



6.10 Aid dependency

	Net official development assistance and official aid		Aid per capita		Aid dependency ratios							
	\$ millions		\$		Aid as % of GNP		Aid as % of gross domestic investment		Aid as % of imports of goods and services		Aid as % of central government expenditures	
	1993	1998	1993	1998	1993	1998	1993	1998	1993	1998	1993	1998
Albania	266	242	84	73	22.0	7.8	164.0	49.7	33.4	25.5	..	26.6
Algeria	348	389	13	13	0.7	0.9	2.4	3.0	3.4	3.3	..	..
Angola	291	335	28	28	9.0	8.2	20.8	22.2	7.6	5.7	..	..
Argentina	227	77	7	2	0.1	0.0	0.5	0.1	0.8	0.1	0.7	..
Armenia	109	138	29	36	5.4	7.3	50.5	38.4	37.0	13.4	..	..
Australia												
Austria												
Azerbaijan	22	89	3	11	0.5	2.3	..	5.8	2.5	3.6	..	8.6
Bangladesh	1,372	1,251	12	10	4.0	2.8	21.9	13.2	29.3	15.2	..	..
Belarus	186	28	18	3	0.7	0.1	1.7	0.5	4.3	0.3	..	..
Belgium												
Benin	288	210	56	35	13.9	9.2	88.9	53.4	37.4	25.9	..	..
Bolivia	564	628	80	79	10.2	7.5	59.4	36.6	34.2	25.2	40.9	33.5
Bosnia and Herzegovina ^a	32	876	8	232	..	..	..	..	..	..	..	..
Botswana	130	106	93	68	2.9	2.3	11.7	10.6	6.4	3.5	8.0	..
Brazil	201	329	1	2	0.0	0.0	0.2	0.2	0.4	0.3	0.1	..
Bulgaria	115	232	14	28	1.1	1.9	6.9	12.9	1.9	3.6	2.4	5.7
Burkina Faso	467	397	49	37	22.9	15.5	115.2	53.8	66.1	49.0	99.0	..
Burundi	217	77	37	12	22.5	8.8	141.8	95.9	70.1	40.7	71.3	..
Cambodia	306	337	30	29	15.2	11.9	106.2	78.3	50.3	24.9	..	..
Cameroon	545	424	44	30	4.9	5.1	27.7	26.5	20.6	15.9	30.8	..
Canada												
Central African Republic	171	120	54	34	13.3	11.6	129.1	83.8	54.4	43.9	..	..
Chad	225	167	36	23	15.4	10.0	157.3	65.9	48.2	30.2	..	..
Chile	176	105	13	7	0.4	0.1	1.5	0.5	1.2	0.4	1.8	0.6
China	3,257	2,359	3	2	0.8	0.3	1.7	0.6	3.1	1.3	8.4	..
Hong Kong, China	30	7	5	1	0.0	0.0	0.1	0.0	0.0	0.0	..	..
Colombia	85	166	2	4	0.1	0.2	0.6	0.8	0.6	0.8	1.2	1.0
Congo, Dem. Rep.	178	126	4	3	2.1	2.0	112.7	22.3	10.4	5.5	9.3	..
Congo, Rep.	123	65	51	23	7.5	3.9	21.8	9.4	7.1	3.7	12.5	..
Costa Rica	97	27	30	8	1.3	0.3	4.3	0.9	2.6	0.4	4.9	..
Côte d'Ivoire	764	798	60	55	8.5	7.8	88.5	39.9	19.2	15.8	..	30.2
Croatia ^a	..	39	..	9	..	0.2	..	0.8	..	0.3	..	0.4
Cuba	44	80	4	7	..	..	..	..	..	..	..	..
Czech Republic	100	447	10	43	0.3	0.8	1.0	2.7	0.5	1.2	0.8	2.3
Denmark												
Dominican Republic	-4	120	0	15	0.0	0.8	-0.1	2.9	-0.1	1.2	-0.2	..
Ecuador	236	176	21	14	1.7	1.0	7.8	3.6	5.2	2.2	10.8	..
Egypt, Arab Rep.	2,395	1,915	43	31	5.3	2.2	31.3	10.4	15.0	8.4	14.3	..
El Salvador	397	180	73	30	5.7	1.5	30.7	9.1	15.7	4.0	..	..
Eritrea	67	158	20	41	13.2	20.6	108.2	59.6	24.2	26.6	..	..
Estonia	42	90	28	62	1.1	1.8	4.0	5.9	3.4	1.8	9.2	5.3
Ethiopia	1,089	648	20	11	17.7	10.0	122.6	54.4	79.8	33.7	..	..
Finland												
France												
Gabon	101	45	97	38	2.6	0.9	10.3	2.5	4.0	1.8	..	..
Gambia, The	85	38	82	31	23.5	9.3	110.4	49.5	28.9	11.1	..	..
Georgia	101	162	19	30	3.1	3.1	51.4	40.5	10.0	10.7	..	36.3
Germany												
Ghana	617	701	38	38	10.5	9.3	46.5	40.8	26.9	23.0	49.2	..
Greece												
Guatemala	212	233	22	22	1.9	1.2	10.8	7.7	6.7	4.4	..	..
Guinea	408	359	65	51	12.9	10.3	77.0	47.3	40.4	34.1	..	56.1
Guinea-Bissau	92	96	88	82	41.3	50.0	125.2	410.5	88.1	130.4	..	..
Haiti	123	407	18	53	6.8	10.5	140.0	98.3	40.6	39.4
Honduras	336	318	63	52	9.9	6.2	28.8	20.0	19.6	10.6



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	Net official development assistance and official aid		Aid per capita		Aid dependency ratios							
					Aid as % of GNP		Aid as % of gross domestic investment		Aid as % of imports of goods and services		Aid as % of central government expenditures	
	\$ millions		\$		1993	1998	1993	1998	1993	1998	1993	1998
Hungary	166	209	16	21	0.4	0.5	2.2	1.4	1.0	0.7	0.8	1.0
India	1,458	1,595	2	2	0.5	0.4	2.5	1.6	4.2	2.5	3.3	2.5
Indonesia	2,013	1,258	11	6	1.3	1.5	4.4	9.6	4.6	2.3	7.6	7.5
Iran, Islamic Rep.	140	164	2	3	0.2	0.1	0.6	0.9	0.6	1.0	0.8	0.3
Iraq	182	115	9	5	..	..	..	..	..	..	..	..
Ireland												
Israel	1,266	1,066	241	179	2.0	1.1	7.6	5.2	4.2	2.5	4.2	2.2
Italy												
Jamaica	100	18	40	7	2.6	0.3	7.2	0.9	3.3	0.4	..	..
Japan												
Jordan	308	408	79	89	5.8	7.1	15.0	22.1	6.3	7.2	17.3	..
Kazakhstan	14	207	1	13	0.1	1.0	0.3	5.4	0.3	2.6	..	..
Kenya	909	474	35	16	19.9	4.2	103.2	28.3	36.8	12.1	61.2	..
Korea, Dem. Rep.	14	109	1	5	..	..	..	..	..	..	..	..
Korea, Rep.	-41	-50	-1	-1	0.0	0.0	0.0	-0.1	0.0	0.0	-0.1	..
Kuwait	1	6	1	3	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0
Kyrgyz Republic	94	216	21	46	2.2	13.1	18.6	69.3	18.6	23.0	..	..
Lao PDR	202	281	46	57	15.2	23.0	..	89.6	42.1	43.7	..	..
Latvia	33	97	13	40	0.6	1.5	6.8	6.6	2.6	2.4	..	4.6
Lebanon	144	236	37	56	1.9	1.4	6.6	5.0	2.6	..	8.2	4.3
Lesotho	142	66	77	32	12.9	6.2	27.1	17.2	14.8	6.4	39.8	15.0
Libya	4	7	1	1	..	..	..	..	..	..	..	..
Lithuania	62	128	17	34	1.0	1.2	5.3	4.9	2.6	1.9	10.9	3.9
Macedonia, FYR ^a	3	92	2	46	0.1	3.7	0.8	16.2	..	4.4	..	..
Madagascar	363	494	29	34	11.3	13.4	94.0	99.0	37.4	40.1	54.8	..
Malawi	495	434	54	41	22.3	24.4	157.5	187.8	73.7	36.8	..	..
Malaysia	92	202	5	9	0.2	0.3	0.4	1.0	0.2	0.3	0.6	..
Mali	363	349	39	33	13.6	13.1	62.3	62.0	40.5	36.0	..	..
Mauritania	325	171	148	68	37.2	18.0	156.6	82.3	47.6	33.9	..	..
Mauritius	26	40	24	34	0.8	1.0	2.6	3.9	1.2	1.4	3.8	4.4
Mexico	422	15	5	0	0.1	0.0	0.5	0.0	0.5	0.0	0.7	..
Moldova	28	33	7	8	0.6	2.0	1.1	8.0	..	2.5	..	..
Mongolia	125	203	53	79	24.0	20.6	80.3	75.7	28.9	29.9	..	85.0
Morocco	712	528	28	19	2.8	1.5	11.8	6.6	7.1	4.2	7.8	..
Mozambique	1,179	1,039	79	61	61.3	28.2	440.2	130.7	89.2	75.8	..	..
Myanmar	101	59	2	1	..	..	..	..	7.0	2.0	1.7	..
Namibia	154	180	105	108	5.5	5.7	35.0	30.7	7.8	8.7	14.8	..
Nepal	363	404	18	18	9.5	8.3	41.7	39.0	34.3	24.2	60.5	51.3
Netherlands												
New Zealand												
Nicaragua	319	562	76	117	23.0	31.6	95.5	83.8	25.5	30.8	54.0	..
Niger	344	291	40	29	21.7	14.4	373.6	136.4	65.1	57.4	..	..
Nigeria	279	204	3	2	1.5	0.5	5.6	2.5	2.2	1.3	..	..
Norway												
Oman	47	27	24	12	0.5	..	2.3	..	0.8	..	1.0	0.6
Pakistan	1,004	1,050	9	8	2.0	1.7	9.4	9.7	7.0	6.9	8.3	8.0
Panama	69	22	27	8	1.0	0.3	3.9	0.7	0.9	0.2	3.9	..
Papua New Guinea	305	361	74	78	6.4	10.3	31.7	31.8	13.1	16.8	18.8	..
Paraguay	127	76	28	15	1.8	0.9	9.5	4.2	3.6	1.7	14.2	..
Peru	566	501	25	20	1.4	0.8	7.4	3.3	7.7	3.9	8.9	4.9
Philippines	1,486	607	22	8	2.7	0.9	11.4	4.5	6.6	1.4	14.8	..
Poland	1,031	902	27	23	1.2	0.6	7.7	2.1	4.1	1.6	..	1.5
Portugal												
Puerto Rico												
Romania	167	356	7	16	0.6	0.9	2.2	5.3	2.3	2.6	2.0	..
Russian Federation	2,420	1,017	16	7	0.6	0.4	2.3	2.3	3.8	1.2	..	..



6.10 Aid dependency

	Net official development assistance and official aid		Aid per capita		Aid dependency ratios							
	\$ millions		\$		Aid as % of GNP		Aid as % of gross domestic investment		Aid as % of imports of goods and services		Aid as % of central government expenditures	
	1993	1998	1993	1998	1993	1998	1993	1998	1993	1998	1993	1998
Rwanda	356	350	47	43	18.3	17.3	125.1	110.1	84.3	70.1	74.7	..
Saudi Arabia	29	25	2	1	0.0	0.0	0.1	0.1	0.1	0.1	..	..
Senegal	500	502	63	56	9.5	10.8	65.4	54.7	27.3	29.0	..	..
Sierra Leone	208	106	48	22	28.9	16.9	348.7	202.3	81.7	48.5	149.8	..
Singapore	24	2	8	1	0.0	0.0	0.1	0.0	0.0	0.0	0.2	..
Slovak Republic	51	155	9	29	0.4	0.8	1.5	1.9	0.6	1.0	..	..
Slovenia ^a	7	40	4	20	0.1	0.2	0.3	0.8	0.1	0.3	..	..
South Africa	275	512	7	12	0.2	0.4	1.5	2.5	1.0	1.4	0.6	1.3
Spain												
Sri Lanka	659	490	37	26	6.4	3.2	24.9	12.3	14.2	6.9	23.6	12.5
Sudan	453	209	18	7	6.5	2.3	..	..	21.4	6.7	..	..
Sweden												
Switzerland												
Syrian Arab Republic	259	156	19	10	1.9	1.0	7.3	3.0	4.3	2.7	3.0	..
Tajikistan	26	105	5	17	0.9	4.9	3.7	..	3.7	13.7	..	..
Tanzania	950	998	34	31	21.8	12.4	80.1	82.8	43.3	39.5	..	..
Thailand	610	690	11	11	0.5	0.6	1.2	2.5	1.1	1.2	3.1	3.3
Togo	97	128	25	29	8.0	8.6	104.9	60.0	17.1	15.5	..	..
Trinidad and Tobago	2	14	1	11	0.0	0.2	0.3	1.0	0.1	0.4	0.1	..
Tunisia	227	148	26	16	1.7	0.8	5.3	2.7	2.9	1.5	4.7	..
Turkey	405	14	7	0	0.2	0.0	0.8	0.0	1.1	0.0	0.9	..
Turkmenistan	25	17	6	4	0.4	0.6	..	..	1.3	1.0	..	..
Uganda	610	471	34	23	19.2	7.0	124.2	46.0	81.7	24.5	..	..
Ukraine	328	380	6	8	0.5	0.9	1.3	4.2	..	1.9	..	..
United Arab Emirates	-10	4	-5	1	0.0	0.0	-0.1	..	..	..	-0.2	0.1
United Kingdom												
United States												
Uruguay	113	24	36	7	0.9	0.1	6.0	0.7	3.4	0.5	2.5	0.3
Uzbekistan	7	144	0	6	0.0	0.7	0.2	3.7	..	4.3	..	..
Venezuela, RB	41	37	2	2	0.1	0.0	0.4	0.2	0.2	0.2	0.4	0.2
Vietnam	252	1,163	4	15	2.0	4.3	9.6	14.9	5.3	8.1	..	..
West Bank and Gaza	179	598	79	219	..	13.8	..	45.8	..	..	..	..
Yemen, Rep.	312	310	22	19	7.0	7.9	34.2	33.4	8.5	9.5	5.7	13.6
Yugoslavia, FR (Serb./Mont.) ^a	..	106	..	10	..	..	..	..	..	..	..	..
Zambia	872	349	103	36	28.9	11.0	177.0	72.6	52.5	20.4	..	..
Zimbabwe	498	280	47	24	7.9	4.7	33.3	25.7	21.3	9.0	26.1	..
World	62,489 s	57,097 s	11 w	9 w	0.9 w	.. w	.. w	.. w	.. w	.. w	..	..
Low income	28,031	24,434	9	7	2.4	1.3	7.6	4.3	9.6	5.5	..	..
Excl. China & India	23,152	20,306	20	16	5.2	4.7	22.1	24.5	15.7	10.7	..	..
Middle income	19,136	17,735	14	12	0.5	0.4	2.1	1.7	2.0	1.1	..	..
Lower middle income	15,320	14,379	19	16	1.1	1.0	4.2	4.5	4.2	2.6	..	..
Upper middle income	3,887	3,516	7	6	0.2	..	..	..	0.7	..	..	..
Low & middle income	59,953	54,742	10	8	1.0	0.7	3.7	2.7	3.8	2.2	..	..
East Asia & Pacific	9,434	8,417	5	4	0.8	0.5	..	..	..	..	..	..
Europe & Central Asia	9,688	8,714	13	14	0.6	0.6	2.3	2.4	2.7	1.4	..	..
Latin America & Carib.	5,249	5,452	10	9	0.3	0.2	1.6	1.0	1.7	0.9	..	..
Middle East & N. Africa	13,038	13,129	21	18	1.3	1.0	5.3	4.7	3.3	..	..	..
South Asia	5,176	5,024	4	4	1.3	0.9	6.3	3.8	8.3	5.0	..	..
Sub-Saharan Africa	17,499	14,186	30	21	5.7	4.1	34.0	22.3	16.9	10.6	..	..
High income	2,316	2,129	..	..	..	..	..	..	..	..	..	..
Europe EMU												

Note: Regional aggregates include data for economies that are not specified elsewhere. World and income group totals include aid not allocated by country or region.
a. Aid to the states of the former Socialist Federal Republic of Yugoslavia that is not otherwise specified is included in regional and income group aggregates.



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About the data

Ratios of aid to GNP, investment, imports, and public spending provide a measure of the recipient country's dependency on aid. But care must be taken in drawing policy conclusions. For foreign policy reasons some countries have traditionally received large amounts of aid. Thus aid dependency ratios may reveal as much about the donors' interests as they do about the recipients' needs. In general, ratios in Sub-Saharan Africa are much higher than those in other regions, and they increased in the 1980s. These high ratios are due only in part to aid flows. Many African countries saw severe erosion in their terms of trade in the 1980s, which, along with weak policies, contributed to falling incomes, imports, and investment. Thus the increase in aid dependency ratios reflects events affecting both the numerator and the denominator.

As defined here, aid includes official development assistance (ODA) and official aid. The data cover loans and grants from Development Assistance Committee (DAC) countries, multilateral organizations, and certain Arab countries. They do not reflect aid given by recipient countries to other developing countries. As a result some countries that are net donors (such as Saudi Arabia) are shown in the table as aid recipients. (See table 6.8a.)

The data in the table do not distinguish among different types of aid (program, project, or food aid, emergency assistance, peacekeeping assistance, or technical cooperation), each of which may have a very different effect on the economy. Technical cooperation expenditures do not always directly benefit the economy to the extent that they defray costs incurred outside the country on the salaries and benefits of technical experts and the overhead costs of firms supplying technical services.

In 1999, to avoid double counting extrabudgetary expenditures reported by DAC countries and flows reported by the United Nations, all United Nations agencies revised their data to include only regular budgetary expenditures since 1990 (except for the World Food Programme and the United Nations High Commissioner for Refugees, which revised their data from 1996 onward). These revisions have affected net official development assistance and official aid and, as a result, aid per capita and aid dependency ratios.

Because the table relies on information from donors, it is not consistent with information recorded by recipients in the balance of payments, which often excludes all or some technical assistance—particularly payments to expatriates made directly by the donor. Similarly, grant commodity aid may not always be recorded in trade data or in the balance of payments. Moreover, although ODA estimates in balance of payments statistics are meant to exclude purely military aid, the distinction is sometimes blurred. Under DAC rules concessional refinancing of military aid may be counted as ODA; the definition used by the country of origin usually

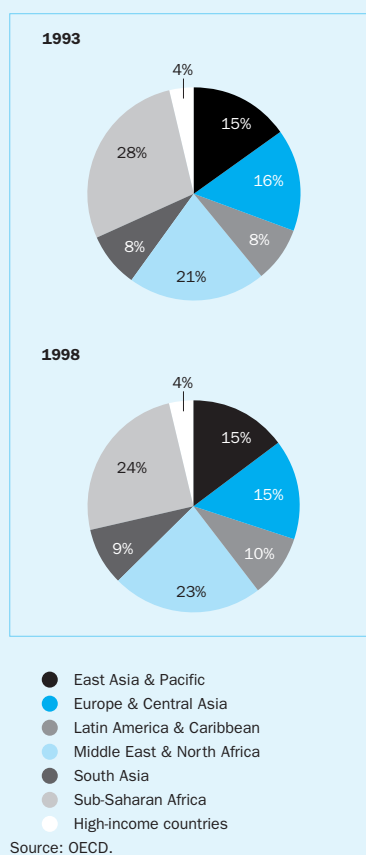
prevails. The nominal values used here tend to overstate the amount of resources transferred. Changes in international prices and in exchange rates can reduce the purchasing power of aid. The practice of tying aid, still prevalent though declining in importance, also tends to reduce its purchasing power (see *About the data* for table 6.9).

The values for population, GNP, gross domestic investment, imports of goods and services, and central government expenditures used in computing the ratios are taken from World Bank and International Monetary Fund databases. The ratios shown may therefore differ somewhat from those computed and published by the Organisation for Economic Co-operation and Development (OECD).

Aid not allocated by country or region—including administrative costs, research into development issues, and aid to nongovernmental organizations—is included in the world total. Thus regional and income group totals do not sum to the world total.

Figure 6.10

The regional distribution of aid from DAC members has remained much the same



Definitions

• **Net official development assistance** consists of disbursements of loans made on concessional terms (net of repayments of principal) and grants by official agencies of the members of DAC, by multilateral institutions, and by certain Arab countries to promote economic development and welfare in recipient economies listed as developing by DAC. Loans with a grant element of at least 25 percent are included in ODA, as are technical cooperation and assistance. • **Net official aid** refers to aid flows, net of repayments, from official donors to the transition economies of Eastern Europe and the former Soviet Union and to certain advanced developing countries and territories as determined by DAC. Official aid is provided under terms and conditions similar to those for ODA. • **Aid per capita** includes both ODA and official aid. • **Aid dependency ratios** are calculated using values in U.S. dollars converted at official exchange rates. See *Definitions* for tables 1.1, 4.9, and 4.14 for definitions of GNP, gross domestic investment, imports of goods and services, and central government expenditures.

Data sources

Data on aid are compiled by DAC and published in its annual statistical report, *Geographical Distribution of Financial Flows to Aid Recipients*, and in the DAC chairman's report, *Development Co-operation*. The OECD also makes its data available on diskette, magnetic tape, and the Internet. Data are available to registered users from the OECD website at www.oecd.org/dac/htm/online.htm.