



Aid flows from Development Assistance

6.9 Committee members

Net flows to part I countries	Net official development assistance					Aid appropriations		Untied aid			
	\$ millions		% of GNP		annual average % change in volume ^a	Per capita of donor country ^a		% of central government budget		% of total ODA commitments	
	1993	1998	1993	1998	1992-93 to 1997-98	\$ 1993	\$ 1998	1993	1998	1993	1998
Australia	953	960	0.35	0.27	-0.3	63	60	1.3	1.0	41.9	92.8
Austria	544	456	0.30	0.22	-2.6	71	57	0.7	..	44.8	68.6
Belgium	810	883	0.39	0.35	-0.8	83	86	0.0	..	..	50.0
Canada	2,400	1,691	0.45	0.29	-3.9	82	60	1.6	1.4	61.9	34.5
Denmark	1,340	1,704	1.03	0.99	3.8	271	322	2.5	3.0	..	81.4
Finland	355	396	0.45	0.32	-5.6	83	77	1.2	1.2	59.0	78.6
France	7,915	5,742	0.63	0.40	-5.7	140	98	..	..	31.5	66.8
Germany	6,954	5,581	0.35	0.26	-4.7	87	68	..	..	47.9	86.5
Ireland	81	199	0.20	0.30	19.8	25	55	..	..	..	..
Italy	3,043	2,278	0.31	0.20	-12.7	58	40	0.4	..	43.1	63.9
Japan	11,259	10,640	0.27	0.28	-0.8	81	91	1.3	..	83.9	93.6
Luxembourg	50	112	0.35	0.65	18.2	134	259	..	..	..	94.0
Netherlands	2,525	3,042	0.82	0.80	2.3	170	194	..	3.1	..	85.9
New Zealand	98	130	0.25	0.27	3.9	37	42	0.4	0.6	..	..
Norway	1,014	1,321	1.01	0.91	2.7	260	320	1.7	2.3	81.8	89.8
Portugal	235	259	0.28	0.24	-1.2	26	26	..	0.3	63.9	82.6
Spain	1,304	1,376	0.28	0.24	0.3	33	35	0.9	0.9	0.0	26.1
Sweden	1,769	1,573	0.99	0.72	-3.7	225	183	..	..	85.0	79.3
Switzerland	793	898	0.33	0.32	-2.1	119	125	3.1	2.8	91.4	71.7
United Kingdom	2,920	3,864	0.31	0.27	0.6	60	63	1.2	..	35.2	79.6
United States	10,123	8,786	0.15	0.10	-8.3	42	32	1.4	0.7	37.4	28.4
Total	56,486	51,888	0.30	0.24	-3.6	72	64	1.3	1.2	56.4	72.3

Net official aid

Net flows to part II countries	\$ millions		% of GNP		annual average % change in volume ^a	Per capita of donor country ^a	
	1993	1998	1993	1998	1992-93 to 1997-98	\$ 1993	\$ 1998
Australia	6	1	0.00	0.00	-39.2	0	0
Austria	389	191	0.21	0.09	-13.2	50	24
Belgium	81	68	0.04	0.03	-10.3	8	7
Canada	80	157	0.01	0.03	0.2	3	6
Denmark	175	118	0.14	0.07	-1.0	35	22
Finland	38	82	0.05	0.07	12.8	9	16
France	606	823	0.05	0.06	7.5	11	14
Germany	2,416	654	0.12	0.03	-25.6	30	8
Ireland	9	0	0.02	0.00	-49.0	3	0
Italy	242	243	0.02	0.02	-2.9	5	4
Japan	530	132	0.01	0.00	-20.7	4	1
Luxembourg	7	3	0.05	0.02	-16.7	19	6
Netherlands	272	130	0.09	0.03	-20.5	18	8
New Zealand	1	0	0.00	0.00	-47.1	0	0
Norway	74	52	0.07	0.04	-5.2	19	13
Portugal	13	22	0.02	0.02	5.3	1	2
Spain	87	5	0.02	0.00	-46.2	2	0
Sweden	41	105	0.02	0.05	-5.1	5	12
Switzerland	93	76	0.04	0.03	-4.6	14	11
United Kingdom	285	435	0.03	0.03	1.6	6	7
United States	1,647	2,726	0.03	0.03	15.4	7	10
Total	7,092	6,024	0.04	0.03	-4.5	9	7

a. At 1997 prices.



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6.9

About the data

As part of its work, the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) assesses the aid performance of member countries relative to the size of their economies. As measured here, aid comprises bilateral disbursements of concessional financing to recipient countries plus the provision by donor governments of concessional financing to multilateral institutions. Volume measures, in constant prices and exchange rates, are used to measure the change in real resources provided over time. Aid flows to part I recipients—official development assistance (ODA)—are tabulated separate from those to part II recipients—official aid (see *About the data* for table 6.8 for more information on the distinction between the two types of aid flows).

Measures of aid flows from the perspective of donors differ from aid receipts by recipient countries. This is because the concessional funding received by multilateral institutions from donor countries is recorded as an aid disbursement by the donor when the funds are deposited with the multilateral institution and recorded as a resource receipt by the recipient country when the multilateral institution makes a disbursement.

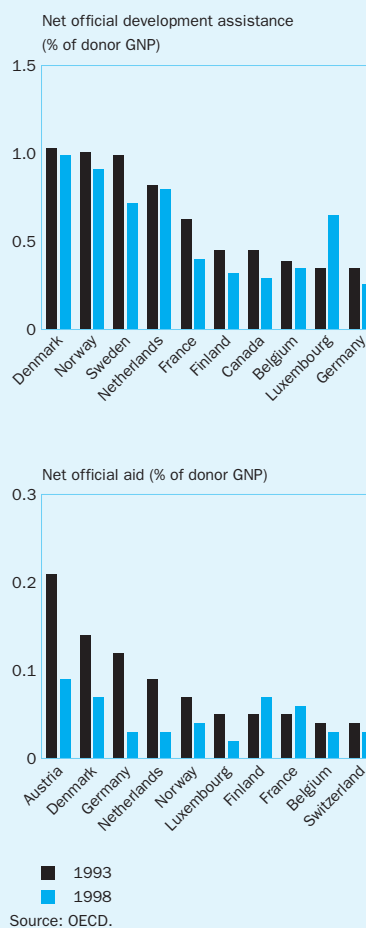
Aid-to-GNP ratios, aid per capita, and aid appropriations as a percentage of donor government budgets are calculated by the OECD. The denominators used in calculating these ratios may differ from corresponding values elsewhere in this book because of differences in timing or definitions.

For many European countries, adoption of the 1993 United Nations System of National Accounts has led to an apparent increase in the size of their GNP. As a result ratios of aid to GNP have fallen. DAC is reviewing the extent to which this phenomenon has affected measures of aid performance.

The proportion of untied aid is reported here because tying arrangements require recipients to purchase goods and services from the donor country or from a specified group of countries. Tying arrangements may be justified on the grounds that they prevent a recipient from misappropriating or mismanaging aid receipts, but they may also be motivated by a desire to benefit suppliers in the donor country. The same volume of aid may have different purchasing power depending on the relative costs of suppliers in countries to which the aid is tied and the degree to which each recipient's aid basket is untied. Thus tying arrangements may prevent recipients from obtaining the best value for their money and so reduce the value of the aid received.

Figure 6.9

Aid fell as a share of GNP for almost all donors between 1993 and 1998



The decline affected flows to both part I countries (official development assistance) and part II countries (official aid).

Definitions

- **Net official development assistance** and **net official aid** record the actual international transfer by the donor of financial resources or of goods or services valued at the cost to the donor, less any repayments of loan principal during the same period. Data are shown at current prices and dollar exchange rates.
- **Aid as a percentage of GNP** shows the donor's contributions of ODA or official aid as a share of its GNP.
- **Annual average percentage change in volume** and **aid per capita of donor country** are calculated using 1997 exchange rates and prices.
- **Aid appropriations** are the share of ODA or official aid appropriations in the donor's national budget.
- **Untied aid** is the share of ODA that is not subject to restrictions by donors on procurement sources.

Data sources

The data in the table appear 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.