21.71
Gabon	48	12	9	72	- 11	3 060	1.32	4 167	1.73
Gambia	34	49	54	61	60	310	1.39	396	15.28
Ghana	609	600	644	650	907	280	19.91	6 030	10.77
Guinea	238	153	282	250	238	410	7.74	3 154	7.91
Guinea-Bissau	52	80	59	59	145	150	1.45	195	30.49
Kenya	310	512	463	394	483	300	31.35	12 209	3.22
Lesotho	31	37	56	76	79	470	1.78	876	8.73
Liberia	94	68	39	52	107	140	3.30	477	11.00
Madagascar	359	322	374	373	539	230	16.44	4 332	8.60
Malawi	447	446	404	377	498	160	10.74	1 864	20.23
Mali	355	360	354	467	528	240	11.37	3 103	15.04
Mauritania	219	212	268	345	243	430	2.63	1 127	30.64
Mauritius	42	20	22	24	- 15	3 860	1.21	4 550	0.53
Mayotte	112	103	120	125	166	..	0.16	..	..
Mozambique	805	877	933	2 054	1 033	200	18.44	3 408	60.26
Namibia	179	153	110	135	146	1 830	1.99	3 015	4.48
Niger	187	211	257	298	453	180	11.43	2 157	13.84
Nigeria	152	185	185	314	318	280	132.79	36 919	0.85
Rwanda	373	322	299	355	332	230	8.16	1 732	20.50
Sao Tome & Principe	28	35	38	26	38	300	0.15	46	56.01
Senegal	535	423	413	445	450	460	10.01	4 852	9.17
Seychelles	13	18	14	8	9	6 910	0.08	630	1.25
Sierra Leone	74	182	345	353	297	140	5.24	752	47.00
Somalia	115	104	150	194	175	..	9.32	..	..
South Africa	541	488	428	505	625	2 630	45.35	103 598	0.49
St. Helena	14	19	15	14	18	..	0.01	..	..
Sudan	243	225	185	351	621	400	32.79	14 165	2.48
Swaziland	29	13	29	22	27	1 240	1.09	1 235	1.82
Tanzania	990	1 022	1 271	1 233	1 669	280	35.18	9 324	13.22
Togo	71	70	44	51	45	270	4.76	1 354	3.77
Uganda	590	819	793	638	959	240	24.60	5 684	11.23
Zambia	624	795	349	641	560	340	10.24	3 542	18.09
Zimbabwe	245	178	164	201	186	..	13.00	..	..
South of Sahara Unall.	327	345	703	969	1 362				
South of Sahara, Total	12 723	12 693	13 812	18 405	23 750	..	689.12	(295 125)	(6.24)
Africa Unspecified	628	817	474	498	492				
AFRICA, TOTAL	16 074	15 717	16 681	21 251	26 308	..	826.23	(494 145)	(4.30)

Table 25

ODA Receipts^a and Selected Indicators for Developing Countries and Territories

	Net ODA Receipts (USD million)					GNI/CAP (d) 2002 USD	Population 2002 million	Current GNI 2002 USD million	ODA/GNI 2002 per cent
	1999	2000	2001	2002	2003				
<i>AMERICA</i>									
<i>NORTH AND CENTRAL AMERICA</i>									
Anguilla	2	4	4	1	4	..	0.01	..	..
Antigua and Barbuda	11	10	9	14	5	8 770	0.08	686	2.03
Aruba (b)	- 7	-	-	-	-	..	..	..	-
Barbados	- 2	0	- 1	3	20	8 790	0.27	2 430	0.14
Belize	46	15	22	22	12	3 190	0.25	828	2.68
Costa Rica	- 8	12	2	5	28	4 070	3.94	16 305	0.03
Cuba	59	44	54	61	70	..	11.26	..	..
Dominica	10	15	20	30	11	3 190	0.07	232	12.90
Dominican Republic	195	62	108	145	69	2 310	8.61	20 076	0.72
El Salvador	184	180	238	233	192	2 080	6.42	13 997	1.67
Grenada	10	17	12	10	12	3 480	0.10	375	2.59
Guatemala	293	264	227	249	247	1 750	11.99	22 975	1.08
Haiti	263	208	171	156	200	430	8.29	3 302	4.72
Honduras	818	450	679	435	389	920	6.80	6 413	6.78
Jamaica	- 22	10	54	24	3	2 700	2.62	7 274	0.33
Mexico	37	- 54	75	136	103	5 940	100.82	636 101	0.02
Montserrat	41	31	33	44	36	..	0.01	..	..
Netherlands Antilles (b)	127	-	-	-	-	..	..	..	-
Nicaragua	673	562	931	517	833	720	5.34	3 810	13.58
Panama	15	17	28	22	30	4 020	2.94	12 079	0.18
St. Kitts-Nevis	5	4	11	28	- 0	6 440	0.05	308	9.23
St. Lucia	26	11	16	34	15	3 890	0.16	633	5.29
St. Vincent and Grenadines	16	6	9	5	6	3 080	0.11	346	1.38
Trinidad & Tobago	26	- 2	- 2	- 7	- 2	6 600	1.30	8 929	-0.08
Turks & Caicos Islands	7	7	7	4	2	..	0.02	..	..
Virgin Islands (b)	3	-	-	-	-	..	..	..	-
West Indies Unall.	24	119	121	43	47	..	..	..	..
N. & C. America Unall.	257	229	122	126	191	..	..	..	..
North & Central America, Total	3 108	2 219	2 945	2 340	2 524	..	171.46	(757 099)	(0.31)
<i>SOUTH AMERICA</i>									
Argentina	100	76	151	83	109	4 220	36.48	95 544	0.09
Bolivia	569	475	735	681	930	910	8.81	7 596	8.97
Brazil	187	322	349	330	296	2 860	174.48	443 005	0.07
Chile	70	49	58	- 8	76	4 350	15.59	64 874	-0.01
Colombia	302	187	381	441	802	1 810	43.73	77 779	0.57
Ecuador	149	147	173	216	176	1 490	12.82	22 686	0.95
Guyana	79	107	97	65	87	860	0.77	670	9.68
Paraguay	78	82	61	57	51	1 180	5.51	5 610	1.01
Peru	451	401	453	496	500	2 020	26.75	55 008	0.90
Suriname	36	34	23	12	11	1 990	0.43	909	1.28
Uruguay	22	17	15	13	17	4 350	3.36	12 155	0.11
Venezuela	44	77	45	57	82	4 090	25.09	91 686	0.06
South America Unall.	113	379	87	44	85	..	..	..	..
South America, Total	2 202	2 354	2 629	2 487	3 222	..	353.82	(877 520)	(0.28)
America Unspecified	736	393	429	314	387	..	..	..	..
AMERICA, TOTAL	6 046	4 966	6 004	5 141	6 133	..	525.28	(1 634 620)	(0.31)

	Net ODA Receipts (USD million)					GNI/CAP (d)	Population	Current GNI	ODA/GNI
	1999	2000	2001	2002	2003					2002 USD	2002 million	2002 USD million	2002 per cent
ASIA									
<i>MIDDLE EAST</i>									
Bahrain	4	49	18	71	38	11 260	0.70	7 242	0.97
Iran	162	130	117	116	133	1 790	65.54	114 516	0.10
Iraq	76	101	122	116	2 265	..	24.17	..	..
Jordan	432	552	433	520	1 234	1 760	5.17	9 304	5.59
Lebanon	194	200	243	453	228	3 900	4.44	17 995	2.52
Oman	40	46	2	41	45	7 830	2.54	19 790	0.21
Palestinian Adm. Areas	516	637	870	1 616	972	1 110	3.23	3 768	42.90
Saudi Arabia	29	31	27	27	22	8 530	21.89	188 574	0.01
Syria	228	158	155	81	160	1 090	16.99	19 024	0.43
Yemen	458	265	461	584	243	490	18.60	9 218	6.33
Middle East Unall.	245	168	39	80	173	..	..	..	..
Middle East, Total	2 384	2 337	2 486	3 704	5 512	..	163.27	(389 432)	(0.95)
<i>SOUTH AND CENTRAL ASIA</i>									
Afghanistan	143	141	408	1 285	1 533	..	28.00	..	..
Armenia	209	216	198	293	247	810	3.07	2 455	11.95
Azerbaijan	169	139	232	349	297	720	8.17	5 851	5.97
Bangladesh	1 215	1 171	1 030	913	1 393	380	135.68	49 746	1.83
Bhutan	67	53	61	73	77	600	0.85	535	13.72
Georgia	245	169	300	313	220	720	5.18	3 339	9.36
India	1 491	1 485	1 724	1 463	942	470	1 048.64	506 206	0.29
Kazakhstan	175	189	148	188	268	1 520	14.85	23 604	0.80
Kyrgyz Rep.	283	215	189	186	198	290	5.00	1 543	12.05
Maldives	31	19	25	27	18	2 140	0.29	603	4.55
Myanmar	81	107	127	121	126	..	48.79	..	..
Nepal	351	390	394	365	467	230	24.13	5 486	6.66
Pakistan	733	703	1 948	2 138	1 068	420	144.90	59 757	3.58
Sri Lanka	263	276	313	344	672	850	19.01	16 316	2.11
Tajikistan	123	125	170	168	144	170	6.27	1 136	14.82
Turkmenistan	24	32	72	41	27	870	4.79	4 543	0.89
Uzbekistan	155	186	153	189	194	460	25.27	9 543	1.98
South Asia Unall.	229	139	46	121	320	..	..	..	..
South and Central Asia, Total	5 987	5 756	7 539	8 579	8 212	..	1 522.89	(690 664)	(1.24)
<i>FAR EAST ASIA</i>									
Cambodia	277	398	420	487	508	290	13.17	3 836	12.69
China	2 394	1 732	1 476	1 475	1 325	960	1 280.40	1251 107	0.12
Indonesia	2 125	1 658	1 471	1 308	1 743	710	211.72	164 554	0.79
Korea (b)	- 55	-	-	-	-	..	..	..	-
Korea, Dem.Rep.	201	75	120	267	167	..	22.49	..	..
Laos	295	282	245	278	299	310	5.53	1 716	16.22
Macao (b)	0	-	-	-	-	..	..	..	-
Malaysia	144	45	27	86	109	3 550	24.31	88 448	0.10
Mongolia	222	217	212	208	247	430	2.45	1 120	18.62
Philippines	690	578	574	552	737	1 030	79.94	83 138	0.66
Thailand	1 014	698	281	295	- 966	2 000	61.61	124 822	0.24
Timor-Leste	153	233	195	220	151	440	0.78	377	58.29
Viet Nam	1 429	1 682	1 450	1 277	1 769	430	80.42	35 086	3.64
Far East Asia Unall.	104	104	29	48	104	..	..	..	..
Far East Asia, Total	8 994	7 702	6 499	6 501	6 192	..	1 782.82	(1 754 203)	(0.37)
Asia Unspecified	199	249	327	328	261	..	..	..	..
ASIA, TOTAL	17 564	16 043	16 851	19 112	20 178	..	3 468.98	(2 834 300)	(0.67)

Table 25

ODA Receipts^a and Selected Indicators for Developing Countries and Territories
(continued)

	Net ODA Receipts (USD million)					GNI/CAP (d) 2002 USD	Population 2002 million	Current GNI 2002 USD million	ODA/GNI 2002 per cent
	1999	2000	2001	2002	2003				
EUROPE									
Albania	488	319	270	309	342	1 420	3.15	4 963	6.23
Bosnia and Herzegovina	1 040	737	639	563	539	1 310	4.11	5 847	9.64
Croatia	48	66	113	131	121	4 620	4.47	22 264	0.59
Gibraltar (b)	0	-	-	-	-	..	..	..	-
Macedonia/FYROM	277	252	248	276	234	1 710	2.04	3 760	7.33
Malta (c)	25	21	2	11	-	9 260	0.40	3 885	0.29
Moldova	107	123	122	142	117	470	4.26	1 813	7.82
Serbia & Montenegro	676	1 135	1 308	1 931	1 317	1 400	8.16	15 570	12.40
Slovenia (c)	31	61	126	53	-	10 200	1.96	21 797	0.24
Turkey	11	327	169	411	166	2 510	69.63	182 204	0.23
States Ex-Yugoslavia Unsp.	438	306	139	837	118				
Europe Unallocated	563	390	220	379	503				
EUROPE, TOTAL	3 705	3 736	3 355	5 042	3 456	..	98.18	(262 103)	(1.92)
OCEANIA									
Cook Islands	6	4	5	4	6	..	0.02	..	..
Fiji	35	29	26	34	51	2 080	0.82	1 777	1.92
French Polynesia (b)	352	-	-	-	-	..	..	..	-
Kiribati	21	18	12	21	18	890	0.10	91	22.87
Marshall Islands	63	57	74	62	56	2 380	0.05	129	48.43
Micronesia, Fed. States	108	102	138	112	115	1 970	0.12	245	45.58
Nauru	7	4	7	12	16	..	0.01	..	..
New Caledonia (b)	315	-	-	-	-	..	..	..	-
Niue	4	3	3	4	9	..	..	..	..
Northern Marianas (b)	0	-	-	-	-	..	..	..	-
Palau	29	39	34	31	26	7 090	0.02	148	21.16
Papua New Guinea	216	275	203	203	221	520	5.38	2 661	7.64
Samoa	23	27	43	37	33	1 420	0.18	260	14.34
Solomon Islands	40	68	59	26	60	560	0.44	241	10.91
Tokelau	5	4	4	5	6	..	..	..	..
Tonga	21	19	20	22	27	1 400	0.10	135	16.45
Tuvalu	7	4	10	12	6	..	0.01	..	..
Vanuatu	37	46	32	28	32	1 080	0.21	231	11.89
Wallis & Futuna	50	52	50	53	56	..	0.02	..	..
Oceania Unallocated	89	65	60	43	74				
OCEANIA, TOTAL	1 426	817	781	709	813	..	7.48	(5 919)	(11.97)
Developing countries unspecified	7 862	9 048	8 481	9 225	13 198				
Developing countries, TOTAL	52 677	50 327	52 153	60 479	70 087	..	4 926.15	(5 231 086)	(1.16)
By Income Group (e)									
LDCs	12 479	12 682	13 838	17 832	23 457	..	688.26	(170 831)	(10.44)
Other LICs	10 722	10 070	11 611	12 316	11 508	..	1 811.55	(876 603)	(1.40)
LMICs	15 846	13 714	13 905	16 087	16 161	..	1 996.32	(2 413 808)	(0.67)
UMICs	1 389	1 250	1 496	1 862	1 614	..	426.96	(1 736 919)	(0.11)
HICs	4	49	18	71	38	..	0.70	(7 242)	(0.97)
Part I unallocated	11 440	12 479	11 158	12 247	17 309				
MADCTs	797	82	127	64	-	..	2.36	(25 682)	(0.25)

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) These countries transferred to Part II of the DAC List of Aid Recipients on 1 January 2000; as of 2000 aid to these countries is counted as OA (see Table 41 for OA receipts and indicators).

c) These countries transferred to Part II of the DAC List of Aid Recipients on 1 January 2003; as of 2003 aid to these countries is counted as OA (see Table 41 for OA receipts and indicators).

d) World Bank Atlas basis.

Definition of country categories:

e) *Least developed countries* (LDCs) are the 50 countries in the United Nations list. For details on other income groups see the DAC List of Aid Recipients at the end of this volume. *More advanced developing countries and territories* (MADCTs) comprise countries which transferred to Part II of the DAC List of Aid Recipients in 2000 and 2003, as per notes b) and c) above.

Source: World Bank, Secretariat estimates. Group totals and averages are calculated on available data only.

Table 26

Distribution of ODA by Income Group^a

Net disbursements as per cent of total ODA

	ODA to LDCs		ODA to Other LICs		ODA to LMICs		ODA to UMICs		ODA to HICs	
	1992-1993	2002-2003	1992-1993	2002-2003	1992-1993	2002-2003	1992-1993	2002-2003	1992-1993	2002-2003
Australia	23.6	30.9	49.5	46.7	23.0	19.3	3.8	3.1	-	0.0
Austria	91.8	40.4	28.0	12.6	- 5.7	43.8	- 14.1	3.2	-	-
Belgium	51.5	67.3	17.0	11.8	26.7	18.1	4.8	2.8	0.0	0.0
Canada	45.1	47.7	22.9	15.9	28.3	31.2	3.6	5.1	0.0	0.0
Denmark	57.0	54.3	22.9	20.4	18.0	21.5	2.1	3.8	0.0	0.0
Finland	44.3	47.8	22.9	19.5	27.5	30.1	5.2	2.6	0.0	-
France	37.7	46.3	29.9	19.5	26.5	27.9	5.8	6.3	0.0	0.0
Germany	32.4	40.8	21.3	20.8	42.1	33.3	4.2	5.2	0.0	0.0
Greece	..	20.4	..	9.3	..	66.6	..	3.8	..	0.0
Ireland	67.3	69.6	15.0	9.4	16.3	18.6	1.3	2.5	0.0	0.0
Italy	35.8	63.5	13.6	10.1	43.6	23.0	6.9	3.4	0.0	0.0
Japan	21.8	26.2	31.9	41.2	41.7	27.8	4.6	4.8	0.0	0.0
Luxembourg	48.8	45.7	14.7	17.0	29.6	33.2	6.8	4.1	0.0	-
Netherlands	43.2	51.2	21.8	21.6	30.8	24.6	4.2	2.6	0.0	0.0
New Zealand	32.0	38.6	15.8	21.1	38.7	34.1	13.5	6.2	-	-
Norway	58.5	53.4	18.3	14.7	18.9	28.1	4.2	3.8	0.0	0.0
Portugal	95.6	72.8	1.6	9.4	2.4	15.8	0.4	2.0	0.0	-
Spain	14.6	25.0	8.5	13.0	49.0	54.8	27.8	7.2	0.0	0.0
Sweden	46.5	52.6	23.5	20.0	25.9	25.0	4.1	2.5	0.0	0.0
Switzerland	48.2	43.8	24.2	24.2	25.4	29.7	2.2	2.3	0.0	0.0
United Kingdom	43.4	42.3	27.6	27.3	22.7	26.3	6.3	4.1	0.0	0.0
United States	36.3	35.6	17.9	17.8	47.0	44.4	- 1.1	2.2	0.0	0.0
TOTAL DAC	35.1	41.1	24.3	22.8	36.2	32.1	4.4	3.9	0.0	0.0
<i>of which:</i>										
EU Members	38.7	47.1	22.5	19.5	32.7	28.9	6.0	4.5	0.0	0.0

a) Including imputed multilateral ODA. Excluding amounts unspecified by region.

	Sub-Saharan Africa			South and Central Asia			Other Asia and Oceania		
	1992-1993	1997-1998	2002-2003	1992-1993	1997-1998	2002-2003	1992-1993	1997-1998	2002-2003
Australia	8.8	6.2	4.3	6.2	6.9	7.5	84.0	84.3	81.7
Austria	17.0	28.3	34.4	2.7	5.5	10.2	14.5	8.8	3.5
Belgium	57.5	63.6	80.1	4.0	1.8	1.9	13.2	9.6	3.9
Canada	34.5	34.0	41.5	16.2	18.5	15.9	17.3	16.7	11.4
Denmark	62.8	55.5	50.6	16.8	16.4	16.7	7.2	12.3	13.9
Finland	43.1	41.8	44.7	10.9	11.7	14.4	13.7	22.4	12.4
France	55.0	51.3	59.1	3.1	2.1	7.2	19.2	21.4	9.0
Germany	24.7	25.2	34.5	11.9	12.3	12.5	15.7	24.5	14.4
Greece	..	3.9	1.4	..	11.1	10.1	..	0.5	0.3
Ireland	85.0	86.6	84.4	2.7	2.9	4.4	3.5	2.7	2.3
Italy	39.7	54.6	68.2	2.2	0.9	3.9	14.4	3.7	4.0
Japan	9.4	10.2	7.4	13.5	21.7	23.9	54.3	51.4	52.4
Luxembourg	53.6	48.8	44.6	7.6	7.3	5.9	4.0	11.3	14.4
Netherlands	37.6	36.2	48.5	15.8	15.3	16.1	6.2	5.6	10.6
New Zealand	2.1	5.0	9.1	0.9	3.2	6.0	96.0	89.6	75.8
Norway	61.8	51.7	45.8	17.7	12.8	16.8	6.5	7.5	5.2
Portugal	99.7	98.3	60.2	-	0.1	0.5	0.1	0.4	34.1
Spain	10.6	24.5	16.1	0.0	2.1	3.9	22.1	10.2	9.9
Sweden	49.6	48.5	50.8	11.5	10.6	11.8	12.6	12.9	9.4
Switzerland	41.4	40.1	35.0	19.2	21.1	21.7	11.5	9.1	8.3
United Kingdom	45.4	43.3	43.4	24.4	21.6	29.2	13.2	8.6	5.6
United States	18.1	20.6	31.2	8.9	10.9	17.5	6.5	11.1	6.9
TOTAL DAC	28.5	29.5	34.5	10.2	13.4	16.2	24.5	27.1	18.8
<i>of which:</i>									
EU Members	40.8	41.8	48.4	8.5	9.2	12.3	15.3	16.2	9.7
EC	55.6	40.4	44.0	5.6	8.1	9.3	5.4	6.1	5.1
IFIs ^b	41.4	36.8	41.9	34.2	30.2	32.7	16.1	16.2	12.8
UN Agencies ^c	42.7	36.5	39.2	13.4	16.3	15.1	10.6	11.9	7.2
OVERALL TOTAL	33.1	32.2	36.8	13.3	16.2	18.5	21.1	22.3	16.1

a) Excluding amounts unspecified by region.

b) International financial institutions. Includes IDA, regional banks' soft windows, IFAD and IMF (PRGF).

c) Includes UNDP, UNICEF, UNRWA, WFP, UNHCR, UNFPA and UNTA.

Table 27

Regional Distribution of ODA by Individual DAC Donors and Multilateral Agencies^a

Per cent of total gross disbursements

Middle East and North Africa			Europe			Latin America and Caribbean			
1992-1993	1997-1998	2002-2003	1992-1993	1997-1998	2002-2003	1992-1993	1997-1998	2002-2003	
0.9	2.4	4.0	0.1	0.1	2.3	0.1	0.1	0.1	Australia
21.5	17.0	11.9	39.3	31.2	34.2	5.2	9.3	5.8	Austria
10.3	7.0	3.3	0.3	1.7	3.4	14.8	16.4	7.4	Belgium
7.9	5.4	6.6	1.4	2.7	8.6	22.6	22.8	16.0	Canada
6.0	5.3	4.4	0.0	0.9	4.0	7.1	9.6	10.5	Denmark
14.4	7.2	8.0	6.5	8.3	8.9	11.4	8.6	11.6	Finland
15.9	18.1	14.6	1.3	1.0	5.0	5.5	6.0	5.0	France
20.8	16.6	10.7	15.3	7.3	13.1	11.5	14.2	14.7	Germany
..	15.4	8.6	..	68.2	79.4	..	0.8	0.2	Greece
1.5	2.0	3.6	5.9	2.7	1.4	1.4	3.1	3.9	Ireland
18.8	11.2	11.9	10.1	9.5	5.3	14.9	20.0	6.6	Italy
13.7	6.0	4.9	0.5	1.4	2.0	8.6	9.3	9.4	Japan
5.5	10.3	9.5	7.5	3.7	8.4	21.9	18.7	17.2	Luxembourg
6.6	8.7	6.1	6.9	7.4	7.0	27.0	26.9	11.6	Netherlands
0.0	0.1	6.7	0.2	0.1	0.0	0.8	1.9	2.4	New Zealand
1.3	8.8	11.2	3.4	8.9	14.4	9.3	10.4	6.5	Norway
0.1	0.3	2.8	-	0.4	1.7	0.1	0.6	0.8	Portugal
18.5	17.2	13.5	0.2	2.1	10.2	48.6	43.8	46.3	Spain
3.5	7.3	5.3	11.0	8.1	10.1	11.9	12.5	12.7	Sweden
6.8	6.1	4.8	6.8	6.4	15.4	14.3	17.1	14.7	Switzerland
3.5	3.8	5.1	5.4	3.1	9.3	8.2	19.6	7.4	United Kingdom
40.9	26.9	22.0	2.0	10.2	7.5	23.6	20.2	14.9	United States
18.6	12.1	11.7	4.6	4.5	7.2	13.6	13.6	11.6	TOTAL DAC
									<i>of which:</i>
14.9	13.1	9.7	7.9	4.9	8.9	12.5	14.7	11.0	EU Members
11.8	21.1	15.9	12.9	11.7	17.5	8.7	12.7	8.3	EC
1.3	3.2	1.5	0.3	2.3	2.2	6.7	11.3	8.9	IFIs ^b
13.4	21.3	23.4	12.8	1.3	4.8	7.1	12.7	10.3	UN Agencies ^c
15.5	11.7	10.7	5.3	4.6	7.1	11.8	13.0	10.8	OVERALL TOTAL

	South of Sahara			South & Central Asia			Other Asia and Oceania		
	1992-1993	1997-1998	2002-2003	1992-1993	1997-1998	2002-2003	1992-1993	1997-1998	2002-2003
Australia	14.5	11.8	9.9	14.0	10.6	10.4	68.3	73.1	71.0
Austria	83.4	32.7	39.7	22.5	9.7	8.9	-28.4	9.6	5.2
Belgium	57.4	61.5	72.8	7.5	4.2	4.1	12.5	9.0	4.1
Canada	43.5	39.6	48.8	19.5	19.8	5.8	16.7	16.3	12.2
Denmark	57.3	52.1	52.8	17.8	17.0	12.7	8.9	11.6	11.1
Finland	48.0	41.4	45.5	15.8	15.3	16.1	15.2	17.8	9.8
France	54.4	47.3	58.1	5.8	3.9	4.8	19.2	22.5	8.2
Germany	34.4	34.3	44.1	12.8	10.9	12.1	14.4	21.8	8.9
Greece	..	13.4	17.5	..	10.7	10.3	..	3.0	2.4
Ireland	70.1	76.5	73.4	8.7	6.0	7.1	6.7	4.5	3.5
Italy	36.3	52.0	62.8	7.9	11.1	7.3	15.6	7.2	1.4
Japan	19.6	18.2	17.7	16.5	22.9	28.2	48.9	39.1	38.4
Luxembourg	51.8	46.1	43.4	10.2	8.9	7.5	6.1	11.3	13.0
Netherlands	42.0	39.5	49.4	15.9	15.2	15.2	6.3	4.9	10.2
New Zealand	7.7	10.1	13.6	4.4	6.5	8.4	84.8	78.2	66.7
Norway	56.6	49.6	46.9	18.5	14.9	18.0	9.0	8.8	6.2
Portugal	96.5	91.8	51.2	0.6	1.9	8.9	0.6	1.5	24.9
Spain	16.8	28.5	26.3	1.5	4.7	6.2	20.7	11.6	6.4
Sweden	48.7	46.2	50.8	14.1	14.6	14.8	12.8	13.0	8.7
Switzerland	43.9	43.5	39.2	19.6	21.3	21.8	11.7	10.2	8.5
United Kingdom	48.0	44.1	43.8	22.1	22.9	24.3	11.5	10.5	5.6
United States	28.6	31.4	35.9	13.7	12.8	14.4	8.6	9.9	7.4
TOTAL DAC	36.1	35.2	41.0	13.2	14.7	15.1	21.5	21.3	13.3
<i>of which:</i>									
EU Members	44.6	43.4	50.1	11.0	11.2	11.9	14.5	15.1	7.6

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.

Table 28

Regional Distribution of ODA by Individual DAC Donors^a

Per cent of total net disbursements

Middle East and North Africa			Europe			Latin America and Caribbean			
1992-1993	1997-1998	2002-2003	1992-1993	1997-1998	2002-2003	1992-1993	1997-1998	2002-2003	
1.5	2.8	4.5	0.7	-0.1	2.6	1.0	1.9	1.6	Australia
-102.5	15.8	12.4	106.3	21.7	26.9	18.7	10.6	7.0	Austria
9.0	8.3	5.5	1.3	1.8	5.8	12.2	15.2	7.8	Belgium
5.7	6.0	7.3	1.8	2.3	8.3	12.8	16.0	17.6	Canada
6.6	7.7	7.1	2.6	1.1	5.7	6.8	10.4	10.5	Denmark
6.7	9.7	9.5	5.9	5.9	9.1	8.5	10.0	10.0	Finland
14.2	19.2	14.7	1.9	1.7	8.5	4.5	5.3	5.8	France
14.5	15.4	10.6	13.0	3.7	12.8	10.9	13.9	11.6	Germany
..	17.2	11.3	..	45.1	54.4	..	10.6	4.2	Greece
4.2	4.8	6.1	6.6	3.0	4.2	3.7	5.2	5.7	Ireland
17.0	10.1	11.9	9.3	7.3	9.4	13.8	12.2	7.1	Italy
5.1	7.6	4.6	1.0	1.2	1.9	8.9	10.9	9.3	Japan
6.0	12.0	10.7	7.8	3.7	9.2	18.1	17.9	16.2	Luxembourg
6.8	9.6	7.3	6.8	6.9	7.6	22.2	23.9	10.3	Netherlands
0.8	1.5	7.0	0.6	0.5	0.6	1.6	3.3	3.7	New Zealand
3.7	9.9	10.7	4.0	6.6	11.1	8.3	10.3	7.2	Norway
0.9	1.9	6.1	0.8	1.1	5.7	0.7	1.9	3.2	Portugal
17.1	17.2	12.8	1.4	3.3	12.8	42.6	34.7	35.6	Spain
5.1	8.8	6.8	9.1	6.0	8.2	10.2	11.3	10.7	Sweden
7.2	6.7	5.6	5.4	4.7	12.3	12.1	13.6	12.6	Switzerland
5.2	5.5	8.1	5.5	3.5	10.3	7.6	13.5	7.8	United Kingdom
37.1	23.0	21.4	2.1	7.2	7.7	9.9	15.6	13.2	United States
14.2	12.3	11.8	4.6	3.8	8.3	10.3	12.6	10.6	TOTAL DAC
11.4	12.9	10.3	7.3	4.3	10.2	11.3	13.0	9.9	<i>of which:</i> EU Members

	USD million at 2002 prices and exchange rates						
	1987-1988 average	1992-1993 average	1999	2000	2001	2002	2003
DAC BILATERAL							
Australia	41	54	31	34	25	26	29
Austria	39	64	52	67	205	120	56
Belgium	343	214	151	206	249	356	834
Canada	407	331	226	173	182	357	399
Denmark	310	318	406	417	433	391	351
Finland	179	123	65	66	74	74	85
France	2 238	2 753	1 303	1 281	1 013	2 098	2 445
Germany	1 068	1 131	824	806	686	905	1 565
Greece	..	..	1	2	2	1	3
Ireland	21	25	92	117	139	191	202
Italy	1 453	577	235	282	206	804	563
Japan	841	820	857	806	811	582	503
Luxembourg	..	12	31	47	36	47	46
Netherlands	637	572	439	635	887	909	792
New Zealand	1	1	5	5	6	6	9
Norway	406	408	366	332	308	398	450
Portugal	..	210	131	124	124	96	92
Spain	20	91	154	102	95	163	127
Sweden	443	463	299	359	340	362	499
Switzerland	190	203	162	165	157	176	212
United Kingdom	723	688	779	1 177	1 236	965	1 292
United States	1 091	1 544	1 001	1 180	1 391	2 372	4 569
TOTAL DAC	10 450	10 602	7 611	8 383	8 604	11 399	15 122
MULTILATERAL ^a							
AiDF	433	634	405	285	399	587	415
EC	1 344	1 853	1 447	1 180	1 809	1 804	2 054
IBRD	0	-	-	-	-	-	-
IDA	1 846	2 021	1 653	1 914	2 419	2 600	2 295
IFAD	110	36	39	65	74	65	69
Nordic Dev. Fund	-	-	18	19	15	18	28
UNTA	61	67	92	108	75	106	102
UNICEF	162	290	146	166	189	169	171
UNDP	346	258	201	145	132	133	137
UNHCR	238	300	141	190	237	281	217
WFP	346	905	169	191	224	216	180
Other UN	154	126	61	108	177	188	128
Arab Agencies	35	5	25	1	88	89	36
Other Multilateral	230	236	22	74	- 50	403	- 303
TOTAL MULTILATERAL	5 304	6 731	4 418	4 445	5 787	6 658	5 527
Other Countries ^b	762	90	121	175	133	348	61
OVERALL TOTAL	16 516	17 423	12 149	13 003	14 523	18 405	20 711

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.

b) See Table 33 for the list of non-DAC countries for which data are available.

Table 29

Net Disbursements of ODA to Sub-Saharan Africa by Donor

	As percentage of donor's ODA						
	1987-1988 average	1992-1993 average	1999	2000	2001	2002	2003
DAC BILATERAL							
Australia	6.6	8.1	4.6	4.5	3.4	3.3	3.7
Austria	21.2	101.3	18.1	23.1	43.6	32.9	29.9
Belgium	68.0	46.3	37.3	40.7	46.2	50.0	69.8
Canada	26.5	21.7	19.2	15.5	15.2	23.8	34.4
Denmark	55.0	44.4	42.2	38.6	39.3	37.6	41.5
Finland	55.1	38.9	28.5	28.7	30.9	29.4	33.2
France	48.6	49.4	34.2	42.7	36.4	58.0	57.1
Germany	30.4	26.5	27.7	28.5	22.5	27.2	46.7
Greece	..	..	1.7	2.1	1.8	1.3	1.4
Ireland	64.3	66.5	60.7	67.2	68.2	71.3	70.1
Italy	58.7	29.3	54.7	69.3	43.1	79.8	65.3
Japan	13.2	11.3	9.5	9.9	11.4	8.7	8.4
Luxembourg	..	47.1	36.7	45.6	31.4	40.8	37.1
Netherlands	35.7	31.8	20.3	25.4	36.6	37.1	33.1
New Zealand	0.8	1.7	5.1	6.0	6.2	6.8	9.3
Norway	56.4	48.8	32.0	32.1	29.5	34.8	35.4
Portugal	..	99.6	63.0	61.9	61.4	51.8	61.9
Spain	11.4	10.0	18.6	12.7	7.6	16.3	13.7
Sweden	46.0	37.3	29.3	29.7	26.2	28.5	34.4
Switzerland	37.1	30.9	22.7	23.8	22.4	23.1	25.9
United Kingdom	40.1	36.6	34.9	41.5	43.9	27.5	37.4
United States	11.2	17.1	13.8	15.4	16.6	22.4	31.8
TOTAL DAC	28.5	26.8	21.2	23.4	23.7	28.0	34.0
MULTILATERAL ^a							
AfDF	98.8	96.0	92.6	95.2	91.8	95.4	97.3
EC	53.0	49.3	31.3	24.9	30.4	35.0	38.9
IBRD	50.0	-	-	-	-	-	-
IDA	43.0	44.8	38.4	45.9	46.9	48.1	49.6
IFAD	38.2	46.1	31.6	45.6	42.7	43.4	50.4
Nordic Dev. Fund	-	-	48.0	49.1	43.9	55.5	59.4
UNTA	17.3	23.9	22.5	23.8	17.6	22.7	22.9
UNICEF	35.1	38.8	27.2	28.9	30.3	29.8	30.7
UNDP	33.7	35.9	41.4	37.3	45.1	48.4	52.2
UNHCR	45.1	26.9	58.6	38.6	41.9	44.3	45.9
WFP	35.9	60.9	50.2	53.7	56.9	61.7	63.9
Other UN	16.1	11.6	10.1	10.8	13.7	14.3	12.2
Arab Agencies	43.4	2.2	69.9	2.2	58.2	63.8	92.0
Other Multilateral	30.5	16.2	1.5	6.8	-3.4	21.5	-26.0
TOTAL MULTILATERAL	41.9	41.8	32.6	32.3	34.2	39.2	37.4
Other Countries ^b	8.7	8.2	23.3	22.6	14.0	12.8	2.3
OVERALL TOTAL	28.4	30.7	24.3	25.8	26.8	30.5	33.4

Table 30

Net Disbursements of ODA to Sub-Saharan Africa by Recipient
 USD million at 2002 prices and exchange rates

	1987-1988 average	1992-1993 average	2000	2001	2002	2003
Angola	189	299	316	305	421	444
Benin	178	267	248	288	216	252
Botswana	186	119	31	30	38	28
Burkina Faso	342	424	348	413	473	381
Burundi	243	249	96	147	172	196
Cameroon	281	574	391	512	609	738
Cape Verde	104	113	97	82	92	122
Central African Rep.	226	163	74	69	60	42
Chad	277	221	135	198	229	212
Comoros	62	45	20	29	32	21
Congo, Dem. Rep.	737	216	191	278	1 169	4 665
Congo, Rep.	131	107	35	79	57	60
Côte d'Ivoire	382	694	362	184	1 069	216
Djibouti	116	114	71	61	78	68
Equatorial Guinea	64	53	23	14	20	17
Eritrea	0	35	183	296	230	276
Ethiopia	1 086	1 093	710	1 164	1 307	1 362
Gabon	108	77	13	9	72	- 8
Gambia	119	96	50	56	61	53
Ghana	591	598	597	676	650	795
Guinea	296	402	154	293	250	209
Guinea-Bissau	128	96	86	64	59	121
Kenya	832	860	512	486	394	430
Lesotho	135	142	39	59	76	68
Liberia	93	119	70	41	52	95
Madagascar	397	340	325	390	373	466
Malawi	401	523	453	425	377	439
Mali	483	381	371	371	467	455
Mauritania	263	241	215	281	345	211
Mauritius	73	36	21	23	24	- 12
Mayotte	46	71	109	129	125	136
Mozambique	1 023	1 271	916	991	2 054	898
Namibia	23	141	159	117	135	126
Niger	452	333	214	270	298	387
Nigeria	109	269	187	193	314	288
Rwanda	293	334	333	315	355	289
Sao Tome & Principe	25	50	37	41	26	32
Senegal	755	548	431	433	445	387
Seychelles	32	19	19	14	8	8
Sierra Leone	104	166	189	365	353	263
Somalia	615	834	110	159	194	153
South Africa	0	143	508	454	505	543
St. Helena	35	18	20	16	14	16
Sudan	1 124	481	232	197	351	545
Swaziland	52	57	12	31	22	23
Tanzania	1 135	1 101	1 020	1 327	1 233	1 450
Togo	192	148	71	46	51	38
Uganda	424	652	850	835	638	844
Zambia	544	918	817	367	641	474
Zimbabwe	346	629	174	171	201	165
South of Sahara Unall.	660	542	362	729	969	1 227
OVERALL TOTAL	16 516	17 423	13 003	14 523	18 405	20 711

Table 31

Aid from DAC Countries to Least Developed Countries^a

Net disbursements

	1992-1993			2002			2003		
	USD million	Per cent of donor's total	Per cent of donor's GNI	USD million	Per cent of donor's total	Per cent of donor's GNI	USD million	Per cent of donor's total	Per cent of donor's GNI
Australia	200	20	0.07	229	23	0.06	259	21	0.05
Austria	114	56	0.06	182	35	0.09	169	33	0.07
Belgium	292	35	0.14	374	35	0.15	1 088	59	0.35
Canada	664	27	0.12	351	17	0.05	634	31	0.07
Denmark	493	36	0.37	559	34	0.33	673	38	0.32
Finland	169	34	0.19	162	35	0.12	183	33	0.11
France	2 087	26	0.16	1 732	32	0.12	2 965	41	0.17
Germany	1 809	25	0.09	1 439	27	0.07	2 508	37	0.10
Greece	..	..	..	45	16	0.03	55	15	0.03
Ireland	30	39	0.07	219	55	0.22	266	53	0.21
Italy	946	26	0.09	1 094	47	0.09	1 104	45	0.08
Japan	2 022	18	0.05	1 821	20	0.04	1 922	22	0.04
Luxembourg	15	34	0.10	59	40	0.31	65	34	0.27
Netherlands	753	29	0.24	1 198	36	0.29	1 286	32	0.26
New Zealand	19	20	0.05	32	26	0.06	45	27	0.06
Norway	514	45	0.49	634	37	0.33	801	39	0.36
Portugal	205	78	0.24	203	63	0.17	205	64	0.14
Spain	155	11	0.03	280	16	0.04	342	17	0.04
Sweden	701	33	0.33	639	32	0.27	822	34	0.27
Switzerland	307	32	0.12	249	27	0.08	405	31	0.12
United Kingdom	879	29	0.09	1 321	27	0.08	2 273	36	0.12
United States	2 464	23	0.04	3 033	23	0.03	4 474	28	0.04
TOTAL DAC	14 838	25	0.08	15 856	27	0.06	22 542	33	0.08
<i>of which:</i>									
EU Members	8 647	27	0.12	9 508	32	0.11	14 003	38	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.

Gross disbursements

			Australia						Austria		
1982-83		1992-93	1992-93		2002-03	1982-83		1992-93		1992-93	
Papua New Guinea	32.5	Papua New Guinea	23.6	Papua New Guinea	17.6	Algeria	21.4	Ex-Yugoslavia. Unsp.	24.3		
Indonesia	5.2	Indonesia	8.3	Indonesia	7.1	Egypt	8.5	Algeria	7.5		
Bangladesh	2.9	China	4.3	Solomon Islands	4.0	Philippines	5.0	China	4.1		
Philippines	1.9	Philippines	3.3	Viet Nam	3.4	Malaysia	4.4	Egypt	3.8		
Thailand	1.8	Thailand	2.8	Timor-Leste	3.0	Nicaragua	4.0	Indonesia	3.6		
Fiji	1.5	Malaysia	2.3	Philippines	2.9	Turkey	2.6	Turkey	3.0		
Myanmar	1.5	Fiji	2.0	China	2.6	Iran	2.6	Malawi	2.5		
Tanzania	1.2	India	1.5	Cambodia	1.9	Tunisia	2.1	Iran	2.2		
Sri Lanka	1.2	Viet Nam	1.4	Iraq	1.9	India	1.8	Tanzania	1.3		
Malaysia	0.9	Mozambique	1.1	Bangladesh	1.6	Indonesia	1.1	Thailand	1.1		
Solomon Islands	0.9	Laos	1.1	Nauru	1.2	Ex-Yugoslavia. Unsp.	0.9	Rwanda	1.1		
Egypt	0.9	Vanuatu	1.0	Vanuatu	1.2	Lebanon	0.9	Uganda	1.0		
Samoa	0.8	Solomon Islands	1.0	Fiji	1.0	Tanzania	0.9	Nicaragua	0.9		
Kenya	0.7	Samoa	1.0	Afghanistan	1.0	Mauritius	0.8	Albania	0.8		
Pakistan	0.7	Bangladesh	0.9	Laos	0.8	Guatemala	0.6	Korea	0.8		
Total above	54.4	Total above	55.6	Total above	51.2	Total above	57.6	Total above	58.0		
Multilateral ODA	32.7	Multilateral ODA	26.1	Multilateral ODA	20.8	Multilateral ODA	27.2	Multilateral ODA	23.0		
Unallocated	4.4	Unallocated	8.4	Unallocated	18.8	Unallocated	6.2	Unallocated	5.0		
Total ODA USD mill.	821	Total ODA USD mill.	984	Total ODA USD mill.	1 104	Total ODA USD mill.	208	Total ODA USD mill.	585		
LDCs	19.7	LDCs	16.4	LDCs	28.3	LDCs	6.7	LDCs	16.4		
Other LICs	63.2	Other LICs	55.7	Other LICs	49.3	Other LICs	12.2	Other LICs	9.6		
LMICs	13.8	LMICs	22.5	LMICs	19.9	LMICs	68.8	LMICs	69.7		
UMICs	2.8	UMICs	4.7	UMICs	2.5	UMICs	10.5	UMICs	2.0		
HICs	0.0	HICs	-	HICs	-	HICs	-	HICs	-		
MADCT	0.5	MADCT	0.8	MADCT	0.0	MADCT	1.8	MADCT	2.4		
Total Bilateral	100.0										
Europe	0.1	Europe	0.1	Europe	2.3	Europe	7.5	Europe	39.3		
North of Sahara	1.4	North of Sahara	0.7	North of Sahara	0.6	North of Sahara	47.3	North of Sahara	16.0		
South of Sahara	9.5	South of Sahara	8.8	South of Sahara	4.3	South of Sahara	8.6	South of Sahara	17.0		
N. and C. America	0.1	N. and C. America	0.1	N. and C. America	0.0	N. and C. America	7.4	N. and C. America	2.9		
South America	0.1	South America	0.0	South America	0.1	South America	1.8	South America	2.3		
Middle East	0.5	Middle East	0.2	Middle East	3.4	Middle East	6.3	Middle East	5.5		
S. and C. Asia	10.6	S. and C. Asia	6.2	S. and C. Asia	7.5	S. and C. Asia	3.8	S. and C. Asia	2.7		
Far East Asia	18.0	Far East Asia	37.4	Far East Asia	36.5	Far East Asia	17.1	Far East Asia	14.4		
Oceania	59.7	Oceania	46.6	Oceania	45.3	Oceania	0.2	Oceania	0.1		
Total Bilateral	100.0										

Table 32

Major Recipients of Individual DAC Members' Aid

Per cent of total ODA

2002-03		Belgium					
		1982-83	1992-93	2002-03			
Serbia & Montenegro	10.0	Congo, Dem. Rep.	19.6	Rwanda	4.8	Congo, Dem. Rep.	27.7
Egypt	3.5	Rwanda	4.7	Burundi	4.6	Tanzania	2.8
Tanzania	3.2	Burundi	3.6	Congo, Dem. Rep.	3.7	Serbia & Montenegro	1.9
Turkey	3.0	Indonesia	2.7	Tanzania	2.3	Cameroon	1.8
Bosnia-Herzegovina	2.4	Morocco	1.7	Morocco	2.0	Côte d'Ivoire	1.7
Mozambique	2.3	Cameroon	1.6	China	1.8	Rwanda	1.4
Afghanistan	1.9	Tunisia	1.3	Bolivia	1.7	Burundi	1.1
Cameroon	1.4	China	1.3	Indonesia	1.4	Bolivia	1.1
Ethiopia	1.1	Senegal	1.2	Kenya	1.2	Burkina Faso	1.0
Nicaragua	1.1	Turkey	1.2	Algeria	1.1	Viet Nam	0.8
Uganda	1.1	Philippines	1.1	Tunisia	1.0	South Africa	0.8
Sierra Leone	1.1	Côte d'Ivoire	0.9	Ecuador	1.0	Senegal	0.8
Burkina Faso	1.0	India	0.8	Thailand	1.0	Ecuador	0.7
Congo, Dem. Rep.	1.0	Niger	0.7	Bangladesh	0.8	Benin	0.7
Mauritania	0.9	Bangladesh	0.6	Philippines	0.8	Sierra Leone	0.6
Total above	35.0	Total above	43.2	Total above	29.1	Total above	44.7
Multilateral ODA	40.5	Multilateral ODA	39.3	Multilateral ODA	38.7	Multilateral ODA	24.9
Unallocated	7.3	Unallocated	8.1	Unallocated	15.2	Unallocated	19.2
Total ODA USD mill.	533	Total ODA USD mill.	493	Total ODA USD mill.	863	Total ODA USD mill.	1 498
LDCs	35.2	LDCs	65.3	LDCs	50.9	LDCs	73.3
Other LICs	13.3	Other LICs	13.0	Other LICs	14.9	Other LICs	10.3
LMICs	48.5	LMICs	19.0	LMICs	27.9	LMICs	14.5
UMICs	2.3	UMICs	2.6	UMICs	6.0	UMICs	2.0
HICs	-	HICs	-	HICs	-	HICs	0.0
MADCT	0.7	MADCT	0.2	MADCT	0.3	MADCT	0.0
Total Bilateral	100.0						
Europe	34.2	Europe	2.2	Europe	0.3	Europe	3.4
North of Sahara	7.3	North of Sahara	6.8	North of Sahara	9.5	North of Sahara	1.6
South of Sahara	34.4	South of Sahara	69.7	South of Sahara	57.5	South of Sahara	80.1
N. and C. America	4.4	N. and C. America	1.7	N. and C. America	3.2	N. and C. America	1.7
South America	1.4	South America	4.5	South America	11.6	South America	5.6
Middle East	4.6	Middle East	0.5	Middle East	0.8	Middle East	1.7
S. and C. Asia	10.2	S. and C. Asia	2.9	S. and C. Asia	4.0	S. and C. Asia	1.9
Far East Asia	3.4	Far East Asia	11.4	Far East Asia	13.1	Far East Asia	3.9
Oceania	0.2	Oceania	0.1	Oceania	0.1	Oceania	0.0
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Gross disbursements

1982-83		Canada 1992-93		2002-03		1982-83		Denmark 1992-93	
Bangladesh	6.6	Bangladesh	2.9	Ex-Yugoslavia. Unsp.	2.5	Tanzania	9.8	Tanzania	6.3
Pakistan	4.0	China	2.5	Afghanistan	2.5	India	8.4	Uganda	3.0
India	3.3	Egypt	2.1	Cameroon	2.3	Bangladesh	5.5	Bangladesh	2.4
Sri Lanka	2.6	Jamaica	2.0	Côte d'Ivoire	2.1	Kenya	4.6	India	2.3
Tanzania	2.6	India	1.5	Congo, Dem. Rep.	1.9	Sudan	2.1	Mozambique	2.1
Kenya	2.3	Indonesia	1.5	Bangladesh	1.6	China	1.7	Zimbabwe	2.0
Egypt	1.5	Ghana	1.3	China	1.5	Mozambique	1.6	Zambia	1.9
Indonesia	1.4	Mozambique	1.1	India	1.4	Zimbabwe	1.2	Egypt	1.8
Senegal	1.3	Pakistan	1.1	Iraq	1.1	Zambia	1.2	Nicaragua	1.6
Congo, Dem. Rep.	1.3	Philippines	1.0	Ethiopia	1.0	Lebanon	1.1	Kenya	1.4
Jamaica	1.1	Tanzania	1.0	Viet Nam	1.0	Egypt	1.0	Burkina Faso	1.0
Zambia	1.0	Guyana	1.0	Tanzania	1.0	Angola	1.0	Nepal	0.9
Ethiopia	0.9	Peru	1.0	Mali	0.9	Thailand	0.9	Niger	0.8
Sudan	0.9	Zimbabwe	0.8	Mozambique	0.8	Senegal	0.9	Ethiopia	0.8
Algeria	0.8	Cameroon	0.8	Indonesia	0.8	Cameroon	0.9	China	0.7
Total above	31.7	Total above	21.7	Total above	22.3	Total above	41.7	Total above	29.0
Multilateral ODA	35.8	Multilateral ODA	30.6	Multilateral ODA	27.0	Multilateral ODA	43.6	Multilateral ODA	43.7
Unallocated	15.0	Unallocated	30.7	Unallocated	31.2	Unallocated	6.8	Unallocated	18.1
Total ODA USD mill.	1 329	Total ODA USD mill.	2 596	Total ODA USD mill.	2 201	Total ODA USD mill.	411	Total ODA USD mill.	1 397
LDCs	43.2	LDCs	34.1	LDCs	38.7	LDCs	54.8	LDCs	60.4
Other LICs	28.1	Other LICs	21.9	Other LICs	26.2	Other LICs	32.3	Other LICs	24.1
LMICs	23.8	LMICs	37.5	LMICs	31.6	LMICs	10.0	LMICs	14.0
UMICs	4.7	UMICs	6.3	UMICs	3.5	UMICs	2.9	UMICs	1.5
HICs	-	HICs	-	HICs	-	HICs	-	HICs	-
MADCT	0.2	MADCT	0.2	MADCT	0.0	MADCT	0.0	MADCT	0.0
Total Bilateral	100.0								
Europe	0.5	Europe	1.4	Europe	8.6	Europe	0.0	Europe	0.0
North of Sahara	6.8	North of Sahara	7.0	North of Sahara	2.5	North of Sahara	2.0	North of Sahara	5.1
South of Sahara	37.8	South of Sahara	34.5	South of Sahara	41.5	South of Sahara	56.5	South of Sahara	62.8
N. and C. America	9.7	N. and C. America	14.2	N. and C. America	9.5	N. and C. America	0.8	N. and C. America	5.3
South America	4.6	South America	8.4	South America	6.5	South America	1.5	South America	1.8
Middle East	0.8	Middle East	0.9	Middle East	4.1	Middle East	2.9	Middle East	1.0
S. and C. Asia	33.6	S. and C. Asia	16.2	S. and C. Asia	15.9	S. and C. Asia	29.9	S. and C. Asia	16.8
Far East Asia	5.9	Far East Asia	16.7	Far East Asia	11.0	Far East Asia	6.4	Far East Asia	7.2
Oceania	0.2	Oceania	0.5	Oceania	0.4	Oceania	0.0	Oceania	0.0
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Table 32

Major Recipients of Individual DAC Members' Aid
(continued)
Per cent of total ODA

2002-03		1982-83		Finland 1992-93		2002-03	
Tanzania	4.5	Tanzania	11.2	Egypt	6.7	Mozambique	3.3
Mozambique	3.3	Zambia	6.3	Tanzania	4.7	Afghanistan	2.8
Viet Nam	3.3	Viet Nam	5.6	Zambia	4.3	Tanzania	2.5
Ghana	3.0	Kenya	4.0	Nicaragua	3.7	Serbia & Montenegro	1.6
Uganda	2.7	Sri Lanka	2.7	Ex-Yugoslavia. Unsp.	3.3	Namibia	1.6
Bangladesh	2.3	Mozambique	2.7	Mozambique	3.0	South Africa	1.6
Nepal	1.8	Egypt	2.6	Kenya	2.6	Viet Nam	1.5
Zambia	1.7	Sudan	2.2	China	2.1	Nicaragua	1.3
Bolivia	1.6	Peru	1.6	Nepal	2.1	Ethiopia	1.3
Egypt	1.6	Nicaragua	1.4	Malaysia	2.0	Bosnia-Herzegovina	1.1
Nicaragua	1.6	Zimbabwe	1.3	Zimbabwe	2.0	Kenya	1.1
Burkina Faso	1.4	Myanmar	1.2	Viet Nam	1.9	Nepal	1.1
India	1.3	Ethiopia	1.1	Namibia	1.6	Zambia	1.0
Benin	1.3	Somalia	0.9	Sri Lanka	1.5	Egypt	0.9
Ex-Yugoslavia. Unsp.	1.2	Lebanon	0.7	Bangladesh	1.4	China	0.8
Total above	32.7	Total above	45.4	Total above	43.0	Total above	23.7
Multilateral ODA	36.8	Multilateral ODA	39.8	Multilateral ODA	31.3	Multilateral ODA	44.8
Unallocated	18.2	Unallocated	8.8	Unallocated	15.4	Unallocated	19.1
Total ODA USD mill.	1 795	Total ODA USD mill.	149	Total ODA USD mill.	536	Total ODA USD mill.	514
LDCs	51.3	LDCs	56.5	LDCs	36.5	LDCs	48.0
Other LICs	25.6	Other LICs	25.5	Other LICs	22.1	Other LICs	16.4
LMICs	20.5	LMICs	15.8	LMICs	35.1	LMICs	34.0
UMICs	2.6	UMICs	2.1	UMICs	5.9	UMICs	1.7
HICs	-	HICs	-	HICs	-	HICs	-
MADCT	-	MADCT	0.1	MADCT	0.4	MADCT	-
Total Bilateral	100.0						
Europe	4.0	Europe	0.0	Europe	6.5	Europe	8.9
North of Sahara	3.5	North of Sahara	5.0	North of Sahara	12.0	North of Sahara	2.6
South of Sahara	50.6	South of Sahara	63.7	South of Sahara	43.1	South of Sahara	44.7
N. and C. America	6.2	N. and C. America	3.9	N. and C. America	9.0	N. and C. America	7.8
South America	4.3	South America	3.9	South America	2.3	South America	3.8
Middle East	0.9	Middle East	1.4	Middle East	2.5	Middle East	5.4
S. and C. Asia	16.7	S. and C. Asia	9.6	S. and C. Asia	10.9	S. and C. Asia	14.4
Far East Asia	13.9	Far East Asia	12.4	Far East Asia	13.6	Far East Asia	12.3
Oceania	0.0	Oceania	0.1	Oceania	0.1	Oceania	0.1
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Gross disbursements

1982-83		France 1992-93		2002-03		1982-83		Germany 1992-93	
New Caledonia	5.9	Côte d'Ivoire	6.4	Congo, Dem. Rep.	8.9	India	5.3	Egypt	6.9
French Polynesia	5.9	Cameroon	5.4	Côte d'Ivoire	5.6	Indonesia	3.8	Ex-Yugoslavia. Unsp.	6.7
Morocco	3.4	New Caledonia	4.4	Cameroon	3.8	Egypt	3.2	India	4.2
Côte d'Ivoire	3.1	French Polynesia	4.0	Pakistan	3.2	Israel	2.7	Indonesia	4.0
Senegal	3.0	Egypt	3.2	Morocco	3.1	Turkey	2.6	China	3.1
Cameroon	2.6	Morocco	3.0	Mozambique	3.0	China	2.4	Turkey	2.5
Madagascar	2.4	Senegal	2.8	Serbia & Montenegro	2.0	Myanmar	2.0	Myanmar	2.4
Central African Rep.	1.8	Algeria	2.5	Mayotte	1.9	Tunisia	1.8	Zambia	1.8
Gabon	1.8	Indonesia	1.8	Senegal	1.8	Sudan	1.8	Pakistan	1.6
Algeria	1.7	Madagascar	1.8	Egypt	1.8	Bangladesh	1.7	Ethiopia	1.5
Tunisia	1.7	Burkina Faso	1.5	Tunisia	1.7	Pakistan	1.5	Peru	1.1
Indonesia	1.7	Guinea	1.5	Algeria	1.5	Brazil	1.4	Bolivia	1.0
Congo, Rep.	1.6	China	1.5	China	1.4	Tanzania	1.4	Mozambique	1.0
Brazil	1.6	Tunisia	1.2	Indonesia	1.4	Peru	1.1	Philippines	1.0
Burkina Faso	1.4	Niger	1.2	Niger	1.3	Kenya	1.1	Morocco	1.0
Total above	39.5	Total above	42.1	Total above	42.3	Total above	33.8	Total above	39.9
Multilateral ODA	22.6	Multilateral ODA	21.4	Multilateral ODA	26.5	Multilateral ODA	28.3	Multilateral ODA	28.1
Unallocated	15.4	Unallocated	11.7	Unallocated	11.2	Unallocated	8.1	Unallocated	7.6
Total ODA USD mill.	3 076	Total ODA USD mill.	8 722	Total ODA USD mill.	7 938	Total ODA USD mill.	3 485	Total ODA USD mill.	8 547
LDCs	33.4	LDCs	30.3	LDCs	39.3	LDCs	31.2	LDCs	21.9
Other LICs	19.1	Other LICs	26.4	Other LICs	27.4	Other LICs	23.5	Other LICs	22.2
LMICs	17.7	LMICs	22.9	LMICs	24.5	LMICs	30.8	LMICs	46.4
UMICs	10.2	UMICs	7.4	UMICs	8.8	UMICs	8.1	UMICs	4.9
HICs	0.0	HICs	0.0	HICs	0.0	HICs	0.0	HICs	0.0
MADCT	19.6	MADCT	12.9	MADCT	0.0	MADCT	6.4	MADCT	4.6
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0
Europe	2.0	Europe	1.3	Europe	5.0	Europe	6.4	Europe	15.3
North of Sahara	12.5	North of Sahara	14.0	North of Sahara	12.4	North of Sahara	9.4	North of Sahara	13.5
South of Sahara	51.7	South of Sahara	55.0	South of Sahara	59.1	South of Sahara	30.8	South of Sahara	24.7
N. and C. America	1.9	N. and C. America	2.0	N. and C. America	1.9	N. and C. America	3.9	N. and C. America	3.1
South America	4.5	South America	3.4	South America	3.0	South America	8.6	South America	8.4
Middle East	2.2	Middle East	1.9	Middle East	2.3	Middle East	8.1	Middle East	7.2
S. and C. Asia	3.5	S. and C. Asia	3.1	S. and C. Asia	7.2	S. and C. Asia	18.4	S. and C. Asia	11.9
Far East Asia	3.9	Far East Asia	7.2	Far East Asia	7.9	Far East Asia	14.0	Far East Asia	15.4
Oceania	17.7	Oceania	12.1	Oceania	1.2	Oceania	0.3	Oceania	0.3
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Table 32

Major Recipients of Individual DAC Members' Aid
(continued)
Per cent of total ODA

2002-03	Greece			2002-03	
	1982-83	1992-93	2002-03		
Serbia & Montenegro	4.4			Albania	15.4
China	4.1			Serbia & Montenegro	10.1
Congo, Dem. Rep.	3.9			Macedonia, FYROM	7.6
Cameroon	3.0			Afghanistan	2.8
Bolivia	2.9			Bosnia-Herzegovina	1.7
India	2.2			Georgia	1.2
Zambia	1.9			Turkey	1.0
Mozambique	1.8			Iraq	0.9
Indonesia	1.6			Syria	0.8
Turkey	1.6			Lebanon	0.8
Egypt	1.5			Armenia	0.8
Afghanistan	1.4			Egypt	0.6
Nicaragua	1.3			Palestinian Adm. Areas	0.5
Jordan	1.2			Jordan	0.3
Brazil	0.9			Moldova	0.3
Total above	33.7			Total above	44.8
Multilateral ODA	32.3	Multilateral ODA	- Multilateral ODA	Multilateral ODA	47.5
Unallocated	9.5	Unallocated	- Unallocated	Unallocated	6.0
Total ODA USD mill.	7 357	Total ODA USD mill.	- Total ODA USD mill.	Total ODA USD mill.	319
LDCs	29.9	LDCs	- LDCs	LDCs	6.9
Other LICs	23.9	Other LICs	- Other LICs	Other LICs	6.0
LMICs	42.0	LMICs	- LMICs	LMICs	85.1
UMICs	4.2	UMICs	- UMICs	UMICs	2.0
HICs	0.0	HICs	- HICs	HICs	-
MADCT	0.0	MADCT	- MADCT	MADCT	0.0
Total Bilateral	100.0	Total Bilateral	- Total Bilateral	Total Bilateral	100.0
Europe	13.1	Europe	- Europe	Europe	79.4
North of Sahara	5.1	North of Sahara	- North of Sahara	North of Sahara	1.6
South of Sahara	34.5	South of Sahara	- South of Sahara	South of Sahara	1.4
N. and C. America	4.5	N. and C. America	- N. and C. America	N. and C. America	0.1
South America	10.2	South America	- South America	South America	0.1
Middle East	5.6	Middle East	- Middle East	Middle East	6.9
S. and C. Asia	12.5	S. and C. Asia	- S. and C. Asia	S. and C. Asia	10.1
Far East Asia	14.3	Far East Asia	- Far East Asia	Far East Asia	0.3
Oceania	0.1	Oceania	- Oceania	Oceania	-
Total Bilateral	100.0	Total Bilateral	- Total Bilateral	Total Bilateral	100.0

Gross disbursements

1982-83		Ireland 1992-93		2002-03		1982-83		Italy 1992-93	
Lesotho	9.2	Tanzania	6.8	Uganda	9.0	Somalia	6.0	Mozambique	5.4
Tanzania	4.5	Lesotho	6.0	Mozambique	7.7	Mozambique	3.6	Tanzania	5.0
Zambia	3.4	Zambia	5.6	Ethiopia	6.5	Malta	3.0	China	4.4
Sudan	1.3	Sudan	2.7	Tanzania	5.7	Sudan	2.5	Egypt	3.7
Zimbabwe	0.7	Somalia	2.6	Zambia	4.5	Tanzania	2.0	Argentina	2.9
Kenya	0.5	Ex-Yugoslavia. Unsp.	1.9	South Africa	3.4	Ethiopia	1.7	Tunisia	2.8
Rwanda	0.4	Kenya	1.0	Lesotho	2.6	Turkey	1.4	Morocco	2.5
Djibouti	0.3	Ethiopia	0.9	Afghanistan	1.3	Egypt	1.3	Sierra Leone	2.4
Swaziland	0.3	Cambodia	0.8	Palestinian Adm. Areas	1.1	Angola	1.3	Ex-Yugoslavia. Unsp.	2.3
Burundi	0.2	Zimbabwe	0.8	Kenya	1.1	Tunisia	1.1	Albania	2.2
Bangladesh	0.1	Angola	0.8	Angola	1.1	Sierra Leone	1.0	Somalia	1.6
Nigeria	0.1	Uganda	0.6	Sudan	0.9	China	0.8	Philippines	1.5
India	0.1	Nigeria	0.4	Zimbabwe	0.8	Yemen	0.6	Indonesia	1.1
Thailand	0.1	India	0.3	Malawi	0.8	Jordan	0.6	Zambia	1.1
Gambia	0.1	Bangladesh	0.3	Timor-Leste	0.8	Morocco	0.6	Angola	1.0
Total above	21.3	Total above	31.6	Total above	47.4	Total above	27.6	Total above	39.9
Multilateral ODA	67.0	Multilateral ODA	54.8	Multilateral ODA	31.3	Multilateral ODA	52.7	Multilateral ODA	36.0
Unallocated	10.9	Unallocated	10.3	Unallocated	11.2	Unallocated	8.4	Unallocated	6.6
Total ODA USD mill.	40	Total ODA USD mill.	76	Total ODA USD mill.	451	Total ODA USD mill.	842	Total ODA USD mill.	3 895
LDCs	89.6	LDCs	82.4	LDCs	78.7	LDCs	60.1	LDCs	39.0
Other LICs	7.1	Other LICs	8.7	Other LICs	6.3	Other LICs	5.3	Other LICs	7.7
LMICs	2.9	LMICs	8.2	LMICs	14.3	LMICs	22.4	LMICs	44.7
UMICs	0.5	UMICs	0.6	UMICs	0.7	UMICs	4.1	UMICs	7.8
HICs	-	HICs	-	HICs	-	HICs	-	HICs	-
MADCT	-	MADCT	0.0	MADCT	-	MADCT	8.1	MADCT	0.8
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0
Europe	-	Europe	5.9	Europe	1.4	Europe	12.1	Europe	10.1
North of Sahara	0.1	North of Sahara	0.3	North of Sahara	0.2	North of Sahara	9.0	North of Sahara	16.4
South of Sahara	95.4	South of Sahara	85.0	South of Sahara	84.4	South of Sahara	59.7	South of Sahara	39.7
N. and C. America	0.4	N. and C. America	0.8	N. and C. America	2.4	N. and C. America	2.6	N. and C. America	3.4
South America	0.9	South America	0.6	South America	1.5	South America	5.6	South America	11.4
Middle East	0.2	Middle East	1.2	Middle East	3.5	Middle East	4.8	Middle East	2.3
S. and C. Asia	1.3	S. and C. Asia	2.7	S. and C. Asia	4.4	S. and C. Asia	1.6	S. and C. Asia	2.2
Far East Asia	1.6	Far East Asia	3.4	Far East Asia	2.2	Far East Asia	4.6	Far East Asia	14.4
Oceania	0.2	Oceania	0.1	Oceania	0.1	Oceania	0.0	Oceania	-
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Table 32

Major Recipients of Individual DAC Members' Aid
(continued)
Per cent of total ODA

2002-03		1982-83		Japan		2002-03	
				1992-93			
Mozambique	8.9	Indonesia	9.7	Indonesia	11.3	China	10.3
Congo, Dem. Rep.	8.7	China	9.4	China	9.2	Indonesia	7.1
Tanzania	2.6	Thailand	6.1	Philippines	8.5	Philippines	6.4
Ethiopia	1.9	Philippines	4.4	Egypt	8.0	India	6.1
Tunisia	1.3	Bangladesh	4.2	Thailand	3.8	Thailand	5.2
Guinea-Bissau	1.3	India	3.5	India	3.4	Viet Nam	3.6
Afghanistan	1.3	Myanmar	3.0	Pakistan	1.9	Pakistan	2.3
China	1.3	Malaysia	2.7	Bangladesh	1.9	Bangladesh	2.1
Palestinian Adm. Areas	1.2	Pakistan	2.6	Korea	1.7	Sri Lanka	2.0
Albania	1.0	Korea	2.1	Malaysia	1.6	Malaysia	1.5
Nicaragua	0.9	Sri Lanka	1.9	Viet Nam	1.4	Brazil	1.4
Cameroon	0.9	Egypt	1.7	Sri Lanka	1.1	Peru	1.3
Morocco	0.8	Brazil	1.1	Kenya	1.0	Cambodia	0.9
Uganda	0.7	Tanzania	1.0	Peru	1.0	Azerbaijan	0.9
Angola	0.7	Kenya	1.0	Nepal	0.8	Tunisia	0.8
Total above	33.3	Total above	54.5	Total above	56.7	Total above	51.7
Multilateral ODA	51.9	Multilateral ODA	26.2	Multilateral ODA	21.0	Multilateral ODA	20.4
Unallocated	5.5	Unallocated	2.8	Unallocated	5.8	Unallocated	8.8
Total ODA USD mill.	2 601	Total ODA USD mill.	3 812	Total ODA USD mill.	14 221	Total ODA USD mill.	12 600
LDCs	68.4	LDCs	21.2	LDCs	12.1	LDCs	14.2
Other LICs	6.6	Other LICs	25.2	Other LICs	29.5	Other LICs	32.4
LMICs	23.2	LMICs	41.6	LMICs	49.8	LMICs	47.3
UMICs	1.8	UMICs	8.3	UMICs	5.9	UMICs	6.2
HICs	-	HICs	0.0	HICs	0.0	HICs	0.0
MADCT	0.0	MADCT	3.6	MADCT	2.7	MADCT	0.0
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0
Europe	5.3	Europe	1.2	Europe	0.5	Europe	2.0
North of Sahara	7.1	North of Sahara	3.5	North of Sahara	11.6	North of Sahara	2.7
South of Sahara	68.2	South of Sahara	11.1	South of Sahara	9.4	South of Sahara	7.4
N. and C. America	3.7	N. and C. America	2.3	N. and C. America	3.3	N. and C. America	3.6
South America	2.9	South America	6.1	South America	5.3	South America	5.8
Middle East	4.8	Middle East	3.1	Middle East	2.1	Middle East	2.3
S. and C. Asia	3.9	S. and C. Asia	22.6	S. and C. Asia	13.5	S. and C. Asia	23.9
Far East Asia	4.0	Far East Asia	49.3	Far East Asia	52.8	Far East Asia	51.3
Oceania	-	Oceania	0.9	Oceania	1.5	Oceania	1.2
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Gross disbursements

	Luxembourg				Netherlands				
	1982-83	1992-93	2002-03		1982-83	1992-93			
		Cape Verde	5.1	Cape Verde	5.1	Indonesia	6.7	India	4.0
		Ex-Yugoslavia. Unsp.	3.6	Viet Nam	4.6	India	5.4	Ex-Yugoslavia. Unsp.	3.7
		Burundi	3.1	Burkina Faso	3.8	Netherlands Antilles	4.8	Netherlands Antilles	3.1
		Rwanda	2.2	Laos	3.7	Bangladesh	3.8	Bangladesh	2.3
		Somalia	2.1	Mali	3.5	Suriname	3.6	Suriname	2.2
		Gambia	2.0	El Salvador	3.1	Tanzania	3.4	Mozambique	2.2
		Chile	2.0	Nicaragua	3.0	Kenya	3.2	Kenya	1.9
		Niger	1.9	Namibia	3.0	Sudan	2.2	Tanzania	1.9
		Nicaragua	1.9	Senegal	2.9	Burkina Faso	1.9	Peru	1.5
		Tunisia	1.8	Niger	2.5	Pakistan	1.8	Pakistan	1.4
		Djibouti	1.7	Serbia & Montenegro	2.5	Sri Lanka	1.7	Zimbabwe	1.4
		India	1.7	Rwanda	2.3	Mozambique	1.7	Zambia	1.3
		El Salvador	1.7	Ex-Yugoslavia. Unsp.	2.0	Yemen	1.5	Nicaragua	1.3
		Senegal	1.6	Palestinian Adm. Areas	2.0	Nicaragua	1.5	Somalia	1.3
		Namibia	1.6	Afghanistan	1.8	Peru	1.5	Sudan	1.2
		Total above	34.0	Total above	45.9	Total above	44.8	Total above	30.7
Multilateral ODA	-	Multilateral ODA	39.9	Multilateral ODA	22.1	Multilateral ODA	28.7	Multilateral ODA	28.7
Unallocated	-	Unallocated	7.6	Unallocated	11.6	Unallocated	10.5	Unallocated	16.4
Total ODA USD mill.	-	Total ODA USD mill.	43	Total ODA USD mill.	170	Total ODA USD mill.	1 376	Total ODA USD mill.	2 831
LDCs	-	LDCs	50.7	LDCs	47.1	LDCs	35.1	LDCs	34.8
Other LICs	-	Other LICs	11.4	Other LICs	16.5	Other LICs	34.6	Other LICs	24.0
LMICs	-	LMICs	29.6	LMICs	33.2	LMICs	19.4	LMICs	28.9
UMICs	-	UMICs	8.3	UMICs	3.2	UMICs	2.7	UMICs	4.1
HICs	-	HICs	-	HICs	-	HICs	-	HICs	-
MADCT	-	MADCT	0.1	MADCT	0.0	MADCT	8.2	MADCT	8.3
Total Bilateral	-	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0
Europe	-	Europe	7.5	Europe	8.4	Europe	0.8	Europe	6.9
North of Sahara	-	North of Sahara	3.8	North of Sahara	3.9	North of Sahara	2.3	North of Sahara	1.9
South of Sahara	-	South of Sahara	53.6	South of Sahara	44.6	South of Sahara	33.1	South of Sahara	37.6
N. and C. America	-	N. and C. America	8.1	N. and C. America	9.7	N. and C. America	13.0	N. and C. America	14.1
South America	-	South America	13.9	South America	7.5	South America	12.3	South America	12.9
Middle East	-	Middle East	1.7	Middle East	5.6	Middle East	3.0	Middle East	4.7
S. and C. Asia	-	S. and C. Asia	7.6	S. and C. Asia	5.9	S. and C. Asia	21.6	S. and C. Asia	15.8
Far East Asia	-	Far East Asia	4.0	Far East Asia	14.4	Far East Asia	13.6	Far East Asia	6.1
Oceania	-	Oceania	-	Oceania	-	Oceania	0.2	Oceania	0.1
Total Bilateral	-	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Table 32

Major Recipients of Individual DAC Members' Aid
(continued)
Per cent of total ODA

2002-03		New Zealand					
		1982-83	1992-93		2002-03		
Congo, Dem. Rep.	4.6	Cook Islands	12.6	Cook Islands	7.6	Papua New Guinea	4.8
Tanzania	3.1	Niue	7.3	Samoa	7.0	Niue	4.1
Indonesia	2.8	Indonesia	7.1	Fiji	6.8	Iraq	4.0
India	2.7	Samoa	5.6	Tonga	4.1	Tokelau	3.7
Afghanistan	2.2	Fiji	5.1	Niue	4.0	Solomon Islands	3.3
Ghana	2.1	Tonga	4.2	Papua New Guinea	3.4	Samoa	3.3
Bolivia	1.5	Papua New Guinea	2.8	Tokelau	3.3	Indonesia	3.2
Bangladesh	1.3	Tokelau	2.8	Indonesia	2.8	Vanuatu	2.8
Uganda	1.3	Philippines	1.6	Solomon Islands	2.6	Tonga	2.6
Mozambique	1.3	Thailand	1.5	Vanuatu	2.6	Cook Islands	2.1
Ethiopia	1.2	Vanuatu	1.3	Kiribati	1.5	Fiji	1.9
Iraq	1.2	Solomon Islands	1.0	Philippines	1.3	Philippines	1.4
Serbia & Montenegro	1.1	Tuvalu	0.6	Tuvalu	1.1	Timor-Leste	1.4
Mali	1.1	Kiribati	0.5	Thailand	0.9	Cambodia	1.4
Burkina Faso	1.0	Malaysia	0.2	China	0.7	Kiribati	1.3
Total above	28.5	Total above	54.3	Total above	49.6	Total above	41.4
Multilateral ODA	25.1	Multilateral ODA	23.4	Multilateral ODA	24.3	Multilateral ODA	23.1
Unallocated	24.1	Unallocated	21.3	Unallocated	23.0	Unallocated	18.7
Total ODA USD mill.	3 823	Total ODA USD mill.	63	Total ODA USD mill.	97	Total ODA USD mill.	144
LDCs	48.9	LDCs	17.0	LDCs	29.4	LDCs	37.4
Other LICs	24.0	Other LICs	18.3	Other LICs	13.4	Other LICs	19.6
LMICs	25.6	LMICs	41.0	LMICs	41.2	LMICs	37.2
UMICs	1.6	UMICs	23.4	UMICs	15.5	UMICs	5.7
HICs	0.0	HICs	-	HICs	-	HICs	-
MADCT	0.0	MADCT	0.4	MADCT	0.5	MADCT	-
Total Bilateral	100.0						
Europe	7.0	Europe	-	Europe	0.2	Europe	0.0
North of Sahara	0.9	North of Sahara	0.0	North of Sahara	0.0	North of Sahara	0.0
South of Sahara	48.5	South of Sahara	0.4	South of Sahara	2.1	South of Sahara	9.1
N. and C. America	4.3	N. and C. America	0.1	N. and C. America	0.4	N. and C. America	0.7
South America	7.4	South America	0.1	South America	0.4	South America	1.7
Middle East	5.2	Middle East	0.0	Middle East	0.0	Middle East	6.7
S. and C. Asia	16.1	S. and C. Asia	1.5	S. and C. Asia	0.9	S. and C. Asia	6.0
Far East Asia	10.5	Far East Asia	14.3	Far East Asia	12.1	Far East Asia	18.5
Oceania	0.1	Oceania	83.6	Oceania	83.8	Oceania	57.3
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Gross disbursements

1982-83		Norway 1992-93		2002-03		1982-83		Portugal 1992-93	
Tanzania	9.3	Tanzania	6.6	Afghanistan	3.5		Mozambique	50.8	
Bangladesh	4.8	Mozambique	5.8	Tanzania	3.0		Angola	6.8	
Kenya	4.0	Zambia	3.6	Palestinian Adm. Areas	2.8		Cape Verde	5.9	
India	3.6	Bangladesh	3.1	Mozambique	2.5		Guinea-Bissau	5.2	
Mozambique	3.0	Benin	2.1	Iraq	2.0		Sao Tome & Principe	4.6	
Zambia	2.6	Nicaragua	1.9	Uganda	1.9		Brazil	0.1	
Sri Lanka	2.3	Zimbabwe	1.9	Serbia & Montenegro	1.8		Timor-Leste	0.0	
Pakistan	2.2	Ex-Yugoslavia. Unsp.	1.7	Ethiopia	1.8		South Africa	0.0	
Sudan	1.9	Botswana	1.6	Somalia	1.7		China	0.0	
Zimbabwe	1.5	Ethiopia	1.6	Zambia	1.7		Morocco	0.0	
Botswana	1.4	India	1.5	Ex-Yugoslavia. Unsp.	1.5		Mexico	0.0	
Philippines	1.0	Pakistan	1.4	Sudan	1.5		Iran	0.0	
Uganda	0.7	China	1.2	Sri Lanka	1.3		Zimbabwe	0.0	
China	0.6	Sri Lanka	1.1	Angola	1.2		Tunisia	0.0	
Lebanon	0.6	Namibia	1.0	Bosnia-Herzegovina	1.2		Egypt	0.0	
Total above	39.5	Total above	36.1	Total above	29.5		Total above	73.6	
Multilateral ODA	42.4	Multilateral ODA	35.7	Multilateral ODA	30.2	Multilateral ODA	-	Multilateral ODA	21.9
Unallocated	9.3	Unallocated	14.5	Unallocated	19.2	Unallocated	-	Unallocated	4.5
Total ODA USD mill.	571	Total ODA USD mill.	1 145	Total ODA USD mill.	1 875	Total ODA USD mill.	-	Total ODA USD mill.	267
LDCs	55.0	LDCs	63.0	LDCs	54.2	LDCs	-	LDCs	99.7
Other LICs	26.9	Other LICs	15.9	Other LICs	10.0	Other LICs	-	Other LICs	0.0
LMICs	13.5	LMICs	16.2	LMICs	32.9	LMICs	-	LMICs	0.2
UMICs	4.6	UMICs	4.9	UMICs	2.9	UMICs	-	UMICs	0.1
HICs	-	HICs	-	HICs	-	HICs	-	HICs	-
MADCT	-	MADCT	0.0	MADCT	0.0	MADCT	-	MADCT	0.0
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	-	Total Bilateral	100.0
Europe	2.8	Europe	3.4	Europe	14.4	Europe	-	Europe	-
North of Sahara	0.3	North of Sahara	0.1	North of Sahara	0.4	North of Sahara	-	North of Sahara	0.1
South of Sahara	56.5	South of Sahara	61.8	South of Sahara	45.8	South of Sahara	-	South of Sahara	99.7
N. and C. America	2.6	N. and C. America	7.0	N. and C. America	4.0	N. and C. America	-	N. and C. America	0.0
South America	0.9	South America	2.3	South America	2.5	South America	-	South America	0.1
Middle East	2.0	Middle East	1.2	Middle East	10.8	Middle East	-	Middle East	0.0
S. and C. Asia	28.5	S. and C. Asia	17.7	S. and C. Asia	16.8	S. and C. Asia	-	S. and C. Asia	-
Far East Asia	6.0	Far East Asia	6.4	Far East Asia	5.2	Far East Asia	-	Far East Asia	0.1
Oceania	0.4	Oceania	0.0	Oceania	0.0	Oceania	-	Oceania	-
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	-	Total Bilateral	100.0

Table 32

Major Recipients of Individual DAC Members' Aid
(continued)
Per cent of total ODA

2002-03	Spain				
	1982-83	1992-93	2002-03		
Timor-Leste	18.4	Mexico	13.3	Bolivia	3.4
Cape Verde	8.2	China	11.6	China	2.7
Mozambique	6.7	Morocco	8.2	Nicaragua	2.5
Angola	5.3	Argentina	4.1	Honduras	2.3
Sao Tome & Principe	3.7	Algeria	3.6	Peru	2.0
Guinea-Bissau	2.3	Bolivia	3.4	El Salvador	2.0
Iraq	1.3	Indonesia	2.3	Ecuador	2.0
Sierra Leone	1.2	Ecuador	2.1	Morocco	1.8
Congo, Dem. Rep.	1.1	Angola	1.6	Ex-Yugoslavia. Unsp.	1.6
Bosnia-Herzegovina	0.5	Uruguay	1.6	Dominican Republic	1.6
Ethiopia	0.5	Equatorial Guinea	1.2	Bosnia-Herzegovina	1.4
South Africa	0.4	Philippines	1.2	Mozambique	1.4
Brazil	0.3	Chile	1.1	Turkey	1.4
Macedonia, FYROM	0.2	Honduras	1.1	Argentina	1.4
Afghanistan	0.2	Mozambique	0.9	Colombia	1.4
Total above	50.2	Total above	57.3	Total above	28.8
Multilateral ODA	42.5	Multilateral ODA	27.3	Multilateral ODA	37.3
Unallocated	6.1	Unallocated	7.1	Unallocated	10.5
Total ODA USD mill.	322	Total ODA USD mill.	1 441	Total ODA USD mill.	2 044
LDCs	93.2	LDCs	8.9	LDCs	14.5
Other LICs	0.2	Other LICs	6.6	Other LICs	11.3
LMICs	5.8	LMICs	52.8	LMICs	64.1
UMICs	0.9	UMICs	31.7	UMICs	10.0
HICs	-	HICs	-	HICs	-
MADCT	-	MADCT	0.0	MADCT	0.0
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0
Europe	1.7	Europe	0.2	Europe	10.2
North of Sahara	0.3	North of Sahara	18.1	North of Sahara	9.0
South of Sahara	60.2	South of Sahara	10.6	South of Sahara	16.1
N. and C. America	0.1	N. and C. America	24.9	N. and C. America	22.8
South America	0.7	South America	23.6	South America	23.6
Middle East	2.5	Middle East	0.4	Middle East	4.5
S. and C. Asia	0.5	S. and C. Asia	0.0	S. and C. Asia	3.9
Far East Asia	34.1	Far East Asia	22.1	Far East Asia	9.9
Oceania	-	Oceania	-	Oceania	0.0
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Gross disbursements

1982-83		Sweden 1992-93		2002-03		1982-83		Switzerland 1992-93	
Tanzania	8.2	Ex-Yugoslavia. Unsp.	5.4	Congo, Dem. Rep.	4.0	India	7.0	India	3.4
Viet Nam	6.6	Tanzania	4.4	Tanzania	2.9	Nepal	3.9	Indonesia	2.9
India	6.0	Mozambique	4.0	Mozambique	2.3	Madagascar	3.0	Ex-Yugoslavia. Unsp.	2.4
Mozambique	4.8	India	3.1	Nicaragua	1.7	Rwanda	2.9	Tanzania	2.1
Zambia	3.3	Zambia	2.7	Afghanistan	1.6	Mali	2.4	Mozambique	2.0
Sri Lanka	3.1	Nicaragua	2.5	Palestinian Adm. Areas	1.4	Tanzania	1.9	Madagascar	1.8
Bangladesh	2.3	Viet Nam	2.5	Bosnia-Herzegovina	1.4	Sudan	1.7	Jordan	1.8
Ethiopia	1.9	Zimbabwe	2.4	Serbia & Montenegro	1.3	Honduras	1.7	Bangladesh	1.8
Kenya	1.7	Ethiopia	2.3	Uganda	1.3	Peru	1.4	Rwanda	1.8
Angola	1.6	Bangladesh	1.8	Bangladesh	1.1	Bangladesh	1.3	Pakistan	1.6
Zimbabwe	1.5	China	1.6	Ethiopia	1.1	Indonesia	1.3	Nepal	1.3
Botswana	1.4	Angola	1.3	South Africa	1.0	Turkey	1.2	Bolivia	1.3
Guinea-Bissau	1.2	Kenya	1.1	Viet Nam	1.0	Sri Lanka	1.2	Peru	1.2
Nicaragua	1.1	Uganda	1.1	Kenya	0.9	Lebanon	1.2	Niger	1.0
Laos	1.0	South Africa	0.9	Bolivia	0.9	Niger	1.1	Benin	1.0
Total above	45.5	Total above	37.0	Total above	24.1	Total above	33.3	Total above	27.3
Multilateral ODA	36.1	Multilateral ODA	26.6	Multilateral ODA	30.9	Multilateral ODA	29.5	Multilateral ODA	31.9
Unallocated	13.1	Unallocated	22.7	Unallocated	29.4	Unallocated	18.5	Unallocated	18.5
Total ODA USD mill.	872	Total ODA USD mill.	2 106	Total ODA USD mill.	2 206	Total ODA USD mill.	288	Total ODA USD mill.	971
LDCs	52.6	LDCs	45.2	LDCs	54.4	LDCs	52.5	LDCs	45.2
Other LICs	34.5	Other LICs	23.5	Other LICs	15.9	Other LICs	25.3	Other LICs	25.0
LMICs	8.9	LMICs	26.7	LMICs	28.3	LMICs	18.3	LMICs	27.3
UMICs	4.0	UMICs	4.6	UMICs	1.5	UMICs	3.6	UMICs	2.1
HICs	-	HICs	-	HICs	-	HICs	-	HICs	-
MADCT	0.0	MADCT	0.0	MADCT	0.0	MADCT	0.3	MADCT	0.4
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0
Europe	0.7	Europe	11.0	Europe	10.1	Europe	2.5	Europe	6.8
North of Sahara	0.9	North of Sahara	1.3	North of Sahara	0.5	North of Sahara	2.5	North of Sahara	1.6
South of Sahara	54.4	South of Sahara	49.6	South of Sahara	50.8	South of Sahara	45.7	South of Sahara	41.4
N. and C. America	3.1	N. and C. America	8.3	N. and C. America	8.6	N. and C. America	7.3	N. and C. America	5.9
South America	0.7	South America	3.6	South America	4.0	South America	6.3	South America	8.3
Middle East	1.3	Middle East	2.1	Middle East	4.8	Middle East	4.0	Middle East	5.2
S. and C. Asia	23.2	S. and C. Asia	11.5	S. and C. Asia	11.8	S. and C. Asia	27.5	S. and C. Asia	19.2
Far East Asia	15.6	Far East Asia	12.5	Far East Asia	9.4	Far East Asia	4.2	Far East Asia	11.4
Oceania	0.0	Oceania	0.1	Oceania	0.0	Oceania	0.1	Oceania	0.1
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Table 32

Major Recipients of Individual DAC Members' Aid
(continued)
Per cent of total ODA

2002-03	United Kingdom						
	1982-83	1992-93		2002-03			
Serbia & Montenegro	3.6	India	7.8	India	5.1	India	6.0
India	2.1	Sudan	3.2	Bangladesh	2.7	Serbia & Montenegro	4.1
Tanzania	2.0	Sri Lanka	2.8	Zambia	2.3	Tanzania	3.6
Mozambique	1.9	Kenya	2.8	Tanzania	2.2	Bangladesh	3.2
Congo, Dem. Rep.	1.7	Tanzania	2.3	Ex-Yugoslavia. Unsp.	1.6	Ghana	2.3
Burkina Faso	1.6	Bangladesh	2.1	Ghana	1.6	Afghanistan	2.0
Bosnia-Herzegovina	1.3	Mexico	1.8	China	1.6	Pakistan	1.8
Nepal	1.3	Zimbabwe	1.6	Zimbabwe	1.5	Iraq	1.7
China	1.3	Pakistan	1.6	Kenya	1.5	Uganda	1.6
Afghanistan	1.3	Zambia	1.2	Uganda	1.5	South Africa	1.5
Bolivia	1.2	Malawi	1.1	Mozambique	1.4	Malawi	1.4
Peru	1.2	Turkey	1.0	Pakistan	1.2	Kenya	1.2
Bangladesh	1.1	Indonesia	0.9	Indonesia	1.1	Zambia	1.0
Viet Nam	1.1	Egypt	0.8	Malaysia	1.1	China	1.0
Pakistan	1.0	Botswana	0.8	Malawi	1.1	Mozambique	1.0
Total above	23.8	Total above	31.8	Total above	27.5	Total above	33.4
Multilateral ODA	23.5	Multilateral ODA	43.4	Multilateral ODA	45.0	Multilateral ODA	33.9
Unallocated	27.5	Unallocated	9.7	Unallocated	13.2	Unallocated	17.7
Total ODA USD mill.	1 124	Total ODA USD mill.	1 839	Total ODA USD mill.	3 236	Total ODA USD mill.	5 782
LDCs	40.5	LDCs	34.1	LDCs	38.5	LDCs	40.9
Other LICs	22.5	Other LICs	34.6	Other LICs	31.6	Other LICs	31.1
LMICs	35.4	LMICs	16.6	LMICs	20.2	LMICs	24.6
UMICs	1.6	UMICs	12.6	UMICs	9.1	UMICs	3.5
HICs	-	HICs	-	HICs	-	HICs	-
MADCT	0.0	MADCT	2.1	MADCT	0.6	MADCT	0.0
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0
Europe	15.4	Europe	2.7	Europe	5.4	Europe	9.3
North of Sahara	1.5	North of Sahara	2.2	North of Sahara	1.4	North of Sahara	0.3
South of Sahara	35.0	South of Sahara	39.9	South of Sahara	45.4	South of Sahara	43.4
N. and C. America	5.8	N. and C. America	8.8	N. and C. America	5.3	N. and C. America	4.2
South America	8.9	South America	4.4	South America	2.9	South America	3.2
Middle East	3.3	Middle East	1.7	Middle East	2.1	Middle East	4.8
S. and C. Asia	21.7	S. and C. Asia	32.6	S. and C. Asia	24.4	S. and C. Asia	29.2
Far East Asia	8.3	Far East Asia	3.6	Far East Asia	11.4	Far East Asia	5.3
Oceania	0.0	Oceania	4.1	Oceania	1.8	Oceania	0.3
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Gross disbursements

			United States			TOTAL DAC COUNTRIES			
1982-83		1992-93	2002-03		1982-83		1992-93		
Israel	12.2	Israel	12.7	Egypt	5.1	Egypt	4.5	Egypt	5.4
Egypt	11.3	Egypt	10.3	Iraq	4.8	Israel	4.1	Indonesia	3.8
Turkey	3.6	El Salvador	4.2	Congo, Dem. Rep.	4.6	India	3.2	China	3.5
El Salvador	2.3	Somalia	3.1	Pakistan	4.1	Indonesia	3.1	Israel	2.7
Bangladesh	2.3	Philippines	2.1	Jordan	3.8	Bangladesh	2.5	Philippines	2.7
India	1.7	Colombia	1.5	Colombia	3.2	Turkey	1.8	India	2.3
Sudan	1.7	India	1.1	Afghanistan	2.6	China	1.7	Ex-Yugoslavia. Unsp.	1.8
Northern Marianas	1.7	Jamaica	1.1	Ethiopia	2.3	Tanzania	1.6	Mozambique	1.5
Pakistan	1.5	Pakistan	1.1	Serbia & Montenegro	2.2	Pakistan	1.5	Tanzania	1.3
Costa Rica	1.4	Panama	1.0	Indonesia	1.4	Sudan	1.4	Bangladesh	1.3
Indonesia	1.4	Bolivia	0.9	Peru	1.3	Kenya	1.2	Pakistan	1.2
Jamaica	1.3	Bangladesh	0.9	Bolivia	1.3	Philippines	1.2	Thailand	1.2
Philippines	1.2	Zambia	0.9	Palestinian Adm. Areas	1.0	Sri Lanka	1.2	Zambia	1.1
Peru	0.8	Turkey	0.8	India	0.9	Thailand	1.2	Morocco	1.1
Honduras	0.8	Ethiopia	0.8	Mozambique	0.9	Papua New Guinea	1.0	Côte d'Ivoire	1.0
Total above	45.1	Total above	42.5	Total above	39.5	Total above	31.2	Total above	31.9
Multilateral ODA	33.7	Multilateral ODA	26.4	Multilateral ODA	13.6	Multilateral ODA	32.2	Multilateral ODA	27.3
Unallocated	7.9	Unallocated	14.1	Unallocated	21.4	Unallocated	9.2	Unallocated	11.6
Total ODA USD mill.	8 695	Total ODA USD mill.	12 668	Total ODA USD mill.	16 181	Total ODA USD mill.	28 482	Total ODA USD mill.	67 227
LDCs	17.0	LDCs	18.1	LDCs	30.6	LDCs	28.4	LDCs	24.5
Other LICs	10.4	Other LICs	10.4	Other LICs	20.0	Other LICs	21.7	Other LICs	21.9
LMICs	44.4	LMICs	44.8	LMICs	46.9	LMICs	31.8	LMICs	39.7
UMICs	4.4	UMICs	4.6	UMICs	2.5	UMICs	6.5	UMICs	6.3
HICs	-	HICs	-	HICs	0.0	HICs	0.0	HICs	0.0
MADCT	23.8	MADCT	22.1	MADCT	0.0	MADCT	11.3	MADCT	7.4
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0
Europe	6.6	Europe	2.0	Europe	7.5	Europe	3.9	Europe	4.6
North of Sahara	20.7	North of Sahara	18.1	North of Sahara	7.6	North of Sahara	10.8	North of Sahara	12.1
South of Sahara	14.1	South of Sahara	18.1	South of Sahara	31.2	South of Sahara	28.1	South of Sahara	28.5
N. and C. America	14.1	N. and C. America	16.1	N. and C. America	5.5	N. and C. America	7.2	N. and C. America	6.9
South America	2.9	South America	7.5	South America	9.4	South America	4.9	South America	6.7
Middle East	22.7	Middle East	22.7	Middle East	14.4	Middle East	9.2	Middle East	6.5
S. and C. Asia	10.9	S. and C. Asia	8.9	S. and C. Asia	17.5	S. and C. Asia	15.9	S. and C. Asia	10.2
Far East Asia	5.0	Far East Asia	5.2	Far East Asia	5.3	Far East Asia	14.4	Far East Asia	21.1
Oceania	2.9	Oceania	1.3	Oceania	1.5	Oceania	5.6	Oceania	3.4
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Table 32

Major Recipients of Individual DAC Members' Aid
(continued)
Per cent of total ODA

2002-03	EC						
	1982-83	1992-93		2002-03			
Congo, Dem. Rep.	3.8	India	7.6	Ex-Yugoslavia. Unsp.	6.1	Ex-Yugoslavia. Unsp.	4.0
China	2.8	Bangladesh	4.8	Ethiopia	4.6	Palestinian Adm. Areas	2.7
India	2.3	Sudan	3.5	Albania	3.3	Afghanistan	2.7
Indonesia	2.2	Ethiopia	3.3	Morocco	2.9	Serbia & Montenegro	2.6
Pakistan	2.0	Egypt	3.1	Zambia	2.7	Turkey	2.4
Serbia & Montenegro	1.9	Congo, Dem. Rep.	3.1	Uganda	2.2	Ethiopia	2.1
Egypt	1.7	Morocco	2.7	Tanzania	2.1	Morocco	2.1
Mozambique	1.7	Turkey	2.6	Nigeria	2.0	Tanzania	2.1
Afghanistan	1.5	Somalia	2.6	Mozambique	1.9	Sudan	2.0
Iraq	1.5	Tanzania	2.5	Côte d'Ivoire	1.8	Bosnia-Herzegovina	2.0
Philippines	1.5	Senegal	2.5	Burkina Faso	1.6	South Africa	1.9
Tanzania	1.3	Ghana	2.4	Kenya	1.6	Mozambique	1.7
Viet Nam	1.2	Papua New Guinea	2.1	Cameroon	1.6	Tunisia	1.5
Jordan	1.1	Kenya	2.0	Egypt	1.5	Zambia	1.5
Bangladesh	1.1	Madagascar	1.9	Mali	1.5	Egypt	1.4
Total above	27.6	Total above	46.6	Total above	37.5	Total above	32.6
Multilateral ODA	25.6	Multilateral ODA	0.0	Multilateral ODA	7.5	Multilateral ODA	7.8
Unallocated	15.9	Unallocated	15.8	Unallocated	12.1	Unallocated	17.2
Total ODA USD mill.	72 582	Total ODA USD mill.	1 132	Total ODA USD mill.	4 484	Total ODA USD mill.	6 593
LDCs	33.3	LDCs	54.3	LDCs	45.7	LDCs	41.7
Other LICs	24.1	Other LICs	23.9	Other LICs	17.5	Other LICs	12.2
LMICs	38.2	LMICs	19.0	LMICs	32.6	LMICs	41.5
UMICs	4.3	UMICs	2.3	UMICs	3.2	UMICs	3.9
HICs	0.0	HICs	-	HICs	0.1	HICs	-
MADCT	0.0	MADCT	0.5	MADCT	1.0	MADCT	0.7
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0
Europe	7.2	Europe	4.1	Europe	12.9	Europe	17.5
North of Sahara	5.2	North of Sahara	8.0	North of Sahara	8.5	North of Sahara	8.0
South of Sahara	34.5	South of Sahara	58.1	South of Sahara	55.6	South of Sahara	44.0
N. and C. America	4.8	N. and C. America	3.0	N. and C. America	4.8	N. and C. America	4.9
South America	6.8	South America	1.8	South America	3.9	South America	3.3
Middle East	6.5	Middle East	2.1	Middle East	3.3	Middle East	7.9
S. and C. Asia	16.2	S. and C. Asia	16.8	S. and C. Asia	5.6	S. and C. Asia	9.3
Far East Asia	17.1	Far East Asia	1.9	Far East Asia	3.2	Far East Asia	4.4
Oceania	1.7	Oceania	4.3	Oceania	2.1	Oceania	0.7
Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0	Total Bilateral	100.0

Table 33

ODA from Non-DAC Donors

Net disbursements

USD million

	1999	2000	2001	2002	2003
OECD Non-DAC					
Czech Republic	15	16	26	45	91
Hungary	..	..	..	..	21
Iceland	8	9	10	13	18
Korea	317	212	265	279	366
Poland	20	29	36	14	27
Slovak Republic	7	6	8	7	15
Turkey	120	82	64	73	67
Arab countries					
Kuwait	147	165	73	20	133
Saudi Arabia	185	295	490	2 478	2 391
United Arab Emirates	92	150	127	156	188
Other donors					
Israel ^a	114	164	76	114	92
Other donors ^b	0	1	2	3	4
TOTAL	1 026	1 128	1 178	3 201	3 411
<i>of which: Bilateral</i>					
OECD Non-DAC					
Czech Republic	7	6	15	31	80
Hungary	..	..	..	..	14
Iceland	4	4	5	5	14
Korea	131	131	172	207	245
Poland	15	13	31	9	19
Slovak Republic	4	2	3	4	9
Turkey	37	26	19	27	26
Arab countries					
Kuwait	147	164	73	20	109
Saudi Arabia	- 1	129	395	2 146	2 340
United Arab Emirates	92	150	127	156	188
Other donors					
Israel ^a	100	158	69	107	84
Other donors ^b	0	0	1	0	1
TOTAL	535	784	909	2 711	3 129

a) These figures include USD 66.8 million in 2000, USD 50.1 million in 2001, USD 87.8 million in 2002 and USD 68.8 million in 2003 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.

b) Comprises Estonia, Latvia and Lithuania.

Note: China also provides aid, but does not disclose the amount.

Table 34

Share of Debt Relief in DAC Members' Total Net ODA in 2003

	Net ODA (USD million)	Net ODA Debt Relief ^(a) (USD million)	of which: <i>Bilateral</i> (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	1 219	7	7	0.6	1	0.1
Austria	505	39	39	7.7	18	3.7
Belgium	1 853	753	753	40.6	753	40.6
Canada	2 031	147	96	7.2	147	7.2
Denmark	1 748	10	4	0.6	7	0.4
Finland	558	6	0	1.2	6	1.2
France	7 253	2 936	2 915	40.5	2 062	28.4
Germany	6 784	1 284	1 268	18.9	1 244	18.3
Greece	362	2	0	0.6	2	0.6
Ireland	504	3	0	0.6	3	0.6
Italy	2 433	598	598	24.6	591	24.3
Japan	8 880	940	836	10.6	151	1.7
Luxembourg	194	0	0	0.0	0	0.0
Netherlands	3 981	257	257	6.4	248	6.2
New Zealand	165	0	0	0.0	0	0.0
Norway	2 042	69	22	3.4	47	2.3
Portugal	320	6	6	2.0	6	1.8
Spain	1 961	106	106	5.4	56	2.9
Sweden	2 400	165	165	6.9	165	6.9
Switzerland	1 299	75	37	5.8	68	5.2
United Kingdom	6 282	161	126	2.6	110	1.7
United States	16 254	1 800	1 475	11.1	1 735	10.7
TOTAL DAC	69 029	9 365	8 710	13.6	7 421	10.8

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), except for grants for other action on debt), plus multilateral contributions to the HIPC Initiative.

Table 35

Economic Indicators for DAC Member Countries in 2003

	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	24 800	3.3	2.7	6.0	0.8	-5.9	36.8
Austria	31 100	0.8	1.6	5.7	-1.3	-0.4	49.5
Belgium	29 700	1.3	2.0	7.9	0.3	4.2	51.3
Canada	26 900	2.0	3.2	7.6	0.6	2.0	41.2
Denmark	38 600	0.5	2.2	5.6	1.2	2.7	57.3
Finland	30 800	2.1	0.0	9.1	2.1	4.1	53.2
France	29 500	0.5	1.4	9.7	-4.1	0.4	50.4
Germany	29 000	-0.1	1.1	9.1	-3.8	2.3	45.0
Greece	15 700	4.5	3.5	9.5	-4.6	-6.5	43.6
Ireland	31 900	3.6	1.6	4.6	0.2	-1.4	34.5
Italy	25 300	0.4	2.9	8.8	-2.5	-1.4	46.4
Japan	34 300	2.5	-2.5	5.3	-7.7	3.1	29.9
Luxembourg	53 300	2.9	2.1	3.8	0.8	8.2	45.6
Netherlands	30 700	-0.9	3.0	4.1	-3.2	2.9	45.8
New Zealand	18 300	3.2	2.1	4.6	3.1	-4.2	41.4
Norway	48 600	0.4	2.3	4.5	8.3	12.9	57.1
Portugal	14 100	-1.2	2.3	6.3	-2.8	-5.1	44.9
Spain	19 700	2.5	4.0	11.3	0.4	-2.8	40.0
Sweden	33 600	1.7	2.2	4.9	0.1	6.4	58.3
Switzerland	46 000	-0.4	0.9	4.0	..	13.2	35.2
United Kingdom	30 900	2.2	3.0	5.0	-3.5	-1.9	40.2
United States	37 700	3.0	1.8	6.0	-4.6	-4.8	31.5
TOTAL DAC	32 000	2.1	2.0	6.9	-3.7	-1.1	37.4

a) GDP deflators.

Source: OECD Economic Outlook, December 2003 and country submissions.

	1987	1988	1989	1990	1991	1992	1993	1994
Australia	84.61	102.52	111.17	115.05	117.47	112.18	105.02	114.03
Austria	84.85	87.99	84.47	101.56	102.66	112.95	109.85	114.95
Belgium	82.11	85.21	83.34	100.99	101.64	111.71	108.09	113.94
Canada	86.82	97.72	106.22	111.19	116.57	111.97	106.43	101.68
Denmark	81.24	84.64	82.01	100.44	99.90	108.82	102.77	106.55
Finland	91.95	104.67	108.62	129.59	124.88	114.18	91.85	102.40
France	87.35	90.95	87.68	105.71	105.09	114.21	109.37	113.55
Germany	87.45	90.99	86.84	104.23	103.57	115.53	113.16	118.17
Greece	62.44	69.53	69.58	86.02	89.55	98.27	93.50	98.30
Ireland	73.55	77.74	76.36	88.46	87.61	95.27	86.18	89.42
Italy	83.65	89.00	89.91	111.37	115.73	121.84	99.26	100.10
Japan	84.57	96.11	90.98	88.77	98.39	106.15	121.59	132.44
Luxembourg	75.12	78.41	76.12	91.99	91.64	101.02	99.61	106.49
Netherlands	81.88	84.69	79.84	95.06	95.22	103.62	99.95	104.35
New Zealand	89.91	107.16	102.84	105.99	103.33	97.44	100.84	111.79
Norway	73.26	79.37	78.98	90.45	89.24	92.53	82.91	83.29
Portugal	57.30	62.30	63.09	78.80	85.52	102.07	91.95	95.45
Spain	72.08	80.98	85.16	106.15	111.34	120.59	101.45	100.10
Sweden	95.35	104.92	107.77	127.75	134.20	140.69	108.10	111.62
Switzerland	79.19	82.98	76.52	93.95	96.48	101.09	98.76	108.49
United Kingdom	62.32	72.10	71.23	83.21	88.12	91.20	80.17	83.01
United States	70.10	72.49	75.25	78.18	81.02	83.00	84.99	86.76
TOTAL DAC	79.87	85.78	85.87	94.52	98.07	103.98	102.04	106.65
EC	79.87	84.92	82.48	99.69	101.17	110.55	103.68	108.30

a) Including the effect of exchange rate changes, i.e. applicable to US dollar figures only.

Table 36

Deflators for Resource Flows from DAC Donors^a (2002 = 100)

1995	1996	1997	1998	1999	2000	2001	2002	2003	
117.48	126.99	122.36	103.83	107.51	100.65	92.52	100.00	122.78	Australia
133.43	128.85	112.74	111.69	107.78	94.54	93.76	100.00	122.05	Austria
130.89	126.09	110.79	110.97	107.87	94.46	93.44	100.00	122.94	Belgium
103.48	105.83	105.46	98.04	99.61	103.63	100.42	100.00	116.04	Canada
123.06	121.89	109.36	108.94	106.44	94.67	93.88	100.00	121.95	Denmark
128.31	121.60	109.95	110.43	105.56	94.21	94.00	100.00	120.44	Finland
128.47	127.12	112.81	112.55	108.31	94.37	93.25	100.00	121.68	France
136.54	131.37	114.75	114.35	110.14	95.03	93.54	100.00	121.05	Germany
112.89	116.65	109.85	106.86	106.33	91.94	91.40	100.00	124.13	Greece
98.80	100.72	99.23	99.12	97.90	88.28	90.13	100.00	121.93	Ireland
104.08	115.69	107.32	108.11	104.92	92.63	92.49	100.00	123.14	Italy
143.13	122.83	110.81	102.31	115.77	120.00	104.80	100.00	105.35	Japan
123.61	120.06	106.79	108.05	105.86	95.17	94.49	100.00	121.81	Luxembourg
120.69	116.24	102.48	102.47	99.85	89.77	91.94	100.00	123.17	Netherlands
126.72	136.14	131.27	107.87	106.44	93.55	90.68	100.00	126.96	New Zealand
95.39	97.43	91.52	85.15	87.87	90.24	89.99	100.00	115.06	Norway
109.32	109.51	100.04	100.96	99.64	89.17	90.88	100.00	122.97	Portugal
112.85	114.98	101.80	102.17	100.42	89.88	90.99	100.00	124.30	Spain
124.80	134.37	119.87	116.03	112.38	102.65	92.80	100.00	122.79	Sweden
126.88	121.79	103.61	103.60	100.65	90.66	91.74	100.00	115.59	Switzerland
87.85	89.78	96.93	100.76	100.66	95.52	92.98	100.00	111.86	United Kingdom
88.65	90.37	92.13	93.26	94.60	96.59	98.87	100.00	101.61	United States
118.65	113.28	105.95	103.19	104.89	100.33	96.31	100.00	113.12	TOTAL DAC
122.31	121.34	110.04	110.47	106.40	93.26	92.80	100.00	122.22	EC

Table 37

Annual Average Dollar Exchange Rates for DAC Members

1 USD =		1999	2000	2001	2002	2003
Australia	Dollars	1.5497	1.7265	1.9354	1.8413	1.5415
Austria	Schillings	12.9149	14.9312	15.3652	-	-
Belgium	Francs	37.8615	43.7727	45.0448	-	-
Canada	Dollars	1.4855	1.4851	1.5484	1.5700	1.4001
Denmark	Kroner	6.9799	8.0880	8.3208	7.8843	6.5766
Finland	Markkaa	5.5804	6.4517	6.6392	-	-
France	Francs	6.1566	7.1178	7.3246	-	-
Germany	Deutsche Mark	1.8357	2.1223	2.1839	-	-
Greece	Drachmas	305.6926	365.4544	380.4920	-	-
Ireland	Punt	0.7392	0.8546	0.8794	-	-
Italy	Lire (thousands)	1.8173	2.1010	2.1621	-	-
Japan	Yen (thousands)	0.1139	0.1078	0.1215	0.1252	0.1159
Luxembourg	Francs	37.8615	43.7727	45.0448	-	-
Netherlands	Guilder	2.0683	2.3912	2.4607	-	-
New Zealand	Dollars	1.8917	2.2047	2.3817	2.1633	1.7240
Norway	Kroner	7.7969	8.7967	8.9930	7.9856	7.0791
Portugal	Escudos	188.1650	217.5422	223.8644	-	-
Spain	Pesetas	156.1637	180.5448	185.7918	-	-
Sweden	Kroner	8.2623	9.1606	10.3384	9.7210	8.0781
Switzerland	Francs	1.5027	1.6879	1.6869	1.5568	1.3450
United Kingdom	Pound Sterling	0.6181	0.6606	0.6943	0.6665	0.6124
<i>EC-12</i>	<i>EURO</i>	<i>0.9385</i>	<i>1.0851</i>	<i>1.1166</i>	<i>1.0611</i>	<i>0.8851</i>

Table 38

Gross National Income and Population of DAC Member Countries

	Gross National Income (USD billion)				Population (thousands)			
	1992-1993 average	2001	2002	2003	1992-1993 average	2001	2002	2003
Australia	276	346	387	493	17 585	19 490	19 580	19 880
Austria	182	185	204	250	7 935	8 130	8 030	8 050
Belgium	215	235	248	308	10 065	10 280	10 320	10 370
Canada	540	705	718	854	28 540	31 080	31 490	31 710
Denmark	133	159	170	209	5 180	5 360	5 380	5 400
Finland	90	120	131	160	5 055	5 200	5 210	5 210
France	1 286	1 316	1 439	1 763	57 510	59 190	59 440	59 770
Germany	1 998	1 841	1 987	2 393	80 890	82 310	82 500	82 500
Greece	..	117	133	173	..	10 960	10 950	11 020
Ireland	42	87	99	128	3 555	3 840	3 880	4 000
Italy	1 088	1 083	1 174	1 454	56 650	57 350	57 920	57 480
Japan	3 963	4 245	4 065	4 376	124 605	127 210	127 440	127 620
Luxembourg	14	18	19	24	400	440	440	450
Netherlands	315	386	412	499	15 235	15 990	16 140	16 250
New Zealand	39	44	55	73	3 530	3 850	3 940	4 010
Norway	105	169	191	222	4 300	4 510	4 550	4 570
Portugal	85	107	119	145	9 880	10 340	10 340	10 340
Spain	520	574	652	839	39 050	40 270	41 180	42 710
Sweden	209	217	241	302	8 695	8 900	8 940	8 980
Switzerland	246	267	297	337	6 910	7 230	7 320	7 320
United Kingdom	988	1 431	1 595	1 829	58 100	58 790	58 980	59 200
United States	6 265	10 159	10 490	10 981	256 375	285 020	288 210	291 050
TOTAL DAC	(18 599)	23 813	24 827	27 813	(800 045)	855 740	862 180	867 890
<i>of which:</i>								
EU Members	(7 165)	7 878	8 624	10 478	(358 200)	377 350	379 650	381 730

Table 39

Net Official Aid Disbursements to Countries on Part II of the DAC List of Aid Recipients

	USD million					As % of GNI				
	1999	2000	2001	2002	2003	1999	2000	2001	2002	2003
Australia	3	8	5	7	9	0.00	0.00	0.00	0.00	0.00
Austria	184	187	212	196	245	0.09	0.10	0.11	0.10	0.10
Belgium	82	74	88	97	163	0.03	0.03	0.04	0.04	0.05
Canada	165	165	152	104	102	0.03	0.02	0.02	0.01	0.01
Denmark	128	189	181	167	202	0.07	0.12	0.11	0.10	0.10
Finland	74	58	61	67	82	0.06	0.05	0.05	0.05	0.05
France	745	1 657	1 334	1 464	2 027	0.05	0.13	0.10	0.10	0.11
Germany	729	647	687	780	1 181	0.03	0.03	0.04	0.04	0.05
Greece	11	12	9	16	81	0.01	0.01	0.01	0.01	0.05
Ireland	-	18	23	26	1	-	0.02	0.03	0.03	0.00
Italy	92	406	281	..	497	0.01	0.04	0.03	..	0.03
Japan	67	- 54	84	99	- 219	0.00	-0.00	0.00	0.00	-0.01
Luxembourg	3	7	9	10	6	0.01	0.04	0.05	0.05	0.03
Netherlands	22	306	214	211	248	0.01	0.08	0.06	0.05	0.05
New Zealand	0	0	0	1	1	0.00	0.00	0.00	0.00	0.00
Norway	28	27	32	45	50	0.02	0.02	0.02	0.02	0.02
Portugal	28	27	28	33	51	0.03	0.03	0.03	0.03	0.04
Spain	13	12	14	11	5	0.00	0.00	0.00	0.00	0.00
Sweden	99	122	119	107	127	0.04	0.05	0.05	0.04	0.04
Switzerland	70	58	63	66	77	0.03	0.02	0.02	0.02	0.02
United Kingdom	407	439	461	494	698	0.03	0.03	0.03	0.03	0.04
United States	3 521	2 506	1 542	2 313	1 471	0.04	0.03	0.02	0.02	0.01
TOTAL DAC	6 468	6 871	5 597	(6 317)	7 106	0.03	0.03	0.02	(0.03)	0.03
<i>of which:</i>										
EU Members	2 615	4 161	3 719	(3 682)	5 614	0.03	0.05	0.05	(0.04)	0.05

Note: For a list of countries on Part II of the DAC List of Aid Recipients in 2003, refer to the end of this volume. See notes b) and c) on Table 41 for details of the countries that transferred to Part II in 2000 and 2003.

	Australia			Austria		
	2001	2002	2003	2001	2002	2003
NET DISBURSEMENTS						
I. Official Aid (OA) (A+B)	5	7	9	212	196	245
OA as % of GNI	0.00	0.00	0.00	0.11	0.10	0.10
A. Bilateral OA	2	4	2	161	142	162
1. Grants	2	4	2	161	142	162
of which: Technical Co-operation	1	2	1	-	36	47
Developmental Food Aid	-	-	-	-	-	-
2. Loans	-	-	-	-	-0	-0
B. Multilateral OA	3	4	7	50	55	84
Grants and Capital Subscriptions	3	4	7	50	55	84
of which: to EC	-	-	-	42	48	73
to EBRD	2	3	3	7	7	7
II. Other Official Flows (OOF)	3	13	-	-	-	-1
1. Official Export Credits	-	-	-	-	-	-1
2. Other	3	13	-	-	-	-
III. Grants by NGOs	-	-	-	6	8	13
IV. Private Flows	5 100	1 747	-1 582	2 453	3 544	3 585
1. Direct Investment	3 801	572	1 219	2 453	3 544	3 585
2. Portfolio Investment	1 299	1 174	-2 801	-	-	-
3. Export Credits	-	-	-	-	-	-
V. Total Resource Flows	5 108	1 767	-1 573	2 671	3 749	3 841
<i>Memo:</i>						
Debt Forgiveness	-	-	-	-	93	82

	France			Germany		
	2001	2002	2003	2001	2002	2003
NET DISBURSEMENTS						
I. Official Aid (OA) (A+B)	1 334	1 464	2 027	687	780	1 181
OA as % of GNI	0.10	0.10	0.11	0.04	0.04	0.05
A. Bilateral OA	1 011	1 063	1 430	245	266	385
1. Grants	1 021	1 083	1 388	317	347	460
of which: Technical Co-operation	554	661	796	274	310	441
Developmental Food Aid	0	-	-	-	-	-
2. Loans	-11	-20	42	-72	-81	-75
B. Multilateral OA	323	401	597	442	514	796
Grants and Capital Subscriptions	323	401	597	442	514	796
of which: to EC	294	372	570	401	462	722
to EBRD	21	23	27	28	31	40
II. Other Official Flows (OOF)	-75	21	-109	3 258	-505	-877
1. Official Export Credits	-	-	-	45	-4	-12
2. Other	-75	21	-109	3 213	-500	-865
III. Grants by NGOs	-	-	-	90	78	100
IV. Private Flows	21 705	4 352	8 906	13 036	6 954	4 536
1. Direct Investment	5 400	1 925	1 740	7 606	1 602	593
2. Portfolio Investment	16 615	2 626	8 005	6 165	6 799	4 330
3. Export Credits	-311	-199	-840	-735	-1 446	-387
V. Total Resource Flows	22 964	5 837	10 823	17 071	7 308	4 940
<i>Memo:</i>						
Debt Forgiveness	175	142	180	-	-	-

Table 40

The Flows of Financial Resources to Part II Countries and Multilateral Organisations

USD million

Belgium			Canada			Denmark			Finland		
2001	2002	2003	2001	2002	2003	2001	2002	2003	2001	2002	2003
88	97	163	152	104	102	181	167	202	61	67	82
0.04	0.04	0.05	0.02	0.01	0.01	0.11	0.10	0.10	0.05	0.05	0.05
5	12	29	152	104	102	113	95	115	32	32	40
5	6	14	152	104	102	101	90	96	31	33	39
3	4	4	17	13	10	-	-	-	20	21	26
-	-	-	-	-	-	-	-	-	-	-	-
-	6	14	-	-	-0	12	5	19	1	-1	1
84	85	134	-	-	-	68	72	86	28	35	42
84	85	134	-	-	-	68	72	86	28	35	42
78	79	131	-	-	-	63	67	80	25	31	37
6	6	0	-	-	-	3	3	4	3	3	4
-16	-24	-34	-67	-106	-41	29	19	32	-3	-1	1
-	-	-	-55	-90	-20	-	-	-	-3	-	-
-16	-24	-34	-12	-16	-22	29	19	32	-0	-1	1
10	10	-	-	-	-	2	-	-	0	0	1
-1 252	-2 527	-	4 548	5 603	3 422	565	431	635	1 066	938	297
348	-2 497	-	4 489	5 534	3 172	-	431	635	267	286	487
-1 614	-0	-	59	76	250	565	-	-	787	519	-168
14	-30	-	0	-7	-	-	-	-	12	134	-22
-1 170	-2 443	129	4 633	5 602	3 483	777	617	868	1 124	1 004	381
-	-	-	110	67	58	-	-	-	-	-	-

USD million

Greece			Ireland			Italy			Japan		
2001	2002	2003	2001	2002	2003	2001	2002	2003	2001	2002	2003
9	16	81	23	26	1	281	..	497	84	99	-219
0.01	0.01	0.05	0.03	0.03	0.00	0.03	..	0.03	0.00	0.00	-0.01
7	16	21	0	1	1	21	..	15	25	56	-298
7	16	21	0	1	1	22	..	20	138	123	123
5	9	20	-	-	0	4	..	8	129	119	119
-	-	-	-	-	-	-	..	-	-	-	-
-	-	-	-	-	-	-1	..	-5	-113	-66	-422
2	-	60	23	25	-	260	..	481	59	43	79
2	-	60	23	25	-	260	..	481	59	43	79
-	-	58	23	25	-	236	..	442	-	-	-
2	-	2	-	-	-	21	..	35	34	43	31
-	-	-	-	-	-	27	25	-61	-651	-896	-1 120
-	-	-	-	-	-	-	-	-	20	138	67
-	-	-	-	-	-	27	25	-61	-670	-1 034	-1 187
-	1	-	-	-	-	0	-	0	-	-	-
-	216	464	3	-	-	-1 030	-199	559	3 168	6 150	-2 641
-	216	464	-	-	-	634	197	325	5 671	6 182	1 955
-	-	-	3	-	-	-1 652	-469	-26	-3 670	-349	-6 700
-	-	-	-	-	-	-12	73	261	1 167	318	2 104
9	234	546	26	26	1	- 721	(- 174)	995	2 602	5 353	-3 980
-	-	-	-	-	-	-	-	-	-	-	-

	Luxembourg			Netherlands		
	2001	2002	2003	2001	2002	2003
NET DISBURSEMENTS						
I. Official Aid (OA) (A+B)	9	10	6	214	211	248
OA as % of GNI	0.05	0.05	0.03	0.06	0.05	0.05
A. Bilateral OA	3	3	4	96	132	148
1. Grants	3	3	4	103	138	167
of which: Technical Co-operation	-	-	-	-	-	-
Developmental Food Aid	-	-	-	-	-	-
2. Loans	-	-	-	-7	-6	-19
B. Multilateral OA	6	7	2	117	79	100
Grants and Capital Subscriptions	6	7	2	117	79	100
of which: to EC	5	5	-	96	68	85
to EBRD	0	1	1	1	8	8
II. Other Official Flows (OOF)	-	-	-	-15	-	-
1. Official Export Credits	-	-	-	-15	-	-
2. Other	-	-	-	0	-	-
III. Grants by NGOs	-	-	-	-	-	-
IV. Private Flows	-	-	-	3 432	-1 061	-
1. Direct Investment	-	-	-	4 656	2 775	-
2. Portfolio Investment	-	-	-	-1 175	-4 066	-
3. Export Credits	-	-	-	-50	230	-
V. Total Resource Flows	9	10	6	3 631	- 850	248
<i>Memo:</i>						
Debt Forgiveness	-	-	-	-	-	-

	Sweden			Switzerland		
	2001	2002	2003	2001	2002	2003
NET DISBURSEMENTS						
I. Official Aid (OA) (A+B)	119	107	127	63	66	77
OA as % of GNI	0.05	0.04	0.04	0.02	0.02	0.02
A. Bilateral OA	113	100	105	55	57	66
1. Grants	113	100	105	53	57	64
of which: Technical Co-operation	44	44	41	9	12	19
Developmental Food Aid	-	-	-	-	-	-
2. Loans	0	-0	-	2	1	2
B. Multilateral OA	6	7	22	7	9	11
Grants and Capital Subscriptions	6	7	22	7	2	11
of which: to EC	-	-	-	-	-	-
to EBRD	5	1	-	5	6	7
II. Other Official Flows (OOF)	-1	-2	-20	1	2	1
1. Official Export Credits	-	-	-	-	-	-
2. Other	-1	-2	-20	1	2	1
III. Grants by NGOs	-	-	-	7	9	11
IV. Private Flows	295	-1 261	627	5 665	1 302	1 147
1. Direct Investment	361	-1 288	577	5 661	1 320	1 160
2. Portfolio Investment	-0	-0	-0	-0	0	-
3. Export Credits	-66	27	49	4	-17	-13
V. Total Resource Flows	413	-1 155	733	5 735	1 379	1 237
<i>Memo:</i>						
Debt Forgiveness	-	-	-	-	-	-

Note: A substantial part of the increase in private flows to Part II countries is due to the transfer of countries from Part I to Part II of the DAC List of Aid Recipients (for a complete list of countries, please refer to the end of this volume). Totals may not sum due to gaps in reporting.

Table 40

The Flow of Financial Resources to Part II Countries and Multilateral Organisations
(continued)
USD million

New Zealand			Norway			Portugal			Spain		
2001	2002	2003	2001	2002	2003	2001	2002	2003	2001	2002	2003
0	1	1	32	45	50	28	33	51	14	11	5
0.00	0.00	0.00	0.02	0.02	0.02	0.03	0.03	0.04	0.00	0.00	0.00
0	0	1	29	43	48	1	1	0	14	11	5
0	0	1	29	43	48	1	1	0	16	11	10
0	0	1	-	4	6	1	1	0	-	-	9
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-2	-	-5
-	0	0	2	2	2	27	32	51	-	-	-
-	0	0	2	2	2	27	32	51	-	-	-
-	-	-	-	-	-	26	31	49	-	-	-
-	-	-	-	-	-	1	1	1	-	-	-
-	-	-	3	0	1	13	-2	-4	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	3	0	1	13	-2	-4	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	542	1 084	409	384	71	10	1 056	206	1 439
-	-	-	550	1 082	416	374	57	3	1 056	206	1 439
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-8	1	-6	10	14	7	-	-	-
0	1	1	577	1 129	460	425	102	57	1 070	218	1 445
-	-	-	-	-	-	-	-	-	-	-	-

USD million

United Kingdom			United States			TOTAL DAC COUNTRIES			EC		
2001	2002	2003	2001	2002	2003	2001	2002	2003	2001	2002	2003
461	494	698	1 542	2 313	1 471	5 597	(6 316)	7 106	2 689	1 860	3 179
0.03	0.03	0.04	0.02	0.02	0.01	0.02	(0.03)	0.03	-	-	-
87	88	72	1 459	2 244	1 401	3 632	4 471	3 856	2 683	1 852	3 169
87	92	73	1 605	2 418	1 566	3 967	4 811	4 467	1 677	1 862	3 179
75	79	63	1 173	1 457	941	2 310	2 773	2 551	-	251	45
-	-	-	43	27	7	43	27	7	1	1	0
-0	-4	-0	-145	-173	-165	-335	-341	-611	1 006	-10	-10
374	407	626	83	69	70	1 965	1 846	3 250	7	8	10
374	407	626	83	69	70	1 965	1 839	3 250	7	8	10
315	393	598	-	-	-	1 604	1 581	2 844	-	-	-
37	13	16	56	46	36	233	195	223	7	8	10
-	-	-	-266	-52	-278	2 240	-1 508	-2 512	269	996	3 102
-	-	-	-160	-226	-272	-169	-182	-237	-	-	-
-	-	-	-106	174	-7	2 408	-1 326	-2 274	269	996	3 102
4	6	5	3 031	3 146	4 254	3 151	3 260	4 385	-	-	-
6 789	3 796	14 943	19 371	4 182	36 898	86 894	35 529	73 654	-	-	-
9 451	1 025	5 425	15 972	21 372	16 404	68 751	44 541	39 599	-	-	-
-2 528	2 880	9 489	3 360	-17 120	20 124	18 214	-7 930	32 502	-	-	-
-135	-110	29	39	-70	371	-70	-1 083	1 553	-	-	-
7 254	4 296	15 646	23 678	9 589	42 345	97 882	(43 597)	82 633	2 959	2 856	6 281
-	-	-	-	-	-	285	303	320	-	-	-

Table 41
OA Receipts^a and Selected Indicators for Countries and Territories on Part II of the DAC List of Aid Recipients

	Net OA Receipts (USD million)					GNI/CAP (d) 2002 USD	Population 2002 million	Current GNI 2002 USD million	OA/GNI 2002 per cent
	1999	2000	2001	2002	2003				
<i>MADCTs</i>									
Aruba (b)	-	12	-2	10	76	..	0.10	..	..
Bahamas	12	6	8	5	4	15 110	0.31	4 837	0.11
Bermuda	0	0	0	0	0	..	0.06	..	..
Brunei	1	1	0	-2	0	..	0.35	..	..
Cayman Islands	3	-4	-1	-2	-1	..	0.04	..	..
Chinese Taipei	13	10	10	7	12	13 320	22.48	289 295	0.00
Cyprus	53	54	50	34	19	..	0.77	..	..
Falkland Islands	0	0	0	0	0	..	-	..	..
French Polynesia (b)	-	403	388	418	519	..	0.24	..	..
Gibraltar (b)	-	0	1	0	0	..	0.03	..	..
Hong Kong, China	4	4	4	4	5	24 500	6.79	163 748	0.00
Israel	906	800	172	757	440	16 020	6.57	100 889	0.75
Korea (b)	-	-198	-111	-82	-458	11 280	47.64	547 357	-0.01
Kuwait	7	3	4	5	4	16 340	2.33	38 729	0.01
Libya (b)	-	15	10	10	10	..	5.45	..	..
Macao (b)	-	1	1	1	33	..	0.44	..	..
Malta (c)	-	-	-	-	10	..	-	..	..
Netherlands Antilles (b)	-	177	59	93	35	..	0.22	..	..
New Caledonia (b)	-	350	294	324	454	..	0.22	..	..
Qatar	5	0	1	2	2	..	0.61	..	..
Singapore	-1	1	1	7	7	21 180	4.16	88 138	0.01
Slovenia (c)	-	-	-	-	66	..	-	..	..
United Arab Emirates	4	4	3	4	5	..	3.75	..	..
Virgin Islands (b)	-	5	2	-0	-1	..	0.11	..	..
MADCTs unallocated	-	23	25	18	27				
MADCTs, Total	1 007	1 666	918	1 615	1 269	..	102.67	(1 232 993)	..
<i>CEECs/NIS</i>									
Belarus	39	40	39	39	32	1 380	9.93	14 264	0.28
Bulgaria	271	311	346	328	414	1 790	7.87	15 300	2.14
Czech Republic	325	438	314	160	263	5 490	10.20	65 733	0.24
Estonia	84	64	69	54	85	4 190	1.36	6 177	0.88
Hungary	249	252	418	161	248	5 240	10.16	61 300	0.26
Latvia	100	91	106	78	114	3 490	2.34	8 398	0.92
Lithuania	134	99	130	132	372	3 730	3.47	13 877	0.95
Poland	1 186	1 396	966	881	1 191	4 670	38.23	189 428	0.46
Romania	387	432	648	420	601	1 920	22.30	45 290	0.93
Russia	1 946	1 565	1 112	1 301	1 255	2 130	144.07	339 472	0.38
Slovak Republic	319	113	164	153	160	4 050	5.38	23 728	0.65
Ukraine	569	541	519	484	323	780	48.72	41 787	1.16
CEEC Unallocated	363	405	155	162	295				
NIS Unallocated	240	319	273	243	228				
CEEC/NIS Unalloc.	797	253	78	317	335				
CEEC/NIS Part II Total	7 009	6 319	5 337	4 913	5 916	..	304.03	(824 753)	..
Part II Unallocated	22	36	311	41	181				
PART II COUNTRIES, TOTAL	8 038	8 022	6 567	6 569	7 366	..	406.70	(2 057 746)	..

a) OA receipts are total net OA 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) These countries transferred to Part II on 1 January 2000; through 1999 aid to these countries is counted as ODA (see Table 25).

c) These countries transferred to Part II on 1 January 2003; through 2002 aid to these countries is counted as ODA (see Table 25).

d) World Bank Atlas Basis.

Note: More advanced developing countries and territories (MADCTs) comprise countries which transferred to Part II of the DAC List of Aid Recipients in 1996, 1997, 2000 or 2003.

Source: World Bank, Secretariat estimates. Group totals and averages are calculated on available data only.

Technical Notes

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) or OFFICIAL AID (OA).

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 AID RECIPIENTS: For statistical purposes, the DAC uses a List of Aid Recipients which it revises every three years. The “Notes on Definitions and Measurement” below give details of revisions in recent years. From 1 January 2000, Part I of 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 745 or less in 2001 (World Bank Atlas basis).
- **LMICs:** Lower Middle-Income Countries, i.e. with GNI per capita (Atlas basis) between USD 746 and USD 2 975 in 2001. 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 2 976 and USD 9 205 in 2001.
- **HICs:** High-Income Countries, i.e. with GNI per capita (Atlas basis) more than USD 9 205 in 2001.
- Part II of the List comprises “Countries in Transition”. These comprise i) more advanced central and eastern European countries and New Independent States of the former Soviet Union; and ii) more advanced developing countries. See also OFFICIAL AID.

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” below.

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.

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. 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.

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 Community 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 AID (OA): Flows which meet the conditions of eligibility for inclusion in OFFICIAL DEVELOPMENT ASSISTANCE, except that the recipients are on Part II of the DAC List of Aid Recipients (see RECIPIENT COUNTRIES AND TERRITORIES).

OFFICIAL DEVELOPMENT ASSISTANCE (ODA): GRANTS or LOANS to countries and territories on Part I of the DAC List of Aid Recipients (developing countries) that are: undertaken by the official sector; with the promotion of economic development and welfare as the main objective; at concessional financial terms (if a loan, having a GRANT ELEMENT of at least 25%).

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” below.

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 Aid Recipients which do not meet the conditions for eligibility as OFFICIAL DEVELOPMENT ASSISTANCE or OFFICIAL AID, 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.

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**, 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 Aid Recipients (see RECIPIENT COUNTRIES AND TERRITORIES). “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 Aid 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 Aid 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.

SHORT-TERM: Used of 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 (see Table 6 of the Statistical Annex) includes, in addition to ODF, official and private EXPORT CREDITS, and LONG- and SHORT-TERM private transactions (see PRIVATE FLOWS). Total receipts are measured net of AMORTIZATION 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").

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%, and 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 have been 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). Eritrea, formerly part of Ethiopia, has been treated as a separate country from 1993.

* S. Scott, "Some Aspects of the 1988/89 Aid Budget", in *Quarterly Aid Round-up*, No. 6, AIDAB, Canberra, 1989, pp. 11-18.

The former United States Trust Territory of the Pacific Islands has been progressively replaced by its independent successor states, viz. Federated States of Micronesia and Marshall Islands (1992); Northern Marianas and Palau Islands (1994).

Over the same period, the following countries and territories have been removed from the ODA recipient list: Portugal (1991); French Guyana, Guadeloupe, Martinique, Réunion and St Pierre and Miquelon (1992), Greece (1994).

From 1993, several CEEC/NIS countries in transition have been included on Part II of a new List of Aid Recipients (the List is given on the next page). Aid to countries on Part II of the List is recorded as "Official Aid", not as ODA. To avoid overlap, Part II of the new List does not include those CEEC/NIS countries which have been classified as ODA recipients.

From 1996, the following High-Income Countries were transferred from Part I to Part II of the List: Bahamas, Brunei, Kuwait, Qatar, Singapore and United Arab Emirates. From 1997, seven further High-Income Countries were transferred to Part II: Bermuda, Cayman Islands, Chinese Taipei, Cyprus, Falkland Islands, Hong Kong (China), and Israel. From 2000, Aruba, the British Virgin Islands, French Polynesia, Gibraltar, Korea, Libya, Macao, Netherlands Antilles, New Caledonia and Northern Marianas progressed to Part II. In 2001, Senegal transferred to the group of LDCs, and Northern Marianas left the List. In 2003, Malta and Slovenia transferred to Part II, and Timor-Leste joined the LDCs.

Data on total aid to Part I countries (ODA) and total aid to Part II countries (OA) follow the recipient list for the year in question. However, when a country is added to or removed from an income group in Part I, totals for the groups affected are adjusted retroactively to maximise comparability over time with reference to the current list.

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 claims¹

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 Aid Recipients – As at 1 January 2003

Part I: Developing Countries and Territories (Official Development Assistance)					Part II: Countries and Territories in Transition (Official Aid)		
LDCs	Other LICs (per capita GNI < \$745 in 2001)	LMICs (per capita GNI \$746-\$2 975 in 2001)	UMICs (per capita GNI \$2 976- \$9 205 in 2001)	HICs (per capita GNI > \$9 206 in 2001)	CEECs/NIS	More Advanced Developing Countries and Territories	
Afghanistan	* Armenia	* Albania	Palestinian	Botswana	Bahrain	* Belarus	● Aruba
Angola	* Azerbaijan	Algeria	Administered	Brazil		* Bulgaria	Bahamas
Bangladesh	Cameroon	Belize	Areas	Chile		* Czech	● Bermuda
Benin	Congo, Rep.	Bolivia	Paraguay	Cook Islands		Republic	Brunei
Bhutan	Côte d'Ivoire	Bosnia and	Peru	Costa Rica		* Estonia	● Cayman
Burkina Faso	* Georgia	Herzegovina	Philippines	Croatia		* Hungary	Islands
Burundi	Ghana	China	Serbia and	Dominica		* Latvia	Chinese Taipei
Cambodia	India	Colombia	Montenegro	Gabon		* Lithuania	Cyprus
Cape Verde	Indonesia	Cuba	Cuba	Grenada		* Poland	● Falkland
Central African	Kenya	Dominican	Sri Lanka	Lebanon		* Romania	Islands
Republic	Korea,	Republic	St Vincent and	Malaysia		* Russia	● French
Chad	Democratic	Ecuador	Grenadines	Mauritius		* Slovak	Polynesia
Comoros	Republic	Egypt	Suriname	● Mayotte		Republic	● Gibraltar
Congo,	* Kyrgyz Rep.	El Salvador	Swaziland	Nauru		* Ukraine	● Hong Kong,
Dem. Rep.	* Moldova	Fiji	Syria	Panama			China
Djibouti	Mongolia	Guatemala	Thailand	● St Helena			Israel
Equatorial	Nicaragua	Guyana	● Tokelau	St Lucia			Korea
Guinea	Nigeria	Honduras	Tonga	Venezuela			Kuwait
Eritrea	Pakistan	Iran	Tunisia				Libya
Ethiopia	Papua	Iraq	Turkey				● Macao
Gambia	New Guinea	Jamaica	* Turkmenistan	Threshold for			Malta
Guinea	* Tajikistan	Jordan	● Wallis	World Bank			● Netherlands
Guinea-Bissau	* Uzbekistan	* Kazakhstan	and Futuna	Loan Eligibility			Antilles
Haiti	Viet Nam	Macedonia		(\$5 185 in 2001)			● New Caledonia
Kiribati	Zimbabwe	(former		● Anguilla			Qatar
Laos		Yugoslav		Antigua and			Singapore
Lesotho		Republic)		Barbuda			Slovenia
Liberia		Marshall Islands		Argentina			United Arab
Madagascar		Micronesia,		Barbados			Emirates
Malawi		Federated		Mexico			● Virgin
Maldives		States		● Montserrat			Islands (UK)
Mali		Morocco		Oman			
Mauritania		Namibia		Palau Islands			
Mozambique		Niue		Saudi Arabia			
Myanmar				Seychelles			
Nepal				St Kitts			
Niger				and Nevis			
Rwanda				Trinidad			
Samoa				and Tobago			
São Tomé				● Turks and			
and Príncipe				Caicos Islands			
Senegal				Uruguay			
Sierra Leone							
Solomon Islands							
Somalia							
Sudan							
Tanzania							
Timor-Leste							
Togo							
Tuvalu							
Uganda							
Vanuatu							
Yemen							
Zambia							

* Central and eastern European countries and New Independent States of the former Soviet Union (CEECs/NIS).

● Territory.

List of Acronyms*

ACP	AFRICAN, CARIBBEAN AND PACIFIC COUNTRIES
AfDB	AFRICAN DEVELOPMENT BANK
AfDF	AFRICAN DEVELOPMENT FUND
AsDB	ASIAN DEVELOPMENT BANK
AsDF	ASIAN DEVELOPMENT FUND
ASEAN	ASSOCIATION OF SOUTH-EAST ASIAN NATIONS
BIS	BANK FOR INTERNATIONAL SETTLEMENTS
CCA	COMMON COUNTRY ASSESSMENT
CDF	COMPREHENSIVE DEVELOPMENT FRAMEWORK
CDM	CLEAN DEVELOPMENT MECHANISM (Kyoto Protocol)
CEC	COMMISSION OF THE EUROPEAN COMMUNITIES
CEECs	CENTRAL AND EASTERN EUROPEAN COUNTRIES
CGIAR	CONSULTATIVE GROUP ON INTERNATIONAL AGRICULTURAL RESEARCH
CPE	COUNTRY PROGRAMME EVALUATION
CPIA	COUNTRY POLICY AND INSTITUTIONAL ASSESSMENT
CRS	CREDITOR REPORTING SYSTEM (of the DAC)
CSOs	CIVIL SOCIETY ORGANISATIONS
DAC	DEVELOPMENT ASSISTANCE COMMITTEE
DDR	DOHA DEVELOPMENT ROUND
DCD	DEVELOPMENT CO-OPERATION DIRECTORATE (OECD)
EBRD	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT
EC	EUROPEAN COMMUNITY
ECA	ECONOMIC COMMISSION FOR AFRICA
EDF	EUROPEAN DEVELOPMENT FUND
EU	EUROPEAN UNION
FDI	FOREIGN DIRECT INVESTMENT
GNI	GROSS NATIONAL INCOME
HIPCs	HEAVILY INDEBTED POOR COUNTRIES
HPI	HUMAN POVERTY INDEX
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
ICTs	INFORMATION AND COMMUNICATIONS TECHNOLOGIES
IDA	INTERNATIONAL DEVELOPMENT ASSOCIATION
IDB	INTER-AMERICAN DEVELOPMENT BANK

* This list is not exhaustive. See also Chapter 4 of this Report for country-specific acronyms.

IFAD	INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
IFC	INTERNATIONAL FINANCE CORPORATION
ILO	INTERNATIONAL LABOUR ORGANISATION
IMF	INTERNATIONAL MONETARY FUND
IRTA	INVESTMENT-RELATED TECHNICAL ASSISTANCE
ITC	INTERNATIONAL TRADE CENTRE
JCLA	JOINT COUNTRY LEARNING ASSESSMENTS
LDCs	LEAST DEVELOPED COUNTRIES
MDBs	MULTILATERAL DEVELOPMENT BANKS
MDGs	MILLENNIUM DEVELOPMENT GOALS
NEPAD	NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT
NGO	NON-GOVERNMENTAL ORGANISATION
NIS	NEW INDEPENDENT STATES (of the former Soviet Union)
NSSDs	NATIONAL STRATEGIES FOR SUSTAINABLE DEVELOPMENT
ODA	OFFICIAL DEVELOPMENT ASSISTANCE
ODF	OFFICIAL DEVELOPMENT FINANCE
OECD	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT
OOF	OTHER OFFICIAL FLOWS
PDGG	PARTICIPATORY DEVELOPMENT AND GOOD GOVERNANCE
PRGF	POVERTY REDUCTION AND GROWTH FACILITY (IMF)
PRSP	POVERTY REDUCTION STRATEGY PAPER/PROGRAMME
RBM	RESULTS-BASED MANAGEMENT
SAF	STRUCTURAL ADJUSTMENT FACILITY
SDR	SPECIAL DRAWING RIGHT
SNA	SYSTEM OF NATIONAL ACCOUNTS
SPA	STRATEGIC PARTNERSHIP WITH AFRICA
SPS	SECTOR PROGRAMME SUPPORT
SSA	SUB-SAHARAN AFRICA
SWAPs	SECTOR-WIDE APPROACHES
TC	TECHNICAL CO-OPERATION
TRPM	TRADE POLICY AND REVIEW MECHANISM (WTO)
TRTA	TRADE-RELATED TECHNICAL ASSISTANCE
UN	UNITED NATIONS
UNGED	UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT, RIO DE JANEIRO, 1992
UNCTAD	UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
UNDAF	UNITED NATIONS DEVELOPMENT ASSISTANCE FRAMEWORK
UNDP	UNITED NATIONS DEVELOPMENT PROGRAMME
UNEP	UNITED NATIONS ENVIRONMENT PROGRAMME
UNESCO	UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANISATION
UNFCCC	UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE
UNFPA	UNITED NATIONS FUND FOR POPULATION ACTIVITIES
UNHCR	UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES

UNICEF	UNITED NATIONS CHILDREN'S FUND
USD	UNITED STATES DOLLAR
WHO	WORLD HEALTH ORGANISATION
WSSD	WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT (Johannesburg, 2002)
WTO	WORLD TRADE ORGANIZATION

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