

An assessment of ODA in 2021

Rise in overseas aid still fails to meet needs of global crises

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Executive summary

The year 2021 was a critical period for developing countries recovering from the Covid-19 pandemic crisis. Many of them benefit from Official Development Assistance (ODA, or aid) so it is important to analyse the quantity and quality of this vital resource. This briefing looks in detail at the 2021 ODA preliminary figures released by the Organisation for Economic Cooperation and Development's Development Assistance Committee (OECD DAC) in April 2022 and highlights the main trends. We compare them with previous years and discuss quality issues arising from the analysis of the data, such as the reporting of Private Sector Instruments (PSIs) and debt relief as ODA. The briefing also raises key concerns around decisions made by the OECD DAC since 2014 on what should or should not count as ODA that are threatening the integrity of ODA statistics.

This briefing shows that in 2021 ODA figures increased (compared to 2020), notably thanks to the response of DAC providers in tackling the Covid-19 pandemic. Yet, these rising levels of ODA are still insufficient to meet the mid-term and long-term challenges ahead of 2030 and the achievement of the Sustainable Development Goals. This briefing shows as well that a total of US\$16.2 billion within the 2021 figures is inflated aid because the ODA reported includes recycled Covid-19 vaccine donations, in-donor country refugee costs, debt relief and allocations to private sector instruments.

The briefing concludes with a call on DAC providers to raise their ambitions for ODA quantity levels in 2022, while limiting ODA inflation, notably around in-donor refugee costs. Without greater ambition in 2022 on the quantity and quality of ODA, ODA providers risk not reaching those that are most in need.

1. Introduction

More than two years on from the outbreak of Covid-19, developing countries still have a long way to go to control the pandemic and its effects. In the last two years we have seen rising poverty, increased inequalities within and across countries, job losses, shredded safety nets and health-care systems pushed to the brink, while the impacts of a changing climate are placing the United Nations (UN) Sustainable Development Goals (SDGs) further out of reach.

In addition, as stated in a UN 2022 report on financing for sustainable development,¹ the war in Ukraine has led to sharply rising commodity prices, further supply bottlenecks, and increased financial market volatility and downside economic risks, threatening to reverse development gains even further. World leaders signalled these concerns at the 2022 UN Financing for Development Forum, as the current context risks reversing development gains by a generation.²

Back in 2020, members of the Organisation for Economic Cooperation and Development's Development Assistance Committee (OECD DAC) reaffirmed the important contribution of Official Development Assistance (ODA) to countries' recovery and longer-term sustainable development, particularly in Least Developed Countries (LDCs).³ They also affirmed that they would strive to protect their ODA budgets,⁴ which was a welcome step. However, the 2021 ODA preliminary figures show DAC providers are still far from delivering what is needed to face the current wave of multiple crises and to meet long-term development goals. Moreover, while ODA in absolute terms reached a new all-time-high of US\$178.9 billion, in relative terms it remained at 0.33 per cent – far from the 0.7 per cent international commitment.

This briefing looks in detail at the main trends observed in the 2021 ODA preliminary figures released by the OECD DAC in April 2022.⁵ Its analysis is divided into four main sections. First, it analyses issues related to the quantity of ODA and compares that with previous years, picking out the main trends. This includes how donor countries distributed ODA, in terms of both financing instruments and recipient country income groups. Second, it digs further into these issues and discusses quality aspects, such as the reporting of private sector instruments (PSIs) and debt relief as ODA. Third, it raises concerns around decisions made by the OECD DAC since 2014 on what should or should not count as ODA, which are threatening the integrity of ODA statistics. Fourth, it reflects on the key challenges that will be on the ODA agenda in 2022. As DAC providers are now concentrating on the response to the war in Ukraine, which is already impacting ODA priorities in 2022,⁶ this is a timely analysis to show the need for stronger leadership from DAC providers to tackle the current challenges while continuing to make progress in achieving the SDGs.

2. What were the ODA trends in 2021?

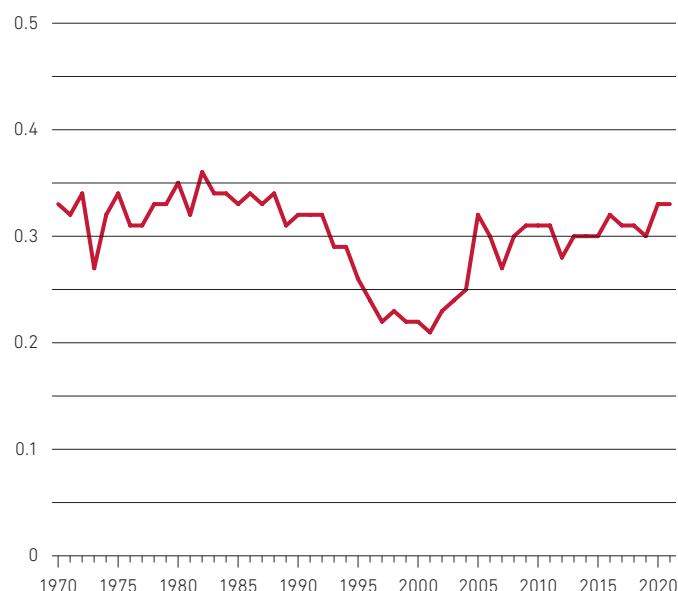
The year 2021 was a critical period for developing countries recovering from the Covid-19 pandemic crisis. One of the many priorities was to vaccinate their population as quickly as possible. This was a particular challenge due to the 'vaccine apartheid'⁷ developing countries went through, despite the vaccine pledges made by the international community, notably DAC providers. In 2021, DAC providers agreed to report on recycled Covid-19 vaccine doses donated to ODA eligible countries as ODA.⁸ The OECD subsequently proposed guidelines on how to report those, including a reference price (February 2022).⁹ This agreement, and following discussions, were particularly controversial. Thus, ODA 2021 preliminary figures were highly awaited and got the attention of the development community in April 2022.

The data released indicates that in 2021, DAC providers' ODA increased for the second year in a row, reaching a new all-time high of US\$178.9 billion. This represents an increase of 4.4 per cent in real terms, compared to the previous year. This increase is mostly due to DAC providers' support in tackling the effects of the Covid-19 pandemic in developing countries. In 2021, Covid-19 related support totalled US\$18.7 billion,¹⁰ which included the donation of new or recycled vaccine doses to developing countries – equivalent to US\$6.3 billion (or 3.5 per cent of total ODA), of which US\$2.3 billion's worth (or 1.3 per cent) were recycled vaccine doses.

Focusing on the increase underplays a key feature of 2021 ODA figures – if support to tackle the effects of the Covid-19 pandemic had been excluded, ODA would have grown by only 0.6 per cent in real terms compared to 2020. While increasing the levels of ODA to tackle the effects of the Covid-19 pandemic is to be welcomed, and is the right thing to do, this rise is insufficient to cope with both the challenges following the Covid-19 pandemic, and related multi-layered crises, and meeting the SDGs by 2030.

It is worth noting that Civil Society Organisations (CSOs), including Eurodad, have been very critical of the inclusion of recycled vaccine donations in ODA figures. As explained in a recent statement by CSOs,¹¹ these vaccine doses were never purchased in the interest of developing countries and should not have been counted as such. Furthermore, excess purchases of doses in a context of limited global supply were directly responsible for denying access to these life-saving tools in developing countries.

In relative terms ODA remained at 0.33 per cent of Gross National Income (GNI), the same level as in 2020 and not even half-way to meeting rich countries' 50-year-old promise of channelling 0.7 per cent of their GNI to those countries most in need. Since the 1970s, ODA levels as a share of DAC providers' GNI have been stuck at around 0.3 – or even less (see Figure 1 overleaf) – and only eight DAC providers have ever reached the 0.7 per cent target commitment (and one of them just once). According to Oxfam's calculations in 2020, poor countries have lost out on US\$5.7 trillion in aid over the last 50 years – equivalent to \$114 billion a year – because rich countries did not fulfil their promise to deliver 0.7 per cent of their national income in international aid.¹²

Figure 1: ODA as a percentage of DAC providers' GNI

Source: OECD DAC Table 1 data extracted on 05 May 2022 (current prices).
 Note: Data for 1970–2017 is reported on a cash-flow basis; data for 2018–2019 is reported on a grant equivalent basis. Data is for DAC providers only.

In 2021 only five countries – Denmark, Germany, Luxembourg, Norway and Sweden – met the 0.7 per cent target. ODA levels rose in most of the DAC countries (23 out of 29), mostly explained by the US\$18.7 billion channelled to tackle the effects of the Covid-19 pandemic. Vaccine donations explain a third of DAC providers' support to Covid-19 related activities; the distribution between vaccine doses purchased specifically for developing countries and recycled vaccine doses corresponds to 55.5 per cent and 36.5 per cent respectively – the remaining 8 per cent corresponds to ODA allocated to ancillary costs for vaccine doses purchased specifically for developing countries.

The highest increases compared to the previous year were recorded by:

- The United States – US\$5.1 billion, or 14.4 per cent increase – partly caused by the purchase of vaccines doses for developing countries (a total of US\$3.5 billion reported in vaccine donations and US\$0.5 billion reported in ancillary costs, equivalent to 9 per cent of total ODA);
- Japan – US\$2 billion, or 12.1 per cent increase – caused by an increase in support for tackling the effects of the Covid-19 pandemic (US\$3.8 billion, equivalent to 21 per cent of ODA);
- Italy – US\$1.4 billion, or 34.5 per cent increase – mainly caused by an increase in in-donor refugee costs (US\$0.5 billion, equivalent to 9.7 per cent of ODA) and support for Covid-19 related aid, including recycled vaccine donations (US\$0.2 billion, equivalent to almost 4 per cent of ODA);
- Germany – US\$1.4 billion, or 5.1 per cent increase – caused by an increase in support for Covid-19 related aid (US\$3 billion, equivalent to 10 per cent of ODA), including recycled vaccine donations (US\$0.7 billion, equivalent to 2.3 per cent of ODA); and
- France – US\$650 million, or 4.6 per cent increase – partly caused by increases in private sector instruments (US\$1 billion reported, equivalent to 7 per cent of ODA) and recycled vaccine donations (US\$0.3 billion, equivalent to 2.2 per cent of ODA).

The largest drops, compared to 2020, were reported by:

- The United Kingdom – US\$3.9 billion less, or a decrease of 21.2 per cent – due to the government's decision to cut its ODA to 0.5 of GNI;
- Norway – US\$488 million less, or a decrease of 11.6 per cent;
- The Netherlands – US\$384 million less, or a decrease of 7.2 per cent; and
- Greece – US\$77 million less, or a decrease of 23.9 per cent – due to a lower amount of ODA allocated to in-donor refugee costs.

It is worth noting that, according to the summary presented by the OECD DAC Secretariat,¹³ DAC providers reported their recycled vaccine donations in line with the OECD's proposal (see above) and proceeded with the adjustments required in order not to overstate their ODA figures. Only Hungary decided not to follow the OECD's recommendation and reported vaccines doses at their real cost, which was higher than the average price suggested in the OECD proposal. It was not possible before now to externally assess the price used by DAC providers as this information was not publicly available. Nor were details available on whether DAC providers had applied the OECD's recommended safeguard that donated doses should have a minimum shelf life of 10 weeks upon arrival in-country, unless the recipient country indicated its capacity to absorb the donated doses.

3. How was ODA distributed in 2021? Type, destination and level of financing instruments

3.1 Increasing use of ODA loans to LDCs and other low-income countries

The use of bilateral loans to channel ODA remains a source of concern. Bilateral sovereign loans by DAC providers on a grant equivalent basis¹⁴ increased by 35 per cent between 2018 and 2020. While, in 2021, ODA channelled through loans fell by 4.6 per cent compared to 2020, that still represented 10 per cent of bilateral ODA (on a grant equivalent basis).

The countries providing the highest share of bilateral ODA as sovereign loans were France (23 per cent), Japan (55 per cent) and Korea (36 per cent). Although bilateral sovereign loans by DAC providers globally fell compared to 2020, the ODA channelled through loans for Japan and Korea rose slightly. Sovereign lending from the EU institutions also increased by 2 per cent in real terms, representing 15 per cent of total EU institutions' bilateral ODA.

Bilateral ODA loans to LDCs and other Low-Income Countries (LICs) have been steadily growing in recent years – with a 37 per cent rise between 2018 and 2020.¹⁵ Any increase in the use of loans in ODA is a worrying trend, considering the mounting pressure on government budgets in developing countries and looming debt crises, further accentuated by the recovery from the Covid-19 pandemic, coupled with the collateral effects of the war in Ukraine. According to the UN's 2022 report on financing for sustainable development, "60 per cent of least developed and other low-income countries are already at high risk of, or in, debt distress".¹⁶

3.2 ODA flowing to LDCs still far below commitments

In 2021, net bilateral ODA flows from DAC providers increased across all income groups compared to 2020, but not at an equal pace. Net ODA to LICs stood at US\$28 billion, an increase of 1 per cent in real terms compared to 2020; net ODA to lower-middle-income countries was US\$38 billion, representing an increase of 7 per cent; and net ODA to upper-middle-income countries increased by 6 per cent to US\$21 billion. This shows that ODA increased the least in the group of countries that needed it the most – the LICs.

Yet, it is important to note that the analysis of net ODA receipts (including both bilateral and multilateral flows) between 2015 and 2019 carried by the OECD¹⁷ reveals an overall net ODA increase to the LICs of 29 per cent over this period. The main driver of this increase has been multilateral organisations (from which ODA to the LICs increased by 28 per cent) rather than bilateral flows (which increased by 7 per cent). By contrast, net ODA fell in lower- and upper-middle-income countries (by 2 per cent and 14 per cent respectively), following a trend of reduced flows from multilateral agencies (by 7 per cent and 3 per cent respectively) as DAC providers were increasing their ODA. This analysis highlights that both bilateral and multilateral providers play an important role in the provision and channelling of ODA across income groups.

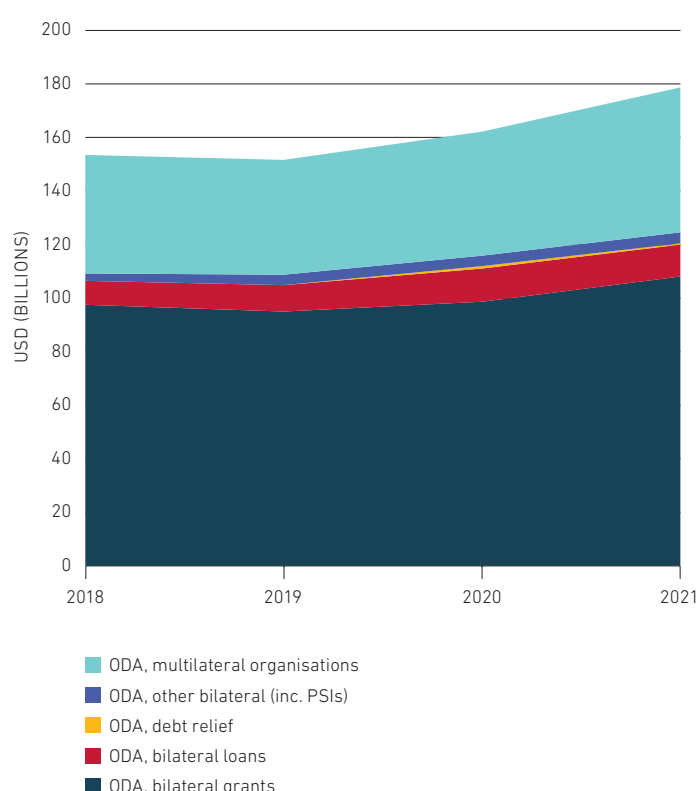
The Monterrey Consensus and Doha Declaration (reaffirmed with the Accra Agenda for Action) and the SDGs contain a commitment to channel 0.15–0.20 per cent of GNI to LDCs but this remains unfilled, with approximately only 0.05 per cent of total ODA channelled to LDCs (or a total of US\$29.6 billion) – a decrease from the previous year (0.07 per cent of GNI).¹⁸ Although middle-income countries are home to an important share of people living in poverty and/or facing inequalities, these figures raise questions about current donor strategies for allocating aid.

3.3 ODA in the form of grants decreasing at a slow pace

Grants remain the main ODA channel but there are worrying signs this is changing. In 2021, grants accounted for 60 per cent of total ODA, and 30 per cent was channelled through multilateral organisations. Yet, as Figure 2 (overleaf) shows, since 2018 the percentage of ODA channelled through grants has gone down by 3 per cent, while ODA channelled through multilaterals has increased by 1.5 per cent.

Another channel that has been increasing steadily since 2018 is ODA channelled through other bilateral channels, mainly related to ODA channelled through PSIs. Between 2018 and 2021, ODA channelled through other bilateral channels increased by a third (in absolute terms). Figure 2 shows a trend where DAC providers are opting to channel their ODA through other channels than grants, particularly through PSIs and bilateral loans.

Figure 2: Components of DAC providers' ODA



Source: OECD DAC Table 1 data extracted on 12 May 2022 (current prices).
Note: ODA debt relief is not visible, as the amounts for 2018 and 2019 are too small to show. Debt relief reporting started in 2018.

4. How was the quality of ODA affected in 2021?

This section covers key issues affecting aid quality, such as the reporting of PSIs and debt relief as ODA. These practices can undermine both the impact of ODA and the quality of related statistics.

4.1 ODA channelled through PSIs is increasing

Following the 2018 agreement on reporting methods for PSIs, DAC providers can report financial flows channelled through PSIs as ODA. Although PSI still represented a small percentage of total ODA in 2021 (2.27 per cent), PSIs levels have been growing: between 2018 and 2021, ODA reported as PSI rose from US\$2.5 billion to US\$4.1 billion, representing an increase of 64 per cent over the four-year period.¹⁹

In 2021, 13 DAC providers reported PSI ODA (same as in 2020), with France (US\$ 1 billion), the United Kingdom (US\$0.9 billion), Canada (US\$0.5 billion), Japan (US\$0.5 billion) and Germany (US\$0.4 billion) reporting the highest amounts. Over the four years 2018 to 2021, they reported 60 per cent of total PSI ODA under the instrument approach, which measures the ODA eligible component for each PSI transaction between the DFI²⁰ and the private enterprise or institution. The rest (40 per cent) was reported under the institutional approach, which estimates the ODA eligibility for the total transfer of official funds to a DFI, or other vehicles such as investment funds.

The geographic and sectoral distribution of PSI ODA illustrates that the related institutions target the most profitable countries and sectors. Where the detail on recipient countries is available²¹ (mostly for the data reported under the instrumental approach), from 2018 to 2020 an average of 52 per cent of country-allocated PSI ODA went to upper-middle-income countries – mainly Turkey, Serbia, Brazil and South Africa – compared to an average of 3.5 per cent for LDCs – mainly Cambodia, Tanzania, Somalia and Ethiopia.²² When it comes to sectors, between 2018 and 2020 the vast majority of PSI ODA went to the banking and financial sector (an average of 42 per cent), the industry, mining and construction sector (average of 16 per cent) and the energy sector (average of 15 per cent).

CSOs have raised many questions about the use of PSIs. In 2021 Eurodad published a report titled 'Time for Action'²³ which draws attention to the lack of capacity of PSI ODA to reach those most in need and, consequently, the diversion of scarce ODA resources from where they have most impact for poor and vulnerable people. Furthermore, while we observe rising levels of PSI ODA, little information is publicly available on the development additionality that these instruments bring.²⁴ In 2022, DAC members are reviewing the temporary agreement on reporting methods for PSIs, which could lead to a new round of negotiations and an expansion of what can be reported as ODA under the PSI flag.

4.2 ODA reporting includes debt relief

At the 2014 OECD DAC High Level Meeting, DAC members decided to introduce a new way of measuring aid loans, to better reflect the actual effort by donor countries – and their taxpayers: only the 'grant equivalent' of loans would be recorded as ODA. The new system includes a statistical calculation that rewards donors upfront for taking the risk that their ODA loans may not be repaid. Thus, the risk of future default is factored into donors' reported ODA levels as soon as a loan is granted. The greater the risk profile of the loan, the greater part of the loan donors can report as ODA.

In terms of the level of ODA reported, one might expect the two systems to lead to similar results over time. However, in 2020 DAC members agreed on a method for reporting debt relief as ODA, allowing DAC providers to report additional ODA when they cancel or reschedule ODA loans to developing countries as a result of bilateral agreements or as part of international efforts on debt relief. Eurodad and others criticised this decision:²⁵ with this agreement donors would be double counting both the expected and the realised losses. The DAC itself previously argued that "given that the new system would value upfront the risk of default on ODA loans, the eventual forgiveness of these loans would no longer be reportable as a new aid effort".²⁶

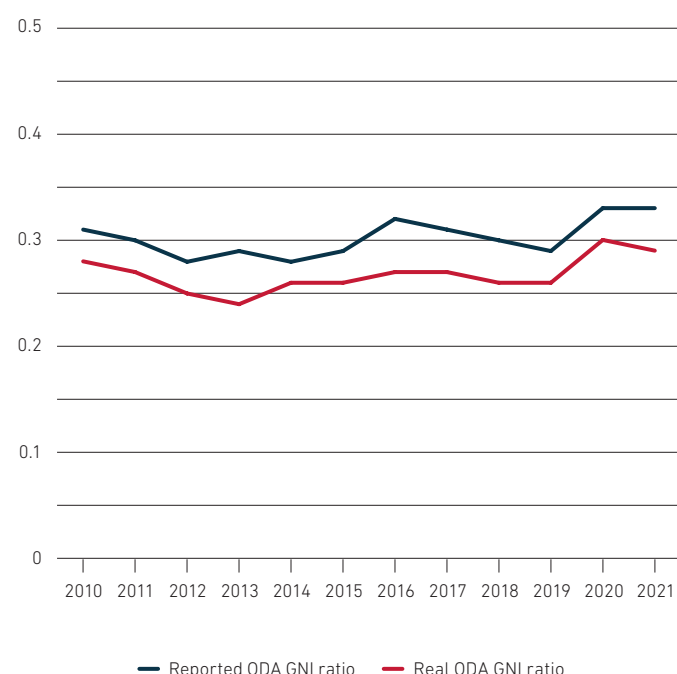
The preliminary ODA figures for 2021 do not show any major debt relief operations (0.27 per cent of total ODA). However, this can quickly change; in the coming months, debt relief may be needed to support recovery in countries severely hit by the Covid-19 pandemic and the spill-overs of the war against Ukraine and sanctions against Russia.²⁷

5. ODA 2021 preliminary figures not the 'real ODA' figures

Over the past 40 years the OECD DAC has established the rules for calculating ODA, amending them periodically. The current rules permit ODA providers to include, in their annual ODA reporting, an estimate of expenditure on refugees for their first year in the provider country; imputed student costs in the provider country; debt relief granted to creditors; and, since 2021, recycled Covid-19 vaccine doses donated to ODA eligible developing countries and related costs. Yet, none of these areas represent a transfer of funds to developing countries, but rather a diversion of funds from where they are most needed. CSOs have been arguing for years against the reporting of these costs as ODA.

Figure 3 suggests (under the label of real ODA²⁸) what the ODA/GNI trends for the period of 2010-2021 would have been without including these costs. The aim of Figure 3 is to show how these costs inflate ODA – in 2021 it meant a difference of 0.04 points in the GNI/ODA ratio (from 0.29 real ODA/GNI to 0.33 per cent reported ODA/GNI).

Figure 3: Reported ODA/GNI vs "real ODA/GNI", 2010 to 2021



Source: Analysis from B. Tomlinson (Aid Watch Canada), based on OECD DAC Table 1 and 2 (constant prices). Note: Data for 2010 to 2021 is reported on a cash-flow basis, for consistency reasons. Data is for DAC providers only.

In 2021, the reporting of these costs, including recycled vaccine donations, has allowed DAC providers to inflate their ODA figures by US\$12.1 billion (or almost 7 per cent of total ODA). This includes: US\$2.3 billion with excess recycled Covid-19 vaccine donations, US\$9.3 billion with in-donor country refugee costs and US\$484 million with net debt relief.²⁹ Eurodad, together with other CSOs, has argued that, in the absence of a permanent agreement on PSIs that addresses the risks to ODA integrity and related safeguards, DAC providers should report their investments in PSI as Other Official Flows.³⁰ With the inclusion of ODA PSI reported in the 2021 preliminary figures, the inflation of ODA would be of US\$16.2 billion.

In 2022, following the humanitarian crisis provoked by the war in Ukraine, the inflated figures can only rise, particularly through the reporting of in-donor refugee costs – further diverting ODA from where it is most needed.

6. What are the key issues for ODA in 2022?

The 2021 ODA figures came at a crucial moment as the pace of recovery of the richest part of the world and the rest of the world continues to diverge. Added to this are the impacts of climate change and extreme weather events on the one hand, and a humanitarian crisis triggered across the world by the war in Ukraine on the other, in addition to the already existing humanitarian needs. ODA can and must play a crucial role in addressing poverty and inequalities and supporting a development path centred on human rights, gender equality and just transitions for rapid decarbonisation.

Yet, (real) ODA levels in 2022 may decrease as many DAC provider countries respond to the humanitarian crisis triggered by the Russian invasion of Ukraine. They may also fall as a consequence of ongoing (and possibly emerging) discussions aimed at expanding what can be counted as ODA (i.e. Special Drawing Rights, PSIs), which risk undermining ODA statistics and the quality of aid.

Regarding the first possibility, many DAC providers have already decided to reprioritise their aid spending into supporting Ukrainian refugees in their own countries. Sweden, Denmark, Norway and the Netherlands have already announced ODA reallocations in order to face the refugee influx in their own countries, which in some cases could translate into fewer ODA resources available.³¹ The Centre for Global Development has estimated that global in-country refugee costs could amount to US\$30 billion a year, equivalent to total bilateral assistance to Africa in 2020³² (or equivalent to 17 per cent of total ODA in 2021). This is really concerning. Oxfam notes that in 2015 – when half as many refugees made their way to Europe from Syria and beyond – donor countries responded by using up on average 11 per cent (\$15.4 billion) of their aid commitments to pay to support them.³³ With Ukrainian refugees now numbering over 6.5 million and counting, the impending refugee crisis is likely to divert a substantial amount of ODA to cover the cost of hosting the refugees and related humanitarian needs.³⁴

Regarding future possible drops in (real) ODA levels, the OECD DAC keeps discussing and updating what count as ODA and/or how to count it, especially influenced by some key DAC providers who are keen to reach the international 0.7 ODA/GNI target, since expanding the definition of ODA can get them closer to it. These discussions have so far led to a few temporary (i.e. PSIs) and permanent (i.e. debt relief, reporting of in-excess Covid-19 vaccine donations) agreements that have worked to undermine the credibility, integrity and solid reputation of DAC statistics.

In 2022, other similar issues might arise, such as the reporting of Special Drawing Rights (SDRs) as ODA. With approximately US\$400 billion in SDRs sitting in the central banks of many DAC providers, this could lead to huge amounts of SDRs being reported in this way (should DAC providers reach an agreement on how to report them).

Before continuing on this path, DAC members should consider the need for an external independent review of the whole ODA modernisation process,³⁵ and its impact on the quantity and quality of ODA, including a review of the expansion of the ODA concept, its definition and related reporting rules. In addition, in 2022, DAC providers should seriously consider dropping completely the reporting of recycled vaccine donations.

The current context of multiple crises, while the world continues to tackle the effects of the Covid-19 pandemic across developing countries, calls for higher levels of ODA. The opposite would not only worsen the current humanitarian needs across the world, including in Ukraine, but also further derail decades of development gains and threaten global peace and stability. A statement signed by 36 CSOs, including Eurodad, calls on DAC providers to safeguard current development and humanitarian budgets, honour standing commitments with partners and use additional resources in response to the current Ukraine humanitarian crisis in order to steadily move towards achieving their internationally agreed target of providing at least 0.7 per cent of GNI as ODA.³⁶

The current context of multiple crises calls for higher levels of ODA, and for addressing the quality of aid

The international development community should also pay attention to aspects related to the quality of aid and progress to deliver on the commitments to make ODA more effective. The next opportunity to discuss the quality of aid will be at the Global Partnership for Effective Development Cooperation (GPEDC) Summit in December 2022.³⁷

ODA is a vital and unique resource that should target the countries and peoples most in need, which can have a long-lasting impact on the reduction of poverty and inequalities, and effectively contribute to achieving the SDGs. Without greater ambition in 2022 on the quality and quantity of aid, ODA will not reach those that the international community in 2015 promised not to leave behind.

Endnotes

- 1 United Nations, Inter-agency Task Force on Financing for Development, *Financing for Sustainable Development Report 2022* (New York: United Nations, 2022), available at developmentfinance.un.org/fsdr2022
- 2 United Nations, 'Multiple Crises Pushing Millions into Extreme Poverty, Economic and Social Council President Warns as Financing for Development Forum Opens', 25 April 2022, available at www.un.org/press/en/2022/ecosoc7078.doc.htm.
- 3 See DAC, High Level Meeting Communiqué 2020, available at www.oecd.org/dac/development-assistance-committee/DAC-HLM-Communique-2020.pdf
- 4 OECD, 'Tackling Coronavirus – Contributing to the Global Effort', 9 April 2022, available at www.oecd.org/dac/development-assistance-committee/daccovid19statement.htm.
- 5 OECD DAC, 'ODA Levels in 2021- Preliminary Data. Detailed Summary Note', 12 April 2022, available at www.oecd.org/dac/financing-sustainable-development/development-finance-standards/ODA-2021-summary.pdf.
- 6 Currently, the most immediate impact of in-country refugee costs due to the Ukraine crisis can be observed in the Nordics, where funding to host refugees from Ukraine, coupled with humanitarian assistance, has already been reallocated from the development budget, halting other programmes. For further information, please visit donortracker.org/insights/ukraine-crisis-and-refugee-costs-initial-assessment-impacts-development-assistance.
- 7 S. Singh Bajaj, L. Maki and F. Cody Stanford 'Vaccine Apartheid: Global Cooperation and Equity', *The Lancet* 399(10334), 2021, available at [www.thelancet.com/journals/lancet/article/PIIS0140-6736\(22\)00328-2/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(22)00328-2/fulltext).
- 8 'Recycled vaccine donations' means vaccine doses that are unused in ODA providers' countries and rechannelled to ODA eligible developing countries.
- 9 The proposed guidelines are available at [one.oecd.org/document/DAC/DAC/STAT\(2021\)29/REV1/en/pdf](https://one.oecd.org/document/DAC/DAC/STAT(2021)29/REV1/en/pdf)
- 10 This figure is preliminary and partial, as many donors are still in the process of collecting detailed information on COVID-19 related activities, including data on vaccine donations. These data may differ from individual announcements made by countries due to the timing of payments and some may be reported in 2022 data. According to the OECD Development Co-operation Directorate, detailed final 2021 data will only be published in December 2022.
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- 12 Oxfam, 'Poor Countries Denied \$5.7 Trillion in Aid Because of Rich Countries' 50-Year Failure to Deliver on Aid Promises', 23 October 2020, available at www.oxfam.org/en/press-releases/poor-countries-denied-57-trillion-aid-because-rich-countries-50-year-failure-deliver
- 13 Ibid. 5 (OECD DAC).
- 14 The grant equivalent is an estimate, at today's value of money, of how much is being given away over the life of a financial transaction, compared with a transaction at market terms. The grant equivalent is the grant element multiplied by the amount of money extended.
- 15 OECD, Development Statistics, Table DAC1, available at stats.oecd.org/.
- 16 UN, *Financing for Sustainable Development*.
- 17 Y. Ahmad and E. Carey, 'Development Co-Operation During the COVID-19 Pandemic: An Analysis of 2020 Figures and 2021 Trends to Watch', in *Development Co-operation Profiles* (Paris: OECD Publishing, 2021), doi.org/10.1787/e4b3142a-en.
- 18 Source: Author's calculation, on the basis of the ODA data table 2021 available at <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/official-development-assistance.htm>.
- 19 Source: OECD, Table DAC1. Data for 2021 is based on ODA 2021 preliminary figures.
- 20 DFIs are government-controlled institutions that invest in private sector projects in countries in the Global South. For further information on the role of DFIs: Romero, M.J. and Van de Poel, J. (2014). Private finance for development unravelling (p.8). Eurodad: Belgium. Link: https://www.eurodad.org/private_finance_for_development_unravelling.
- 21 Between 2018 and 2020, an average of 57% PSI ODA (CRS data / USD extended deflated) does not report the geographic distribution of the resources mobilised. Source: OECD Development statistics – Creditor Reporting System: stats.oecd.org/.
- 22 Calculated on the basis of total PSI ODA (CRS data / USD extended deflated), for the period 2018-2020. Source: OECD Development statistics – Creditor Reporting System: stats.oecd.org/.
- 23 C. Caio and N. Craviotto, 'Time for Action: How Private Sector Instruments Are Undermining Aid Budgets', 3 February 2021, available at www.eurodad.org/time_for_action.
- 24 For further analysis on this see chapter 5 in *ibid.* 23.
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About Eurodad:

The European Network on Debt and Development (Eurodad) is a network of 60 civil society organisations from 29 European countries. We work for transformative yet specific changes to global and European policies, institutions, rules and structures to ensure a democratically controlled, environmentally sustainable financial and economic system that works to eradicate poverty and ensure human rights for all.

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