# Chapter 5

# **Aid Allocation**

The allocation of aid is a constant challenge for aid managers. Managers need to keep a focus on the MDGs, respect strict criteria for allocations to countries and sectors, secure and manage increases in aid, improve predictability for partners, balance bilateral and multilateral allocations, respond to humanitarian crises and implement the Accra Agenda for Action.

Non-DAC donors contribute considerably to international development efforts. They are a heterogeneous group of countries with diverse historical ties, strategic interests and comparative advantages which can be brought to bear in developing countries. They contribute additional funding as well as valuable expertise. However, these donors face significant practical constraints in allocating effective aid.

## **Official development assistance (ODA)**

Official development assistance (Box 5.1) consists of grants and concessional loans, mainly for socio-economic development, from the government of a donor country to a developing country or a multilateral agency. One critical issue in development co-operation is the allocation of ODA to bilateral and multilateral channels and the breakdown within each of these channels by region, country, sector or theme. Donors' allocations are guided by the legislation that underpins their aid programmes or by an over-arching policy statement. In most DAC member countries, radical changes in the allocation of ODA are rare. Established commitments tend to continue and changes generally occur through small adjustments.

#### Box 5.1. Official development assistance, bilateral and multilateral assistance

Official development assistance (ODA) is defined as assistance to countries and territories on the DAC List of ODA Recipients and to multilateral development institutions which is:

- 1. Provided by official agencies, including state and local governments, or by their executing agencies.
- 2. Each transaction of which:
  - is administered with the objective of promoting economic development and welfare of developing countries; and
  - is concessional and has a grant element of at least 25% (calculated at a discount rate of 10%).

Bilateral transactions are direct transactions between a donor country and a developing country. They also include transactions between national or international nongovernmental organisations active in development, and other internal developmentrelated transactions, such as interest subsidies, spending on promotion of development awareness, debt reorganisation and administrative costs.

Multilateral assistance takes the form of contributions to funds managed by multilateral agencies, especially those of the United Nations. Contributions may be membership subscriptions or discretionary contributions. Multilateral contributions are those made to a recipient institution which:

- 1. Conducts all or part of its activities in favour of development.
- 2. Is an international agency, institution or organisation whose members are governments, or a fund managed autonomously by such an agency.
- 3. Pools contributions so that they lose their identity and become an integral part of its financial assets. If, however, the donor specifies the recipient or other aspects of the disbursement (*e.g.* purpose, terms, total amount, reuse of any repayments), effectively controlling the disposal of the funds they contributed, then the contribution is considered to be bilateral.

Donors are becoming more strategic and focused in allocating bilateral and multilateral aid. For example, in recent years national security interests have changed allocations to some partner countries. Another factor affecting allocations is the focus on results and effectiveness. Donors are taking the performance of multilateral agencies into account and are reducing or discontinuing ODA to some multilateral agencies. In some cases, government-to-government programmes in countries with a poor record of respecting human rights and democracy have also been reduced or phased out. Donors also try to maximise the use of ODA for development by reducing the costs of administering projects and programmes but this is still a challenge (Box 5.2).

#### Box 5.2. Administrative costs in ODA

DAC statistics reflect the administrative costs of official development assistance (ODA) either in aid activities or as lump-sum administrative costs not included elsewhere. This approach takes account of the differences in aid management and accounting practices between donors and the types of aid programme. The disadvantage is that data on administrative costs not included elsewhere are not comparable between donors. Donors that manage most of their aid activities directly may report practically all their management costs under this category, whereas those that include large project overheads in project costs may report relatively small amounts.

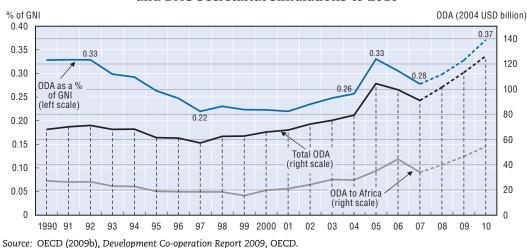
Regardless of the category under which they are reported, the administrative costs of ODA comprise:

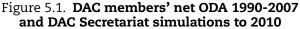
- 1. the administrative budget of the central aid agency or agencies, and of executing agencies wholly concerned with delivery of ODA;
- 2. that portion of the administrative costs of multi-purpose executing agencies represented by their aid disbursements as a proportion of their total gross disbursements; and
- 3. administrative costs related to the aid programme borne by overseas representatives and diplomatic missions.

Statistical Reporting Directives give further guidance on the treatment of the costs of diplomatic staff, pensions, premises, computer equipment and motor vehicles.

#### Allocating increases in development aid

More than two-thirds of total ODA from DAC member countries is provided bilaterally, mostly as grants. At the Gleneagles G8 and UN Millennium+5 Summits in 2005, DAC member countries committed to increasing aid from USD 80 billion in 2004 to USD 130 billion in 2010. While a few countries have reduced their targets slightly since 2005, most of the commitments remain in force. In 2007, preliminary net aid disbursements were USD 103.5 billion, or 0.28% of developed countries' combined national incomes. In real terms this was a fall of 8.5% compared to 2006. However, this drop in ODA was expected. Net ODA had been exceptionally high in 2005 (USD 107.1 billion) and 2006 (USD 104.4 billion), due to large Paris Club debt relief grants to Iraq and Nigeria. Excluding debt relief grants, net aid rose by 2% in 2007. The present rate of increase in donor development programmes will have to more than double over the next three years if the level of aid projected for 2010 is to be met (Figure 5.1). To allocate and manage aid scaled up at this rate, and to improve the medium-term predictability of aid as called for in the Paris Declaration, DAC members need to strengthen their organisational capacity. They may also need to radically reform aid delivery because their staff will have to deliver more aid and, at the same time, increase aid effectiveness. To assess the amount of aid that can be programmed at partner country level, the DAC calculates "country programmable aid".<sup>1</sup> In 2005 nearly half of the DAC members' gross bilateral ODA was estimated to be available for programming at country level.





Donors need well thought out plans to manage aid when it is scaled up. However, at present most DAC members do not appear to have developed such plans. In some cases (Box 5.3), although donors have committed to delivering more aid and meeting specific time frames, the operational challenges they face to meet these commitments are significant. At the global level, information on where agencies plan to spend their increased aid budgets is important for identifying resource gaps and opportunities for scaling up in individual countries. Across DAC members the debate on scaling up appears

#### Box 5.3. The challenges of scaling up in Spain

Spain is increasing its ODA significantly (+19.7% from 2006 to 2007, or +31.4 % excluding debt relief grants) and aspires to attain a 0.7% ODA/GNI ratio by 2012, fully three years before the European Union deadline. Spain consulted nationwide to set overall aid priorities and to garner public support. This consultation resulted in the *Master Plan for Spanish Co-operation* 2005 – 2008, which also specifies delivery reforms to attain the 0.7% target. The reforms include new aid instruments, further geographic and sectoral concentration, more use of multilateral channels, organisational reform in the Spanish Agency for International Development (AECI), improvements in aid management, and special attention to country strategic planning processes, including multi-annual funding envelopes. Spain's capacity to reach the scaled-up target, particularly in field operations, is constrained by legal and recruitment requirements. The current AECI reform proposal attempts to address these constraints in its human resources plan.

to have stimulated new approaches, including more investment in multilateral aid, more use of budget support mechanisms and more delegated partnerships to implement development programmes. These approaches are examined in subsequent chapters.

### **Contribution of non-DAC donors**

Some non-DAC member countries, such as Mexico, Korea and Thailand, contribute relatively moderate amounts of aid, while others, such as China, India, Saudi Arabia and Venezuela make large aid contributions, some of them of long standing. While Indian and South African aid largely focuses on supporting neighbouring countries, China is increasing aid to Africa. Chinese aid includes grants, interest-free loans, preferential loans, co-operative and joint venture funds for aid projects, co-operation in science and technology, and medical assistance. Brazil focuses on South-South technical co-operation and Thailand primarily funds infrastructure projects.

Their promises to scale up aid in the coming years mean that non-DAC donors may make a significant contribution to achieving the MDGs. Korea, Mexico and Turkey have ambitious plans to scale up their aid by 2010. Since their accession to the European Union on 1 May 2004, the new Member States have committed themselves to contributing 0.17% of GNI by 2010 and 0.33% by 2015. These countries contribute to EU aid programmes and participate in their management. Besides significantly raising multilateral assistance, some, like the Czech Republic, are building up their institutional capacity to manage, coordinate and implement bilateral programmes more efficiently. The experiences of the new EU Member States as former recipients of aid give them a unique comparative advantage in establishing strong partnerships based on regional and cultural ties and in mutual learning between different partners in development. South-South co-operation and triangular development co-operation (Box 5.4), for example, can facilitate this. The Accra Agenda for Action recognises the importance and particularities of South-South cooperation and encourages further development of triangular co-operation.

From the perspective of partner countries, non-DAC donors are additional sources of funding and expertise, but the tied nature of some of their aid can reduce its costeffectiveness. South-South co-operation is attractive because it is flexible, responsive and can fill important gaps, for example, Mexico's technical co-operation. This form of cooperation is also largely demand-driven, promotes ownership and makes use of technologies that are sustainable and technical assistance that adapts to local systems. Similar socio-economic conditions, culture and language that facilitate lesson sharing and good practice are other valuable advantages of South-South co-operation.

Many non-DAC donors are still developing ways to account appropriately for their ODA and putting in place monitoring and evaluation systems. The lack of a long-term vision for development assistance underpinned by a clear policy and legal or regulatory framework setting out roles and responsibilities can be another limiting factor. Where they are active or present in the field, non-DAC donors have an opportunity to learn from the successes and failures of traditional donors and adopt good aid management practices early on. For example, they can join existing donor co-ordination mechanisms, share analytical work and contribute collectively to development aligned with national priorities. They can complement the efforts of other donors by supporting countries that may be under-funded or neglected by current channels. By making full use of their strengths, they can also contribute to the division of labour among donors.

#### Box 5.4. Triangular development co-operation

Triangular (or trilateral) development co-operation is development assistance funded by DAC and other donors and executed by Southern partners (often in the form of technical assistance) in developing partner countries. It is increasingly valued for its effectiveness and, often, lower cost during implementation (costs may be high at the planning stage due to complex administrative processes). Southern contributors, who are themselves still developing, are well placed to respond to the needs of countries receiving aid. Though presently small scale, triangular co-operation is significant for a number of donors, including Argentina, Brazil, Chile, China, Egypt, India, Malaysia, Mexico, Republic of Korea, Singapore, South Africa, Thailand, Tunisia and Turkey. The main Triangular co-operation partners from the OECD are Canada, Finland, France, Germany, Japan, Norway, Spain and Sweden. The UN also participates in triangular co-operation. Japan's 2003 ODA Charter specifically identified triangulation as an effective aid modality.

Triangular development co-operation covers a range of development programmes and projects. With financial support from partners, Brazil has engaged in vaccination, school feeding, reforestation and malaria eradication projects. Similarly, Tunisia has provided expertise in areas ranging from public administration to reproductive health services.

In addition to North-South-South co-operation, triangular co-operation between developing countries is also advancing. One of the best examples is the India-Brazil-South Africa trilateral initiative to promote exchanges and strengthen capacity in agriculture, education, and science and technology.

Source: United Nations Capital Development Fund report on South-South and Triangular Co-operation (forthcoming).

## Other sources of funding

Debt relief grants, for example, have been an important component of ODA in recent years, accounting for 21% of ODA in 2005 and 18% in 2006 because of the exceptional Paris Club debt relief operations provided for Iraq and Nigeria. The proportion fell to 9% in 2007.

The many different sources of funds for foreign assistance activities may make it difficult for parliamentarians to monitor and influence foreign assistance programmes. A variety of appropriations may need to be examined, including some that are not obviously related to development. It also means that governments do not have direct control over all expenditures which may be reported as ODA. This may add to uncertainty as to whether and when countries reach quantitative objectives set for ODA, such as ODA/ GNI targets.

Realising that achieving the MDGs will require substantial extra funds for aid – estimates indicate that at least USD 50 billion extra is likely to be needed – DAC members have explored avenues other than traditional ODA to finance development. The main options being considered or implemented are:

- Global taxes on currency transactions and energy use.
- Voluntary private sector contributions through donations, global lotteries (see example below), premium bonds or global funds.
- The International Finance Facility, which set up a pilot programme on immunisation in January 2006 with the support of France, Italy, Norway, Spain, Sweden and the United Kingdom.<sup>2</sup>

- Solidarity taxes on air tickets. Currently nine countries have adopted this tax,<sup>3</sup> and the proceeds are mainly used to fund accelerated access to HIV/AIDS, tuberculosis and malaria drugs through the UNITAID.<sup>4</sup>
- Advanced Market Commitments (AMC) to provide incentives for the development of vaccines important to developing countries.<sup>5</sup>
- Sovereign wealth funds, established either from export receipts earned from a nonrenewable resource or from very high corporate or household saving rates and surpluses. These funds could become major sources of development finance.

#### **Belgium's Survival Fund**

Through the Belgian Survival Fund, created in 1999 on the initiative of parliament, net profits from the Belgian National Lottery are used to finance development activities in some of the poorest countries of the world, in particular in food and nutritional security. The Fund amounts to EUR 300 million, to be disbursed within a period of 10 to 12 years in annual tranches, and favours an integrated approach to development. Projects are implemented jointly with Belgian NGOs and some United Nations agencies. A public corporation, Belgium Technical Co-operation, is also involved. Between 1999 and 2007, the Fund committed EUR 237 million, including EUR 49 million left over from a first grant in 1983. The Fund represents 6% of Belgium's ODA for Africa.

Each option for raising additional finance for aid has advantages as well as economic and political drawbacks. Given political will, public support and changes in domestic attitudes, some options may generate additional aid. DAC member countries could implement variations of these options unilaterally. Increasingly, the donor community will be looking at the added value and effectiveness of these innovative financing schemes as significant components of the aid financing architecture.

#### **Selecting partner countries**

Development aid targets the poorest countries. The least developed countries receive about a third of all aid. In these countries, ODA is an important source of public sector funds because domestic revenues are insufficient, and private finance is limited or absent. To a large extent, poor countries will continue to depend on ODA while they build up their capacity to create and mobilise domestic resources and promote private investment.

Historical and cultural ties, relations with partner countries, public support for development relationships and/or national security concerns ultimately influence the selection of partner countries and the allocation of ODA. In line with the Paris Declaration and the Accra Agenda for Action, DAC member countries are working to:

- reduce the fragmentation of aid programmes by improving the allocation of resources within sectors, within countries, and across countries;
- publicly disclose regular, detailed and timely information on the volume, allocation and, when available, results of development expenditure to enable more accurate budgeting, accounting and auditing by developing countries; and

 provide developing countries with regular and timely information on their rolling threeto five-year forward expenditure and/or implementation plans, with at least indicative resource allocations, so that developing countries can use this information in mediumterm planning and macroeconomic frameworks.

Clear selection criteria for choosing partner countries helps guide aid managers' decisions – whether to enter, stay or exit. The criteria set by the Netherlands, for example, are the level of GNP per capita, a positive trend in democratisation and governance, the number of donors already represented, the volume of aid per capita and, finally, the added value of Dutch development co-operation based on historical relations and experience. Luxembourg selects its partner countries from among those ranking lowest on the UN's Human Development Index. The results-based approach of the United States' Millennium Challenge Corporation (Box 5.5) highlights performance both in choosing eligible countries initially, and in designing and following-up activities. It should be remembered that aid to large countries can have an important catalytic effect through the transfer of ideas and good practice, even if this aid is modest in relation to the size of their economies.

#### Box 5.5. The United States' Millennium Challenge Corporation

The Millennium Challenge Corporation (MCC) is an independent US Government corporation established in 2004 to administer the Millennium Challenge Account (MCA), a foreign assistance programme designed to "reduce poverty through sustainable economic growth" in some of the poorest countries in the world. MCC provides additional resources to countries that "rule justly, invest in people, and encourage economic freedom". These resources complement other bilateral US development programmes.

Each year, MCC's Board of Directors meets to select countries eligible for MCA assistance. The Board looks at how the poorest countries of the world have performed on sixteen independent and transparent policy "indicators". It then selects countries that are above the median on at least half of the indicators in each of the three categories, and above the median on the corruption indicator. The Board may also consider additional information, such as data gaps or lags, when selecting countries that will be eligible for MCA assistance.

Eligible countries develop proposals in broad consultation with their own society. MCC teams then work in partnership to help them develop an MCA programme which will reduce poverty and advance sustainable economic growth. A Compact defines responsibilities and includes measurable objectives and targets to assess progress. The Compact also describes how the country will manage and implement its MCA programme, including how it will ensure financial accountability, transparency and fair and open procurement.

#### Some lessons for exiting from partner countries

Phasing-out and terminating ODA-funded government-to-government and other aid relationships require careful management. Planning exit strategies and transforming aid must be sensitive to context. Nevertheless a number of lessons have emerged on how donors can make these tasks easier (Slob and Jerve, 2008):

1. The way the donor conveys the exit decision to the partner country influences the handling and the outcome of the exit process. The level (political or administrative) at

which the message is delivered matters. When politicians communicate exit decisions partner countries welcome this approach.

- 2. The degree of participation of stakeholders in planning and implementing exit processes is a good indicator of their success.
- 3. Greater attention can be paid to sustainability and mitigating adverse consequences when the time frame for exit is realistic.
- 4. The fulfilment of ongoing commitments is important, especially in aid-dependent countries.
- 5. Donor flexibility in adapting the budget for supported activities, and taking steps to assist the recipient in securing alternative funding, are important factors in good exit management.
- 6. The institutional capacity of the recipient also determines success. Donors may need to carry out institutional assessments to identify needs for building capacities that will enable partner country institutions to cope with exit.
- 7. Donor capacity can also be weak. There tends to be little institutional learning on how to manage aid exit, which is often perceived as negative, and there are seldom rewards for managing exit well. Exit decisions are often accompanied by immediate downsizing of embassies, or, in some instances, closure.

#### **Concentrating aid in Luxembourg**

Luxembourg is concentrating aid on a limited number of countries, progressively slowing the rate of increase, or even decreasing, funding, and closing down programmes in El Salvador and Namibia. Disengagement from Tunisia, Morocco and Ecuador has also been agreed and, in Ecuador, Luxembourg is scaling down its operations and has signed a co-operation agreement delegating management of a health project to the Belgian Technical Co-operation Agency. In Vietnam, co-operation is evolving towards support for economic infrastructure, including financial services and banking – a sector where Luxembourg can add value.

#### Aid in fragile and conflict situations

One billion people, and one – third of all people surviving on less than US one dollar per day, live in fragile or conflict situations. The regional and international spill-over effects from these situations – armed violence, instability, organised crime, migration, human trafficking – have a wide impact. Although DAC member countries responded to these situations with more aid between 2000 and 2005, most ODA benefited just a few countries, for example Afghanistan, the Democratic Republic of Congo and Sudan (OECD, 2008d), and most was in the form of emergency relief.

DAC members engage in fragile and conflict situations in a variety of ways, including through "whole-of-government approaches" (Box 5.6). Australia, Canada and the United States co-ordinate the activities of different ministries in this way, although not necessarily with clear results. The main challenge is to develop incentives and rewards that encourage officials to work across government agencies and to develop mechanisms that will help ensure officials work together. Working with many different policy communities means heavy transaction costs and significant compromises.

#### Box 5.6. Whole-of-government approaches in fragile states and situations

"Whole-of-government approaches" to aid for fragile states and situations involve coordinating the activities of departments responsible for security, and political and economic affairs, as well as those responsible for development aid and humanitarian assistance. Coherence between security and development policies is the key to establishing an effective "whole-of-government approach" in fragile and conflict situations because of the interdependence between the two. As a result, security actors and objectives are increasingly included in the development debate, as are economic actors, justice departments and others.

A clear benefit of a "whole-of-government approach" is that the fiscal costs of contributing to the overall objective of long-term development and stability in situations of fragility and conflict are lower. The risk of compromising, or not meeting, these objectives is reduced. Coherent policies and activities may have greater legitimacy in the eyes of the recipient country and will, therefore, be more likely to receive a positive response.

Source: (OECD, 2007), Whole-of-Government Approaches to Fragile States.

### Allocation by sector or theme

Selecting sectors and themes for activities in partner countries is a critical aspect of aid management. Division of labour (Chapter 8) between donors has become a key concern in sector allocation. DAC member countries are increasingly limiting the number of sectors in which they operate in main partner countries and/or delegating the delivery of bilateral development assistance to another donor. The Netherlands, for example, focuses on two or three priority sectors per country. Donor co-ordination, led by partner governments, can prevent duplication and, where many development agencies are operating, ensure that all important sectors are adequately covered.

### Humanitarian aid

In 2006, DAC member countries provided over USD 6.7 billion as humanitarian aid. This represents 6.5% of total ODA, although proportions vary significantly between individual members. Actual humanitarian expenditure may be a little higher as several donors report development-related humanitarian action (*e.g.* preventive, mitigation and preparedness activities) against development sector codes. Changes in DAC sector coding should help more accurate reporting of expenditures across the full spectrum of eligible humanitarian activities.

Meanwhile, the overall trend in global humanitarian aid is somewhat uncertain. While recent emergencies have provoked funding spikes, much of this funding has come from supplementary budget allocations. These appropriations suggest a willingness on the part of donor governments to avoid diverting resources from existing crises in the event of large-scale disasters, but they mask the underlying trends.

#### **Regional programmes**

Regional programming can be useful for addressing development issues that span national borders. Development of the Southern Africa region, for example, is critically influenced by the economic situation in South Africa, the regional transport infrastructure and immigration policies. In the Pacific, the over-exploitation of renewable natural resources, especially fish, has implications for the livelihoods of many small island communities. More generally, the rise in travel, migration and trade in food and animals across borders has made regions more vulnerable to the spread of communicable diseases.

The regional dimensions of such development issues must be addressed primarily by national governments working closely together to develop joint regional policies and responses. However, development agencies can foster collective action and strengthen the partner governments' capacities to address regional issues. A second approach development agencies can take to address regional issues is to fund and support capacity building in regional organisations and groups. Collectively, DAC member countries support many regional groups, including the South African Development Community, the Asia Pacific Economic Co-operation and the South Asia Association for Regional Co-operation.<sup>6</sup> More recently, the OECD Africa Partnership Forum was established in the wake of the meeting of the G8 in *Evian*, France,<sup>7</sup> to include Africa's major bilateral and multilateral development partners in the high-level dialogue between the G8 and the New Partnership for Africa's Development.

#### New Zealand's regional approach in Asia and the Pacific

New Zealand is an active member of regional organisations and groups in the Asia-Pacific region and is engaged in a range of activities to assist developing countries integrate into the global economy. For example, New Zealand has provided significant leadership within the Asia Pacific Economic Co-operation (APEC) to address the causes of the Asian financial crisis, strengthen financial and corporate governance and support capacity building through APEC's Economic and Technical Co-operation programme. New Zealand has also funded the participation of officials from countries in the Mekong region in courses on trade policy at the Mekong Institute.

DAC members also design and implement regional foreign assistance programmes, particularly in agriculture, conflict situations, the environment, health and HIV/AIDS. In some cases, the need to address the regional dimensions of issues, such as HIV/AIDS and conflict, has become a priority in order to improve the effectiveness and sustainability of bilateral programmes in partner countries in the region.

#### Notes

- 1. Country programmable aid is defined through exclusion, by subtracting from total gross ODA aid what is: i) unpredictable by nature (humanitarian aid and debt relief); ii) entails no cross-border flows (administrative costs, imputed student costs, promotion of development awareness, and research and refugees in donor countries); iii) does not form part of co-operation agreements between governments (food aid and aid from local governments); or *iv*) is not country programmable by the donor (core funding of NGOs).
- 2. The International Finance Facility proposes to provide up to an additional USD 50 billion a year in aid between now and 2015 by transforming current pledges for additional ODA into legally-binding long-term commitments and using these to issue Accra Agenda for Action-rated bonds that donor governments would repay after 2015. This mechanism would increase the amount of aid in the short term, but donor governments could not include these extra amounts in their ODA until they started to repay the bonds, i.e. after 2015.

- 3. The nine countries are: Chile, Congo, Côte d'Ivoire, France, South Korea, Madagascar, Mali, Mauritius and Niger. Seventeen additional countries have committed to implement the tax.
- 4. UNITAID is also funded through other taxes (e.g. Part of Norway's tax on CO2) and multi-year budgetary commitments (e.g. Spain, United Kingdom).
- 5. A USD 1.5 billion AMC pilot for malaria vaccine is currently being developed.
- 6. DAC member countries also support regional development banks and regional multilateral organisations, such as the South Pacific Forum. These contributions are classified as multilateral assistance.
- 7. The Evian Summit (2003) addressed the challenges of promoting growth, enhancing sustainable development and improving security.

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# Acronyms

AECI*	Spanish Agency for International Co-operation
ALNAP	Active Learning Network for Accountability and Practice in Humanitarian
	Action
AMC	Advanced Market Commitment
APEC	Asia Pacific Economic Co-operation
AusAID	Australian Agency for International Development
BMZ*	Ministry for Economic Co-operation and Development (Germany)
CERF	Central Emergency Response Fund
CICID*	Inter Ministerial Committee for International Co-operation and Development (France)
CIDA	Canadian International Development Agency
DAC	Development Assistance Committee
DEReC	DAC Evaluation Resource Centre
DFID	Department for International Development (United Kingdom)
DRR	Disaster risk reduction
EC	European Commission
ECHO	European Commission Humanitarian Office
EDF	European Development Fund
GHD	Good Humanitarian Donorship
GTZ*	(German) Agency for Technical Co-operation
JICA	Japan International Co-operation Agency
MAPS	Multi-annual programme schemes (Ireland)
MCA	Millennium Challenge Account (United States)
MCC	Millennium Challenge Corporation (United States)
MDG	Millennium Development Goal
NGOs	Non-government organisations
NZAID	New Zealand Agency for International Development
ODA	Official development assistance
ODE	Office of Development Effectiveness (Australia)
OECC	Overseas Economic Co-operation Council
PCU	Policy Coherence Unit
PRISM	Performance Reporting Information System for Management
RBM	Results-based management
SADEV	Swedish Agency for Development Evaluation

\* Denotes acronym in original language.



# From: Managing Aid Practices of DAC Member Countries

Access the complete publication at: https://doi.org/10.1787/9789264062689-en

# Please cite this chapter as:

OECD (2009), "Aid Allocation", in *Managing Aid: Practices of DAC Member Countries*, OECD Publishing, Paris.

DOI: https://doi.org/10.1787/9789264062689-6-en

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