Efforts and Policies
of the Members
of the Development
Assistance Committee

Development Co-operation

1997

Report

Development Assistance Committee

DAC

OECD

Efforts and Policies
of the Members
of the Development
Assistance Committee

Development Co-operation

1997

Report

Report by James H. Michel

CHAIR OF THE DEVELOPMENT ASSISTANCE COMMITTEE

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

Development Assistance Committee

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

Pursuant to Article 1 of the Convention signed in Paris on 14th December 1960, and which came into force on 30th September 1961, the Organisation for Economic Co-operation and Development (OECD) shall promote policies designed:

– to achieve the highest sustainable economic growth and employment and a rising standard of living in Member countries, while maintaining financial stability, and thus to contribute to the development of the world economy;

– to contribute to sound economic expansion in Member as well as non-member countries in the process of economic development; and

– to contribute to the expansion of world trade on a multilateral, non-discriminatory basis in accordance with international obligations.

The original Member countries of the OECD are Austria, Belgium, Canada, Denmark, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The following countries became Members subsequently through accession at the dates indicated hereafter: Japan (28th April 1964), Finland (28th January 1969), Australia (7th June 1971), New Zealand (29th May 1973), Mexico (18th May 1994), the Czech Republic (21st December 1995), Hungary (7th May 1996), Poland (22nd November 1996) and the Republic of Korea (12th December 1996). The Commission of the European Communities takes part in the work of the OECD (Article 13 of the OECD Convention).

In order to achieve its aims the OECD has set up a number of specialised committees. One of these is the Development Assistance Committee, whose Members have agreed to secure an expansion of aggregate volume of resources made available to developing countries and to improve their effectiveness. To this end, Members periodically review together both the amount and the nature of their contributions to aid programmes, bilateral and multilateral, and consult each other on all other relevant aspects of their development assistance policies.

The Members of the Development Assistance Committee are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom, the United States and the Commission of the European Communities.

Publié en français sous le titre :

Coopération pour le développement
Rapport 1997

As we approach the end of the 20th century, an accelerating international flow of goods, services, capital, information and technology heightens our awareness that we are on the threshold of a new era. There is reason for hope that we may be entering a new global age of greater security, prosperity and justice.

However, some current trends also give rise to legitimate concerns – among them, the concern that many people and many countries may be left behind unless the ongoing globalisation process comes to reflect a more inclusive vision of shared interests and shared values. We instinctively doubt the wisdom of a development model in which more than one-fifth of the world's population lives in extreme poverty and gaps between "haves" and "have nots" continue to widen. A new global age needs an inclusive vision in order to be sustainable.

The 1997 Development Co-operation Report examines the effort over the past year to advance the implementation of a global development partnership strategy that will foster the broadest participation in economic and social progress, and in preserving the natural resource base. It considers the role of development co-operation in the context of global economic, political, social and environmental influences.

Last year, the 1996 Development Co-operation Report focused on the results-oriented, people-centred model for development co-operation set out in the OECD report, Shaping the 21st Century: The Contribution of Development Co-operation. *This year's Report addresses the implementation of the partnership strategy in a way that views development co-operation as an essential instrument that must work in harmony with other policies and other instruments in a coherent process. It describes efforts to operationalise the vision of measurable economic, social and environmental goals and the concept of partnership compacts to co-ordinate international support for locally-owned, people-centred development.*

The 1997 Report highlights the importance of converting this strategy from an OECD proposal into a shared vision and a common framework for action. And it stresses the need to integrate the partnership approach, in practice, into the broad agenda of international co-operation needed to achieve a sustainable new global age of increased opportunity for all. In this regard, this Report strikes many common chords with themes addressed in the recent OECD publication, The World in 2020: Towards a New Global Age, *and also in the November 1997 report of the High-Level Advisory Group on the Environment to the Secretary-General of the OECD,* Guiding the Transition to Sustainable Development: A Critical Role for the OECD.

The Report identifies a number of challenges, and reports on some achievements in addressing them:

– The challenges include the paradox that countries and population groups who are most at risk of marginalisation, such as those in war-torn societies, are those least able to participate in the growing flows of trade and private investment, and are least ready to assume the responsibilities of locally-led development partnerships.

– The accomplishments include the formulation of new DAC guidelines on conflict, peace and development, which should help improve the prospects for effective development co-operation in those conflictive societies where the most progress is needed.

Other positive developments included a deepening of dialogue and accumulation of experience with the partnership approach, progress toward the identification of a core set of indicators to better measure global and national progress toward agreed development goals, enhanced integration of gender considerations in DAC work and statistics, and a strengthened emphasis on the development of local capacity for increased self-reliance.

This Report also analyses the changing composition of development finance. The focus is on the conditions needed over the long term for financing the sustainable development of dynamic market economies, looking into the 21st century. The Report considers the crucial roles played by the various components of an increasingly complex mix of development financing sources and instruments – public and private, domestic and international. It considers how development co-operation can help achieve adequate financing to support agreed development goals.

The continuing decline in ODA volume and changes in allocation of diminishing concessional resources are fully explained, together with an analysis of the implications of these trends for the success of the partnership strategy. Beyond the analysis and reporting on trends in policy and practice, this annual Report includes a wealth of authoritative data and statistics on aid and other financial flows, including a comprehensive statistical annex. An effort has been made to further improve the quality, relevance and clear presentation of this data, including new charts showing for the DAC as a whole, and also for each Member, summary data on ODA volume and distribution.

This Development Co-operation Report again reflects the professionalism and dedication of the impressive team in the Development Co-operation Directorate of the OECD Secretariat who compiled the information, organised its presentation and wrote most of the material. This year, in addition to the many contributions of DAC Members, they had the benefit of increased participation by other directorates within the OECD, especially in dealing with the subject of development finance. It has been a most rewarding and satisfying experience for me to participate in and contribute to their efforts. I want to include a special expression of appreciation to Richard Carey, Deputy Director of Development Co-operation, who was the principal editor of this year's Report. The Report is released under my authority, and I accept responsibility for its content. But the credit belongs to Mr. Carey and his colleagues in the Secretariat.

It is my hope that this Report, by thoughtfully addressing the contribution of development co-operation to the prospects for an inclusive new global age, will provide additional impetus to the implementation of the partnership approach and the achievement of agreed goals. Comments and suggestions from readers on how we can do better, as always, will be very much appreciated.

James H Michel

James H. Michel

IV

V

Tables

Boxes

Charts

ACP	African, Caribbean and Pacific countries
AfDB	African Development Bank
AfDF	African Development Fund
AGCD*	Administration générale de la coopération au développement, Belgium
AIDS	Acquired Immune Deficiency Syndrome
AsDB	Asian Development Bank
AsDF	Asian Development Fund
ASEAN	Association of South-East Asian Nations
BIS	Bank for International Settlements
BHN	Basic human needs
BMZ*	Ministry for Economic Co-operation and Development (Germany)
CDE	Capacity Development in Environment
CEC	Commission of the European Communities
CEECs	Central and Eastern European Countries
CFA*	African Financial Community
CIDA	Canadian International Development Agency
CSOs	Civil society organisations
DAC	Development Assistance Committee
DCD	Development Co-operation Directorate (OECD)
DFID	Department for International Development (United Kingdom)
EC	European Community
EBRD	European Bank for Reconstruction and Development
ECHO	European Community Humanitarian Office
EDF	European Development Fund
ESAF	Enhanced Structural Adjustment Facility
EU	European Union
FDI	Foreign direct investment
GATT	General Agreement on Tariffs and Trade
GNP	Gross national product
GSP	Generalised System of Preferences
HICs	High-income countries (and territories)
HIPCs**	Heavily-indebted poor countries
IBRD	International Bank for Reconstruction and Development
ICB	International competitive bidding
IDA	International Development Association

IDB	Inter-American Development Bank
IECDF	International Economic Co-operation Development Fund
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
ILO	International Labour Organisation
IMF	International Monetary Fund
ITC	International Trade Centre
LDCs	Developing countries
LICs	Low-income countries
LLDCs	Least developed countries
LMICs	Lower middle-income countries (and territories)
MDBs	Multilateral development banks
NGO	Non-governmental organisation
NIS	New independent states of the former Soviet Union
ODA	Official development assistance
ODF	Official development finance
OECD	Organisation for Economic Co-operation and Development
OLICs	Other low-income countries
OOF	Other official flows
PDGG	Participatory development and good governance
PIMS	Policy Information Marker System (United Kingdom)
SAF	Structural adjustment facility
SASDA	Secretariat for analysis of Swedish development assistance
SDR	Special drawing right
Sida	Swedish International Development Co-operation Agency
SIP	Sector investment programmes (World Bank)
SNA	System of National Accounts
SSA	Sub-Saharan Africa
TC	Technical co-operation
UMICs	Upper middle-income countries (and territories)
UNCED	United Nations Conference on Environment and Development, Rio de Janeiro, 1992
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme

UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNFPA	United Nations Fund for Population Activities
UNHCR	United Nations High Commission for Refugees
UNICEF	United Nations Children's Fund
UNWRA	United Nations Works and Relief Agency
USAID	United States Agency for International Development
WFP	World Food Programme
WID	Women in development
WTO	World Trade Organisation

* Denotes acronym in the original language.

** Angola, Benin, Bolivia, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Congo, Côte d'Ivoire, Equatorial Guinea, Ethiopia, Ghana, Guinea, Guinea-Bissau, Guyana, Honduras, Kenya, Laos PDR, Liberia, Madagascar, Mali, Mauritania, Mozambique, Myanmar, Nicaragua, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Somalia, Sudan, Tanzania, Togo, Uganda, Viet Nam, Yemen, Congo Dem. Rep. and Zambia.

I Overview of the DAC Chair: Development co-operation in a new global age

"Development co-operation needs a coherent policy environment in order to be effective... Higher priority must be given to integrating development co-operation efforts into a broader coherent policy framework that will facilitate the participation of poor people and poor countries in the new global age that is taking shape."

◆ 1. Building on consensus

The 1996 Development Co-operation Report[1] described a convergence of thinking in the international community that has led to a broad consensus of support for a results-oriented and people-centred model of development co-operation:

- This model seeks to foster improved capacities and enhanced opportunities for more people and more countries to participate in, and to share in the benefits of, an evolving new global age.

- It focuses on people as the subjects and agents of development, stressing broad participation and local initiative for comprehensive and integrated efforts – country by country – to address the political, economic, social and environmental aspects of sustainable development.

- With the central responsibility for formulating and carrying out integrated national development strategies thus reserved for each developing country's government, institutions and people, the model looks to external actors to be responsible partners whose role is to complement local resources, encourage local initiative, enhance opportunities in global markets and systems and foster the strengthening of local capacities for self-help.

The 1996 DCR concentrated on the contribution to this global partnership model which was made by the DAC strategy report adopted that year, *Shaping the 21st Century: The Contribution of Development Co-operation*.[2] The basic message was that the international community needed to move quickly from conceptual analysis to implementation of the strategy, to seek to translate the vision into reality.

Experience in 1997 has reinforced the need for action. At the same time, it has demonstrated both the need for continuing analysis and the challenges involved in making the transition from a change in concept and rhetoric to a change in behaviour and results.

◆ 2. The common framework

The ideas set out in the DAC's *21st Century* report were hardly new or exclusive. The report had drawn upon the broad experience of donors and multilateral institutions, the conclusions of global conferences as well as academic research, and the expressed aspirations of representatives of developing countries. Reactions from the international community have been positive. As the report has become more widely disseminated and discussed, its meaning and purpose have become known to and appreciated by a widening circle of concerned governments, institutions and individuals.

For example, it is now widely understood that the global goals of measurable progress suggested by the DAC were drawn from the results of broadly participatory global conferences in which developing countries had played an active part. They were intended to suggest a vision of what could be achieved, as a basis for dialogue with developing countries who must set their own national goals in light of their particular circumstances.

Understanding has also grown that the strategy's call for increased donor co-ordination should work to the advantage of developing countries. In practice, a lack of co-ordination has not benefited developing countries. All too often it has meant a multiplicity of donor initiatives that have a high potential for overwhelming local capacity, thereby fostering counterproductive relationships of passivity and dependence. (Increased co-ordination, of course, should also work to the advantage of donors by improving prospects for achieving desired results through combined efforts.)

The strategy assumes that donors will want to see progress toward the ambitious goals of poverty reduction and economic well-being, of social development and of environmental sustainability. An effort by the donors to make the decisions and to carry out programmes which lacked local ownership and participation would be self-defeating. Therefore, they have a strong incentive to resist ineffective, donor-driven approaches and, instead, to support locally-owned and people-centred development strategies through compacts setting out common objectives and defining the responsibilities of true partners. There is growing recognition that development partnerships should operate to strengthen the capacities of developing country partners to gain self-reliance.

The constructive dialogue that has occurred in 1996 and 1997 has reaffirmed that the *21st Century* report must be more than a donor vision. It must represent a shared vision, contributing to a common framework for dialogue and agreement on roles and contributions to achieve locally-owned strategic objectives. That common framework must draw upon all sources for ideas and collaborative actions, including a willingness by individual donors and multilateral institutions to subordinate sometimes conflicting policies to the common effort in support of locally-owned development progress.[3]

◆ 3. The implications of global goals of measurable progress

While the partnership approach must be given effect country by country, the establishment of global goals inevitably has given rise to expectations of achievement on a global scale. This was intended and welcomed by the authors of the DAC *21st Century* report. We have begun to achieve in 1997 a better idea of what will be required to fulfil those expectations.

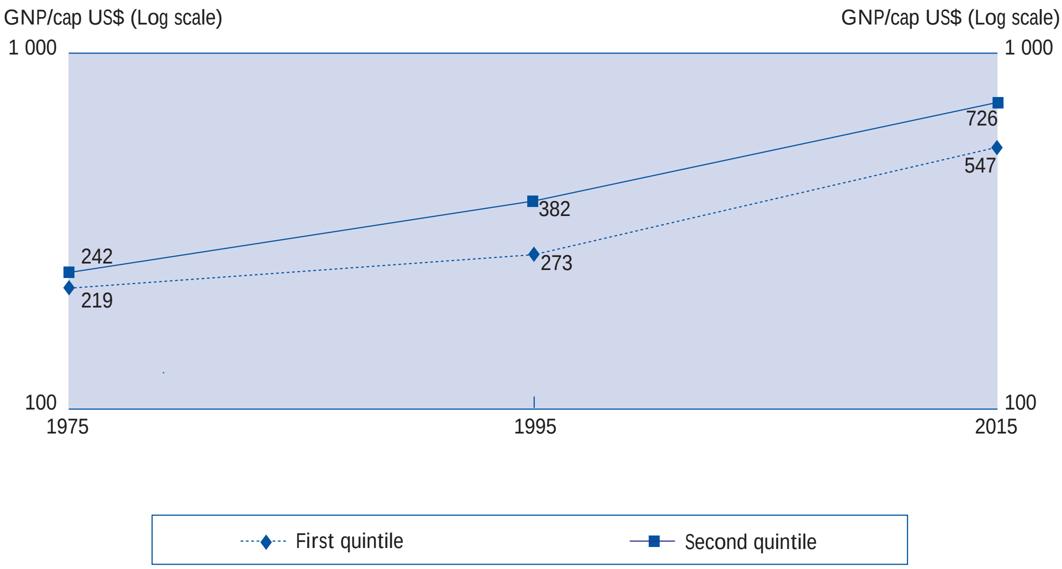
Work has begun to identify a common set of core indicators of development progress. These continuing efforts, discussed further below, have involved DAC Members, multilateral organisations, developing countries and NGOs. In this connection, the OECD Secretariat has conducted some preliminary analysis, drawing upon the World Bank's *World Development Indicators*. The analysts have placed 165 aid recipients into five groups, or quintiles, each containing 33 countries, based upon their distance from the global goals of poverty reduction, universal education and reduced infant mortality. The results provide indications of the extent to which improvement in current trends will be needed. They also indicate the extent to which that need is concentrated in the poorest countries – those included in the first two quintiles. This analysis is a strong reminder of how much development strategies designed to achieve these goals will have to concentrate on the very poor.

Poverty

In the absence of readily available data to permit ranking in terms of populations subsisting on less than $1 per day, countries were ranked by GNP per capita. As shown in Chart I-1, a reduction by one-half in world poverty by 2015 is estimated to require a significant acceleration in growth rates for the first two quintiles, who represent 44 per cent of the world's population, living in 66 countries for which the average per capita income in 1995 was $356.[4]

This preliminary analysis suggests that in order to reduce relative poverty by half by 2015 per capita income in the first (the poorest) quintile will have to double over the next 20 years. This translates into a need to increase the annual rate of growth per capita from the 0.5 per cent experienced over the past two decades to 3.5 per cent over the next two decades. For the second quintile, the improvement needed is less dramatic, but still substantial – an increased per capita growth rate from 1.7 to 3.3 per cent.

Chart I-1. **Real GNP per capita growth**



Source: OECD.

Education

The data show that all but the first quintile have already attained a primary school enrolment of 100 per cent. For the first quintile, however, a major improvement must occur over the next 20 years in order to attain universal enrolment. (Of course, enrolment does not itself reveal educational attainment; national goals should be expected to address issues of quality, as well.) Gender imbalance in school enrolment is also concentrated in the first two quintiles, and especially in the first quintile where a rapid acceleration in current trends is needed.

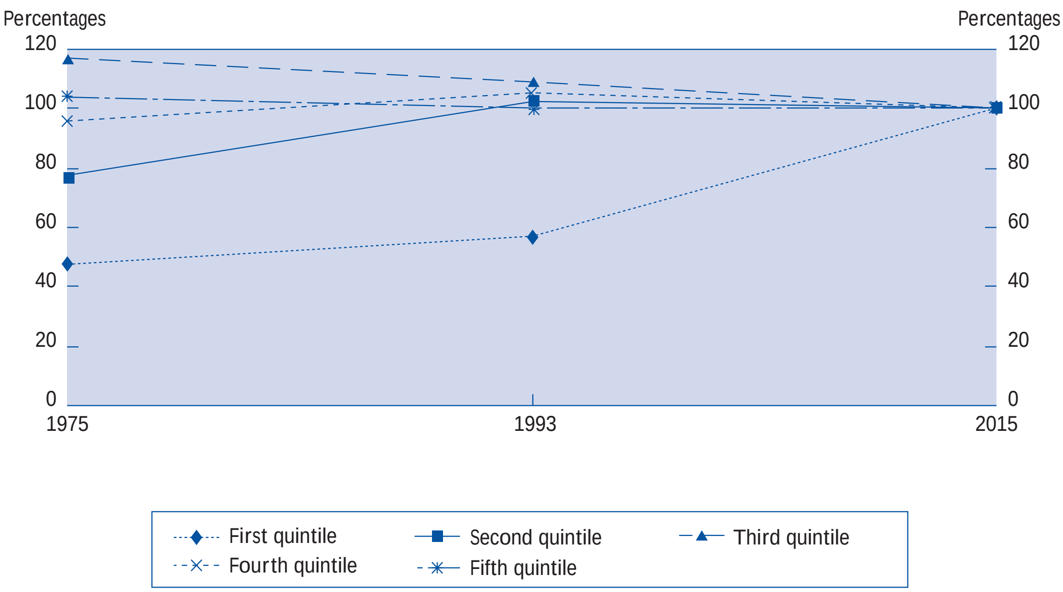
Charts I-2 and I-3 illustrate the necessary changes in trajectory that are implied by the global goals set out in the *21st Century* report.

Health

A concentration of the need for improved performance is also found here. In the countries of the first quintile, one in ten newborn infants will not survive their first year, an unnecessary and intolerable statistic. In order to achieve the goal for reduced infant mortality, the death rate for the first quintile will have to fall from the current 103 per thousand live births to 35. As shown in Chart I-4, this first quintile, and to a lesser extent the second, needs to accelerate progress in order to meet the goal of an overall reduction by two-thirds in infant deaths.

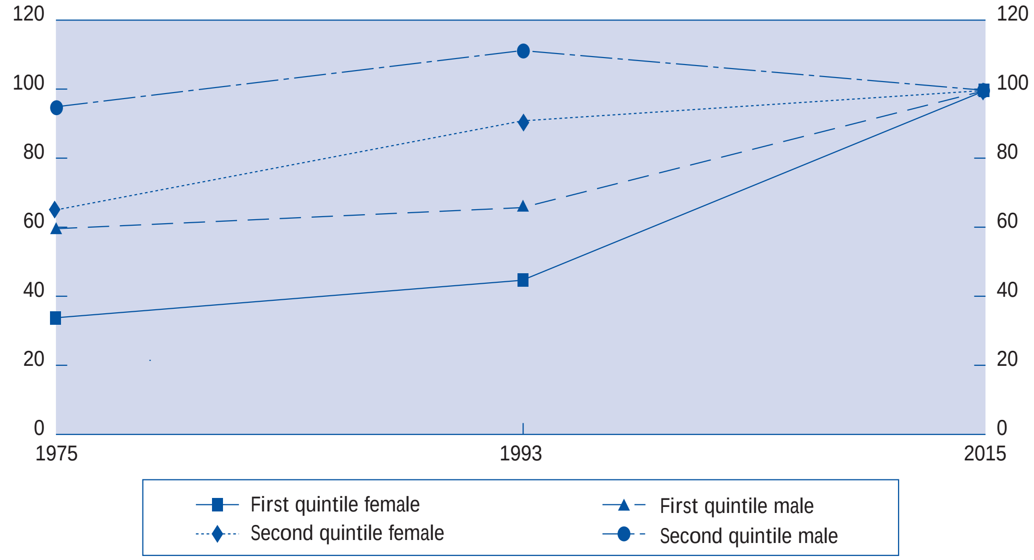
The question of why it is important to achieve these (and other) goals goes far beyond the recommendations of

Chart I-2. **Gross primary school enrolment**



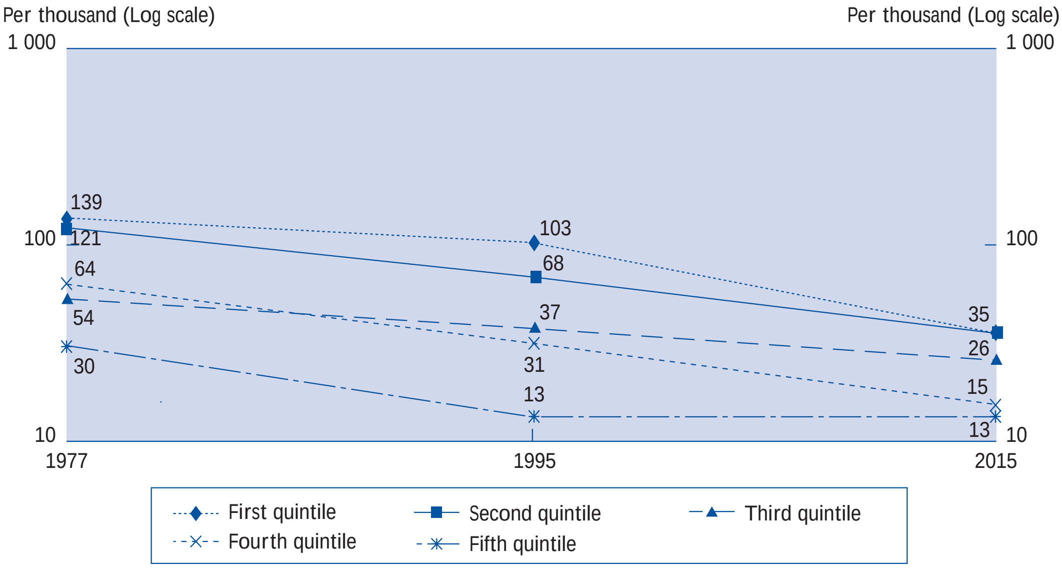
Source: OECD.

Chart I-3. **Gross primary school enrolment by gender**



Source: OECD.

Chart I-4. **Infant mortality per thousand live births**



Source: OECD.

international conferences or the views of the DAC. What is at stake is whether the ongoing process of globalisation will be inclusive, participatory and unifying or will instead be exclusive, divisive and unsustainable.

Other trends, not illustrated here, demonstrate the gravity of the concerns, as well as the need for participation by the inhabitants of all countries in the management of global issues. Environmental conditions present some compelling examples:

- At present rates of deforestation two-thirds of the remaining tropical forests will disappear by the middle of the next century.

- A continuation of the present decline in fish stocks will soon threaten thousands of livelihoods and the food security of up to a billion people.

- Tens of thousands of plant and animal species are already committed to extinction due to world-wide degradation of habitats.

- Supplies of clean water are reaching dangerously low levels in at least twenty countries, with this figure expected to double by 2020.[5]

Will the new global age be one of educated elites, leaving many people and many countries marginalised and excluded? Will gaps between "haves" and "have nots" within and among nations continue to widen? How sustainable is a situation in which almost one-fourth of the world's population struggles to survive on less than a dollar a day and millions of children simply do not survive? Will the management of global issues be frustrated by an absence of perceived shared values and interests and by distrust that impedes co-operation? Or will a continuing process of broadly-based development progressively expand participation in markets, increase wealth, foster interdependence, stability and co-operation, and make possible an improved quality of life for all?[6]

These stakes are obviously far too high for the outcome to be considered primarily as a matter for development co-operation efforts in the sense of traditional aid programmes. As the *21st Century* report states:

> "development is important not only to aid agencies, but also to ministries of foreign affairs, finance, trade, environment, agriculture and defence... our citizens have much at stake in how national policies interact to complement – or to frustrate – development."[7]

It is not only high stakes that warrant a more comprehensive effort. As a practical matter, a comprehensive effort must be pursued if the benefits for all of achieving these goals are to be realised. Just as experience has shown the importance of coherent policies by developing countries,[8] there are many unfortunate examples where the potential benefits of development co-operation have been offset by industrialised country policies which close markets or subsidise competing products or create demands for credit that drive up interest costs for heavily-indebted poor countries. Development co-operation needs a coherent policy environment in order to be effective.

An additional consideration is the need to finance progress toward agreed development goals. As later chapters of this Report describe in detail, private flows to developing countries reached record high levels in 1996 while official financing continued to decline.

There is a need to reverse the persistent decline (more than 15 per cent in real terms over the four years from 1992 to 1996) in official development assistance (ODA). Private capital flows, while essential for development, are not a substitute. Especially for the poorest countries – to which commercial flows are negligible – and for essential investments in social development (such as primary education), ODA remains a vital resource for increasing capacities and moving toward greater self-reliance.[9]

Attention must also be given to how scarce concessional resources are being allocated. At present, one-fourth of these resources go to countries which, as a group, are near to or have already attained the goals set for 2015. To be sure, external partners should not withdraw needed support from those who are demonstrating the will and the ability to make good use of it. Yet, it would seem evident that some greater share of available ODA should be directed to countries which are further from the goals and where there are good prospects for achieving significant progress with an increased investment of resources.

Beyond this, ways must be found to use concessional resources in catalytic ways that will help developing countries attract and make productive use of private capital, both foreign and domestic. Ultimately, the developing countries will have to achieve macroeconomic stability, sustain rapid growth and assure broad participation (especially by the poor and disadvantaged) in the benefits of that growth. Progress along these lines, at levels necessary to attain global and national goals of economic well being, social development and environmental sustainability, cannot be adequately financed by aid.

Empirical research has demonstrated the existence of a strong correlation between the integration of national economies into global markets and economic progress.[10] The OECD has laid out a vision of a "new global age" that the world might attain by 2020, building on the historic coincidence of interests and growing linkages between OECD and non-OECD economies. In its 1997 policy report, *Towards a New Global Age: Challenges and Opportunities*, the OECD envisages a "high performing world" which will accelerate the process of development and the reduction of poverty.

This new report recognises the need both to increase opportunities for participation and to strengthen capacities that will be needed in order to make effective use of those opportunities. The high performance scenario suggested in this OECD report would mean per capita growth in non-OECD economies over the next 25 years more than two and one-half times faster than under a "business as usual" scenario.[11] The foregoing charts make clear that "business as usual" will not be sufficient; high performance is essential. The *New Global Age* report confirms that the high performance needed to meet development goals is attainable.

◆ 4. Making the effort credible

A search for perfect harmony and consistency among policies and institutions would be a fruitless distraction. Complex institutions managed by imperfect human beings will always fall short of the ideal. A certain degree of inconsistency is inevitable. However, we should be entitled to expect our governments to meet a minimum standard of credibility. A government policy loses its credibility when ordinary people will not believe it because it is in conflict with deliberate and contrary government actions. A policy that is not credible, that does not enjoy public confidence, cannot be sustained for long.

In the case of development co-operation, this question of credibility arises at several levels:

- *In the internal operation of development agencies* particular countries, regions and sectors are often identified for priority attention, and specific objectives (*e.g.*, poverty reduction) are often expressed. Questions of credibility arise when resource allocations depart radically from these declared priorities and when progress toward announced goals is not evident.

- *Co-ordination among development agencies* is widely endorsed in the interest of efficiency, avoiding duplication and providing more effective support for locally-owned strategies and the development of local capacity. Instances of independent, multiple and sometimes competing donor-driven projects within the same country undermine the credibility of expressed commitments to co-ordination.

- *Consistency of other national policies with development objectives* presents a more difficult challenge. The question here is the relative importance of development when it clashes with other objectives. If development consistently loses these clashes it is difficult to represent credibly that development objectives are important to the country concerned. The most visible example is in budget decisions by major donors through which ODA has been allocated a progressively reduced share of national resources of DAC Members since 1992. However, there are other examples, such as the well known cases of subsidised exports which disrupted local production in developing countries that had been supported by the exporter's aid programme.[12]

- *Consistency of global governance with development objectives* is an enduring issue that is gaining renewed prominence in an era of increasing globalisation. Principal questions, which are still emerging, revolve around how the international system will assure equitable treatment for developing countries and facilitate their active participation in fair, mutually beneficial structures for trade, investment and other flows of goods, services, capital and technology. The international community has only begun to respond to these issues. Much uncertainty remains about the extent to which the expansion of global markets will be accompanied by a strengthened global governance and a more effective multilateral system. Many have observed what one recent report by the European Commission calls a "rising discrepancy between the globalisation of economic opportunities and of societal risks on the one hand, and the evolution of governance on the other".[13]

◆ 5. A look back and a look at the way ahead

At the end of 1997 we can still see the urgency, evident from the beginning of the year, of moving forward with the implementation of development partnerships in support of locally-owned and people-centred strategies for increased self-reliance. At the same time, we can now see more clearly that the need for further conceptual analysis is hardly at an end. It continues as it becomes more evident that traditional instruments of development co-operation will not be sufficient to attain the development results on which there exists broad international agreement – and upon which depend the security and well-being of future generations. Higher priority must be given to integrating development co-operation efforts into a broader coherent policy framework that will facilitate the participation of poor people and poor countries in the new global age that is taking shape.

Looking back

The elements of a structure for implementing a global development partnership (represented by the DAC's *21st Century* report, among other expressions of similar ideas) were described in the 1996 DCR. These elements included overlapping phases of:

- dissemination and dialogue;
- definition and co-ordination; and
- monitoring, reporting and evaluation.

In 1997 progress has been made on all three fronts. The need to put greater emphasis on policy coherence was noted by development ministers and aid agency heads at their May 1997 meeting. This key issue is being addressed by the DAC in its current work programme, and there is evolving a heightened collaboration throughout the OECD to support development objectives. There will undoubtedly be further corrections and refinements. (For example, there remains much to learn about engaging countries – such as those in conflict – which are still far from ready to assume the obligations of partnership.) But the pattern of learning while doing has now been established.

Dissemination and dialogue continued throughout 1997 at several levels, continuing a process that had begun the previous year.

An important part of the dialogue has been internal. Several DAC Members have carried out policy reviews of their development co-operation programmes during the past two years.[14] The concept of locally-led partnerships and the vision of measurable economic, social and environmental progress have been prominent in these national reviews. More generally, on the basis of DAC peer reviews and consultations, it appears that these factors are taking root in the organisational culture of DAC Members. Nevertheless, as discussed below in Chapter II, there is still a considerable change agenda to be addressed in many donor agencies, and in the functioning of the aid system in the field.

Dialogue with non-DAC Members has also expanded. Members have reported on a number of bilateral and broader dialogues with developing country partners. In addition, a number of OECD fora, such as workshops on various development themes sponsored by the DAC and DAC Members (often in collaboration with the OECD Development Centre), have provided opportunities to discuss partnership issues with individual participants from developing countries. Especially pertinent examples in 1997 included the following:

- In January 1997 the Government of Mexico organised a dialogue between DAC Members and emerging partners engaged in south-south co-operation. The development partnership strategy featured prominently in this dialogue.

- The Government of the Netherlands and the Government of Japan organised a meeting of DAC Members and developing countries, with participation from multilateral organisations, specifically to address partnership issues and the *21st Century* report in September 1997. This discussion provided valuable insights about developing countries' interests and concerns, and demonstrated the need for continued dialogue to help shape a common framework of partnership.

- The Development Centre and the DAC jointly sponsored a workshop on strategies for combating poverty in December 1997. This event was designed to include participation by developing countries and multilateral organisations in an examination of case studies presented by individuals from developing countries.

- The DAC's ongoing review of development co-operation in Mali, discussed in Chapter II, is providing a unique opportunity to examine in depth the practice of goal setting, donor co-ordination, capacity development and local ownership and participation.

Dialogue with multilateral organisations intensified in 1997. The partnership strategy was addressed by the Development Committee of the World Bank and IMF at its April 1997 meeting; the *21st Century* report was cited in a number of United Nations and World Bank publications. In addition, the partnership strategy has been the predominant theme in speaking engagements world-wide by the DAC Chair and senior Secretariat officials. The *21st Century* report is available on the Internet; it has been translated into a number of additional languages (primarily at the initiative of DAC Members) and tens of thousands of copies have been disseminated.

In seems fair to conclude that the common framework of co-ordinated international support for locally-owned goals and strategies through results-oriented and people-centred partnerships within a global context is coming to be accepted as an appropriate approach to development co-operation. That is an important foundation. As the dialogue continues, and as experience is gained in implementing this partnership approach, the dialogue will have to deepen from awareness of the model and its rationale to a specific understanding of how to make it most effective in varying and changing circumstances. The DAC is organising a workshop in January 1998 to compare initial experiences, with the participation of developing country representatives. It will be important to assure that this dialogue continues and that it informs the ongoing implementation process.

Definition and co-ordination advanced more slowly in 1997. The 1996 DCR anticipated that the definition of development partnerships would involve the promotion of growth and integration into the global economy, combined with the fostering of participation and increased opportunities for people. Therefore, a number of common issues could be expected to arise – access to capital markets and technology, capacity development, good governance, sustainability, regional co-operation, etc.

At the same time, it was recognised that the partnership strategy was intended to foster local ownership and help strengthen local capacities for managing development plans and their implementation. Therefore, definition would take place through a continuing process of country-by-country dialogue and agreement. Respect for the ideas of developing country partners would be key in seeking to identify how international co-operation could support locally-owned measures to attain shared goals. Locally-owned country development strategies and targets, according to the *21st Century* report:

> "should emerge from an open and collaborative dialogue by local authorities with civil society and with external partners, about their shared objectives and their respective

contributions to the common enterprise. Each donor's programmes and activities should then operate within the framework of that locally-owned strategy in ways that respect and encourage strong local commitment, participation, capacity development and ownership."[15]

As the process of dialogue has continued, some progress has been made in identifying examples where elements of partnership are in place. The broad sector approach pioneered by the World Bank has demonstrated in a number of instances the very practical value of local ownership through co-ordinated development partnerships.[16]

The dialogue has also identified some useful suggestions for extending the concept. These have included the desirability of focusing partnership efforts on a limited number of core priorities, avoiding complexity and detailed conditionality, and strengthening incentives for improved country-level co-ordination of support for locally-owned development strategies. With regard to country-level co-ordination, one useful suggestion was that an effort be made to use the multilateral system to help mitigate inconsistencies in national policies among donors, and thereby advance a common framework for co-operation.

It was assumed that examples of partnership compacts would quickly emerge. This assumption has proved to have been unrealistic. DAC Members, multilateral institutions and developing countries have all needed time to adapt to this new concept of partnership. They have been understandably reluctant to take the lead in sharing their early implementation experiences. It is hoped that the continuing adaptation of processes and capabilities within development agencies, the experience of the past year's dialogue, and the initial discussion of experience with those who have embarked on this approach will encourage a multiplication of partnership dialogues and compacts. The request by development ministers and aid agency heads at the DAC High Level Meeting of May 1997 for annual reports of progress in implementing the partnership strategy should be an incentive in this regard.

An additional impetus for international co-ordination in support of development was provided by the Denver Summit of the Eight. Building on the New Global Partnership for Development initiated at Lyon in 1996 (which explicitly welcomed the DAC's *21st Century* strategy), the Denver communiqué announced an effort "to translate the principles of that Partnership into new concrete action to support the efforts of African countries to participate fully in the expansion of global prosperity and to spread the benefits throughout their societies". Echoing a concept expressed in the 1996 DCR, the Denver communiqué expressed the objective "not only to facilitate the progressive integration of African countries into the world economy, but also to foster the integration of poor populations into economic, social and political life of their countries".[17]

An especially welcome feature of the Denver Summit was its new undertaking in support of democracy and human rights, an initiative which is to include working through the DAC.[18] This additional emphasis on what the *21st Century* report refers to as "qualitative aspects" that are among the key elements of integrated development strategies is very important to the effectiveness of the development partnership concept. More generally, the unprecedented attention given to development issues at Denver offers hope that these issues will receive higher priority (and a reversal of recent trends in declining resources) in the coming years.

An interesting, new and potentially valuable co-ordination tool is an Internet-based matrix of development co-operation. A model focused on Ethiopia was demonstrated at the World Bank's Global Knowledge Conference in June 1997 by a team made up of representatives of the OECD Secretariat, the Government of Ethiopia, the UNDP, the World Bank, Canada, the United States and other donors. This model was intended to provide a transparent summary of all active development co-operation efforts underway in one country. The United Nations Economic Commission for Africa is independently developing a web site to identify the range of regional events and initiatives underway for economic and social development in Africa[19]. These electronic innovations can prove helpful in facilitating improved co-ordination and local ownership.

Monitoring, reporting and evaluation are necessarily measures that follow from the implementation efforts only now beginning. Those measures should serve as incentives, as well as tools to facilitate improved performance.

On the monitoring and reporting front, encouraging progress was made in achieving broad support for the objective of identifying a core set of development indicators that might be useful to developing countries, donors, multilateral organisations and the broader international community. At a May 1997 meeting jointly sponsored by the OECD, the World Bank and the United Nations, with participation from developing countries and NGOs, agreement was reached to seek to develop such a tool.

The participants at the May meeting agreed on a programme of work to develop and test such core indicators, bearing in mind needs for their policy relevance, local ownership, simplicity, availability of data, frequency of measurement, capacity for disaggregation by gender, reliability, cost, value timeliness and other considerations. A broadly-based conference is planned in early 1998 to review the results of this work and, if possible, confirm agreement on the core set of indicators to be used to monitor progress toward widely shared development goals.

If successful, this effort will help to avoid subjecting developing countries to a plethora of donor-designed indicators, facilitate the development of local capacities for the collection and use of data, and enable harmonized reporting. These factors, in turn, will contribute to public understanding of what progress is being made toward widely agreed goals of development progress, as well as how national objectives and performance relate to the global goals. The use of these indicators will lie in the area of monitoring and reporting. The establishment of the indicators as benchmarks will also be a significant achievement in giving definition to the partnership strategy.

Simultaneously, work is proceeding on improving the ability of the DAC statistical system to identify how aid disbursements relate to development goals. Work also continues to improve reporting and coverage of total resource flows, including the increasingly important private flows and flows from non-DAC sources.

Much of the monitoring of progress should remain with existing mechanisms. The partnership strategy has now become a major focus of DAC peer reviews of Members' development co-operation programmes. In addition, the partnership approach has been raised in a number of Consultative Group and Round Table meetings in 1997. The value of these fora as instruments for monitoring progress in the implementation of partnership compacts should grow as more country-specific partnerships are organised.

With respect to reporting, a major incentive has been provided by the request from DAC development ministers and aid agency heads for progress reports at their annual High Level Meetings. Together with a 1997 request by the OECD Ministerial Council for a more thorough review in 1999, this requirement for an annual accounting should serve as a helpful stimulus both to the DAC and its Members. These annual reports will also be expected to generate considerable information of broad interest to be included in the annual publication of Development Co-operation Reports.

Looking ahead

Experience in 1997 suggests several priorities for concerted action in 1998. First and foremost, we need to gain experience and learn from the operation of more partnerships in more countries, demonstrating the challenges and opportunities of co-ordinated international support for locally-led efforts engaging the donor community, multilateral organisations, local governments and civil society. This will be primarily a matter for initiative by the development agencies and their developing country partners.

The responsibility of the DAC will be to bring to bear all its instruments – policy guidance, dialogue, studies, peer reviews, statistics and reports – in ways that will help the international community move from awareness and acceptance of the partnership concept to putting it more widely into operation in a co-ordinated way. A particular challenge will be to increase learning and share best practices about assuring that development efforts include the very poor. A further role for the DAC may lie in the effort to improve understanding of how to move toward the partnership model in the case of countries not yet prepared to accept the responsibilities of partnership. Experience to date, discussed in Chapter II, suggests placing heavy reliance on support for participation and capacity development that foster "social learning". Of particular concern are the countries at risk of conflict or where conflict has already occurred which were the subject of new policy guidance adopted in 1997.[20]

A second priority must be to come to agreement on a core set of development indicators and make it as universal as possible. We need to have a solid basis for knowing where we stand in relation to global and national goals and be able to measure how much progress is being achieved. The early adoption of agreed core indicators will serve that indispensable role. A uniform core set of indicators will allow comparisons to be made over time and between countries. It will also facilitate co-operative efforts to strengthen local capacity to collect and analyse statistical data for use in formulating and executing locally-owned policies and strategies. Various institutions and countries will undoubtedly have needs for data beyond what can be included in an agreed core set of indicators. But having that limited core set is essential. This will require a co-operative approach from the entire international community.

A third priority concerns the development finance agenda. The international community needs to devise strategies that will secure the investment of sufficient resources to support the attainment of the ambitious results on which such a broad consensus has now been achieved. This will involve far more intensive efforts to increase savings, attract private investment, improve the efficiency of local financial systems, manage and reduce debt, improve public financial management and make the best use of ODA towards these ends. Chapter III addresses this development finance agenda and offers some preliminary conclusions.

A fourth priority for 1998 involves the basic theme of this Report. It is the need to bring development co-operation squarely within a coherent policy environment in relations between industrialised and developing countries, and a need to give development objectives far greater weight than at present. A major aspect of this work will be more intensive efforts to improve co-ordination and coherence within the OECD. This will involve addressing questions of coherence and consistency between bilateral and multilateral channels of co-operation, between public and private financing for development and, most difficult of all, between the development policies of industrialised countries and their policies concerning investment, trade, agriculture, the environment, arms sales and other aspects of relations with the developing countries.

In large measure, giving higher priority to development objectives in the making of national policy choices will have to be left to the interplay of debate between political leaders and within the civil society in each industrialised country.[21] However, international efforts can help to inform those debates by placing development co-operation efforts within the framework of a broad range of policies and linkages that will foster greater interdependence and expand participation in the process of globalisation and in related systems of multilateral co-operation and global governance.

In particular, international fora (including the OECD) can be unequivocal in pointing out that only an inclusive vision of a new global age will make possible the sustained high performance that is needed, and that the inclusion of poor people and poor countries in that vision requires a coherent and comprehensive policy framework. Development co-operation must be seen as one instrument in a common framework of support for objectives that are in everyone's interest; it cannot be regarded as a substitute for coherent policy. Just as we expect developing countries to pursue comprehensive and integrated development policies and would accept nothing less as credible, it should not be credible for industrialised countries to disregard failures of policy coherence that are bound to frustrate expressed development objectives.

The spirit of an inclusive vision was ably captured by the Secretary General of the OECD, Donald Johnston, in a comment that was published in March 1997 in the International Herald Tribune. A global economy, he said:

> "should mean that no-one will be left behind, that there could be global security, that the hunger, misery and disease of the developing world can be addressed in a way and at a speed never imagined by previous generations."[22]

◆ 6. Conclusion

Building on what we know and what we believe, we can be confident that we face a unique opportunity in history to achieve a shared vision of an improved quality of life for all in a new global age of the 21st century. The past year has been one of some progress toward that vision, but also a year that has reinforced a sober realisation of the magnitude of what still needs to be done. The coming year presents a further opportunity to pursue that vision with enthusiasm, determination and credible consistency within a common framework of partnership. We need to seize that opportunity with full awareness that we must now accelerate the pace.

Notes

1. *Development Co-operation: Efforts and Policies of the Members of the Development Assistance Committee*, 1996, OECD, 1997 (hereinafter "the 1996 DCR").
2. OECD, 1996. The full text is reproduced in the 1996 DCR at pp. 12-28.
3. The convergence of views in favour of the results-oriented, people-centred partnership model is demonstrated by the similarity of ideas expressed in various publications from various sources. Much of the recent literature has focused on development challenges for Sub-Saharan Africa. See, *e.g.*, Sadig Rasheed, "A New Africa in the 21st Century: What Policy Agenda, What Conditions?", European Centre for Development Policy Management, 1996; Benno Ndulu, Nicolas van de Walle, "Africa's Economic Renewal: From Consensus to Strategy" in *Agenda for African Renewal*, Overseas Development Council, Transaction Publishers, 1996; The World Bank, *A Continent in Transition: Sub-Saharan Africa in the Mid-1990s* (1995); "Partnership for Capacity Building in Africa: Strategy and Program of Action", a report of the African Governors to the President of the World Bank, dated 28 September 1996, World Bank, 1996. More generally, see Joseph E. Stiglitz, "An Agenda for Development for the Twenty-First Century". Proceedings of the Ninth Annual World Bank Conference on Development Economics, 30 April 1997; An Agenda for Development, UNGA Res. No. 51/240, 1997; *The Future of North-South Relations: Toward Sustainable Economic and Social Development*, European Commission Forward Studies Unit, 1997; statement by Li Peng, Premier of China, at the annual meetings of the World Bank Group and the International Monetary Fund on 23 September 1997, Annual Meetings Press Release No. 1.
4. The 66 countries included in the first two quintiles for purposes of this analysis are as follows:

First quintile		Second quintile	
Afghanistan	Haiti	Azerbaijan	Lesotho
Angola	Liberia	Bangladesh	Mongolia
Benin	Madagascar	Bolivia	Morocco
Bhutan	Malawi	Cameroon	Myanmar
Burkina Faso	Mali	Comoros	Nepal
Burundi	Mauritania	Congo	Nicaragua
Cambodia	Mozambique	Cote d'Ivoire	Nigeria
Central African Republic	Niger	Djibouti	Papua New Guinea
Chad	Pakistan	Egypt, Arab Rep.	Sao Tome and Principe
Dem. Republic of Congo	Rwanda	Guatemala	Senegal
Equatorial Guinea	Sierra Leone	Guyana	Tajikistan
Eritrea	Somalia	Honduras	Togo
Ethiopia	Sudan	India	Uzbekistan
Gambia, The	Tanzania	Iraq	Viet Nam
Ghana	Uganda	Kenya	Zambia
Guinea	Yemen, Rep.	Kiribati	Zimbabwe
Guinea-Bissau		Lao PDR	

5. See *World in Transition: Ways Towards Global Environmental Solutions*, German Advisory Council on Global Change, 1995, Springer, p. 178; *World Resources: A Guide to the Global Environment*, World Resources Institute, 1994, p. 184; Global Biodiversity Assessment: Summary for Policy-Makers, UNEP 1995, p. 2; Towards Global Sustainability: Statement by James D. Wolfensohn, President, World Bank, at the United Nations General Assembly Special Session on Sustainable Development, June 1997.
6. Contrasting positive and negative analyses of the implications of globalisation reinforce the belief that the outcome is not foretold, that we can influence the shape, direction and consequences of this phenomenon. See 1997 *Trade and Development Report*, UNCTAD, 1997; *World Economic Outlook*, IMF, April 1997; Jean Bonvin, "The Janus Face of Globalisation", *Globalisation and Linkages: Challenges for Development Policy*, published in *Development* by the Society for International Development, 1997, Volume No. 2, pages 39-42. The challenge of inclusion in this process was given eloquent expression by World Bank President James Wolfensohn in his opening address to the Annual Meetings of the World Bank and the International Monetary Fund on 23 September 1997, Annual Meetings Press Release No. 4.
7. *Op. cit*., p. 14; 1996 DCR, p. 22.

8. See Craig Burnside and David Dollar, "Aid Policies and Growth", World Bank Working Paper 1777, June 1997; *World Economic Outlook*, Chapter IV, "Globalisation and the Opportunities for Developing Countries", IMF, May 1997. See also Craig Burnside and David Dollar, "Aid Spurs Growth – in a Good Policy Environment", Finance and Development, Vol. 34, No. 4, IMF, December 1997.

9. The World Bank estimates that of 166 developing countries 140 receive less than 5 per cent of private capital flows; by contrast, twelve developing countries receive 80 per cent of such flows. However, private flows are not so disproportionate when viewed as a percentage of the GNP of the receiving country. See *Private Capital Flows to Developing Countries: The Road to Financial Integration*, World Bank, 1997, Oxford University Press, pp. 12-13.

10. See *Linkages: OECD and Major Developing Economies*, OECD, 1995; *Global Economic Prospects and the Developing Countries*, World Bank, 1995, 1996, 1997. The discussion of trade liberalisation in the 1997 report is especially important.

11. *Towards a New Global Age: Challenges and Opportunities*, OECD, 1997, pp. 19-20. The World Bank's 1997 report on *Global Economic Prospects and the Developing Countries* also foresees an opportunity for substantial gains in output by developing countries.

12. Examples of inconsistency in United States policies are critically analysed in Anne Krueger, *Economic Policies at Cross-Purposes: The United States and Developing Countries*, The Brookings Institution, 1993. Some examples of European inconsistency are described in Louk Box and Andrea Koulaimah-Gabriel, "Toward Coherence? Development Co-operation Policy and the Development of Policy Co-operation", European Centre for Development Policy Management, 1996.

13. *The Future of North-South Relations: Toward Sustainable Economic and Social Development*, European Commission Forward Studies Unit, European Commission, 1997, p. 75. See also, *Human Development Report*, 1997, Chapter 4, "Globalisation - poor nations, poor people", UNDP, Oxford University Press 1997, p. 82.

14. Policy reviews have been undertaken by Australia, Belgium, Canada, the European Commission, Finland, France, Ireland, Italy, the Netherlands, New Zealand, Sweden, the United Kingdom and the United States. Some of these have been examined by the DAC in the course of its periodic reviews of its Members' development co-operation programmes; see individual country headings in Chapter V, below.

15. *Shaping the 21st Century: The Contribution of Development Co-operation*, p. 14; 1996 DCR, p. 22.

16. See Michael Foster, "Improving Development Assistance: The Broad Sector Approach", in *Deepening Structural Reform in Africa, Lessons from East Asia*, Laura Wallace (ed.), IMF, 1997, p. 147. A particular example cited by Foster concerned the health sector in Zambia. A Zambian perspective is presented in the same volume. See Joseph Muranza, "World Bank and IMF-Supported Programmes: A Zambian Perspective, *op. cit.* p. 129. See also the Peru and Mali examples cited in the 1996 DCR at p. 106.

17. Final Communiqué of the Denver Summit of the Eight, 22 June 1997, paragraph 54. The 1996 DCR, at page 3, referred to "a new framework for development partnerships – one that fostered the integration of countries into the global system while it enhanced opportunities for people to participate in the economic, political and cultural life of their societies".

18. Denver Communiqué, paragraph 70.

19. The ECA Web site can be found at http.//www.un.org/depts/eca.

20. DAC Policy Statement on Conflict, Peace and Development Co-operation on the Threshold of the 21st Century, OECD, 1997; DAC Guidelines on Conflict, Peace and Development Co-operation, OECD, 1997. The relevance of these new guidelines was recognised in the Denver Summit initiative on Africa. See Denver Summit Communiqué, paragraph 63.

21. In the case of the European Union, an effort is being made to achieve greater coherence not only on a national level, but also with respect to the Community's development co-operation and its other policies. In June 1997 the Council adopted a resolution focusing, in particular, on four areas (peace building, conflict prevention and resolution; food security; fisheries; migration). See Press Release 8631/97 (Presse 183-G), Council of the European Union General Secretariat, 5 June 1997.

22. Donald Johnston, "From the Marshall Plan to True Globalization", International Herald Tribune, 26 March 1997. See also "Globalisation and Linkages to 2020: Can Poor Countries and Poor People Prosper in the New Global Age?", OECD Secretariat Note DCD/DAC(97)13, 18 April 1997.

II Applying the new development co-operation paradigm

The concept of "people-centred participatory development" signals an important paradigm shift with some radical implications for the practice of development co-operation. Current DAC work is strongly reflecting the new paradigm and both bilateral and multilateral agencies are in various stages of reform designed to realign their cultures, systems and focus.

◆ 1. Development as social learning: Implications for the practice of development co-operation

The concept of "people-centred, participatory development" has begun to permeate the discussion of development strategies. This concept lies at the heart of the DAC policy report on *Shaping the 21st Century: the Contribution of Development Co-operation*. It signals an important paradigm shift with some quite radical implications for the practice of development co-operation. This chapter looks at the underlying content of the new paradigm and at the way in which aid agencies are being required to adapt their practices, even their corporate cultures, in order to make it operational.The implications for aid agencies are hard to overestimate. Bilateral and multilateral agencies are in various stages of reform designed to change their cultures, systems and focus. However, there is still a long way to go in many agencies.Even more challenging are the changes needed in the way in which the aid system as a whole functions at the country level. The concluding section of the chapter offers some proposals as to how a more collective effort to adapt aid practices might be framed and pursued.

A new paradigm in development co-operation gives rise to a need for explication. Because the paradigm has such crucial implications for aid organisations, wide understanding and support for the changes is important. And because it is in fact closely linked to some of the most interesting currents in contemporary economics, which throw light on the key challenges and opportunities facing all societies, it provides a new opportunity for ideas and lessons to be shared across a wide spectrum of policymakers.

The underlying content of the people-centred, participatory development paradigm was discussed in the 1995 DAC Development Co-operation Report.* There the link was made to the recognition of human capital and social capital as

* See Chapter II, "Helping People to Build their own Capacities for Development".

fundamental explanatory factors in the development process and, indeed, in the successful functioning of all economies and societies. Fostering the emergence of competent societies through capacity-building approaches to development co-operation is the essence of the new paradigm. This is reflected also in the dramatic widening of the scope and ambition of the development co-operation agenda which now encompasses three essential and interlinked areas:

- improving the functioning of the state;
- improving the functioning of the private sector;
- improving the functioning of civil society.

Where aid has made a clear positive impact in the past it has always been through helping to improve performance in one or more of these three domains or in the interaction among them. What aid agencies have had to confront recently as the new paradigm has emerged is that, too often, their cultures and practices failed to promote, and sometimes actually retarded the social learning processes in these three domains in the developing countries themselves and hence their development.

The idea that development is social learning was an insight of Albert Hirschman some fifty years ago which has recently come back into view. (See *Rethinking the Development Experience: Essays provoked by the work of Albert O. Hirschman. Lloyd Rodwin and Donald A. Schon,* eds. Brookings/Lincoln, 1994). Essentially social learning occurs when local actors adopt new ways of proceeding that generate a series of decision requirements, leading to "instructive doing" and an improvement in performance over time. The learning process is essentially undetermined and open-ended, *i.e.* there is no advance blueprint. There is a premium, however, on the willingness to take decisions in situations of uncertainty and on flexibility and adaptation to local contingencies. Problems and obstacles are useful rather than negative factors since they stimulate learning through problem solving. People and institutions at all levels become more competent and more confident as decision-making and taking initiatives become a familiar practice.

This analysis led Hirschman in his 1958 book, *The Strategy of Economic Development*, to recommend the stimulation of bottom-up human enterprise rather than top-down "big-push-large state" approaches that were then in vogue, and to take the view that the economic imbalances that would emerge from this essentially uncoordinated microlevel strategy would stimulate a dynamic process of economic growth. In other words a decentralised economy with scope for entrepreneurial responses and civil society to emerge would provide intrinsic social learning requirements and opportunities. Much of what Hirshman had to say finds echoes in the current interest in creating "learning organisations" and the analysis of the factors underlying success in dynamic competitive markets. It echoes also in discussions of how to treat the problems of deprived people and regions in developed countries.

For aid agencies the challenge is to convert to cultures and modalities that facilitate social learning by local actors rather than deliver donor-designed "solutions" often in the form of blueprint projects. As noted in Chapter IV, the series of self-examinations undertaken by the multilateral development banks in the early 1990s, beginning with the Wappenhans Report, identified an approval-driven culture based on exhaustive project design and documentation done at Head Office, with inadequate accountability for project performance and disappointing results in terms of local capacity development. This culture was identified as the source of a deep-seated flaw that had become lodged in the way their institutions functioned. For most bilateral agencies the same diagnosis could be made. The result in many developing countries has been entrenched aid dependence and a constriction of the intellectual space available for local actors. Redefining the development process as the stimulation of local performance in the areas of the state, the private sector and civil society and the generation of human capital and knowledge dissemination is thus a major turning point.

The following sections of this chapter consider the changed agenda in aid agencies as they move into this new era of people-centred, participatory development.

◆ 2. Towards a more responsive aid culture: Are donors changing?

One of the most important aspects of ensuring that donors adequately support the paradigm shift in aid dependent countries is the capacity of aid agencies to develop a more responsive aid culture and to find effective means of promoting social change. In the course of 1997 the DAC and its subsidiary bodies produced four significant contributions that should help promote this process in the key areas of:

- conflict, peace and development co-operation;
- participatory development and good governance;
- gender equality and women's empowerment;
- capacity development and the environment.

Each one highlights the importance of strengthening developing country societies' capacity to manage problems and exploit new opportunities, be they linked to societal conflict, to broader governance issues, to gender roles, or to the environment. In fact all four areas are interrelated. For example, conflict prevention and peace building should be viewed as a foundation for sustainable development and as an integral part of the development co-operation challenge. This in turn hinges on the quality of governance and efforts to promote popular participation of both women and men in democratic processes and properly functioning judicial and security systems. Empowerment of women both requires and contributes to participatory approaches to governance. Failure to cope with environmental problems has negative consequences for social and political stability when people find it increasingly difficult to meet the basic needs of their families, as local ecosystems become overloaded.

This illustrates the extent to which the roles and areas covered by development co-operation have become increasingly demanding and that aid agencies have to equip themselves with the human and organisational systems and incentives to support the process of change. Many aid agencies fully recognise this. Some have begun to make major organisational changes revamping institutional capabilities, emphasizing the transfer of knowledge, introducing performance-based mana-gement systems, promoting work in inter-disciplinary teams, decentralising authority to the field. [See box V-6

Box II-1

Conflict, peace and development co-operation

A set of Guidelines on Conflict, Peace and Development Co-operation was endorsed by the DAC High Level Meeting in May 1997. They represent DAC Members collective view and commitment on basic changes in the ways in which the international community responds to the need for conflict prevention and peacebuilding.

The Guidelines provide a framework for analysing conflict and its links with development and outline the opportunities for donor assistance in support of conflict prevention and post conflict reconstruction. These include activities in areas such as:

- democratisation;
- justice and security reform;
- inter-community relations mediation and negotiations;
- education and cross-cultural training;
- human rights training;
- freedom and access to information ;
- regional-level co-operation;
- reintegration of uprooted population;
- the demobilisation of former combatants;
- the restoration of a capacity for economic management.

The text provides guidance with regard to the formulation and co-ordination of initiatives by bilateral, multilateral and non-governmental actors in support of conflict prevention and in responses to conflict and complex emergencies. This includes, in particular, approaches to bridge relief and development efforts, and the formulation of strategic frameworks to ensure the coherence of donor initiatives in the area of conflict prevention and peace-building (http://www.oecd.org/dac.).

Box II-2

Participatory Development and Good Governance

During its three-year mandate (1993-96), the DAC Ad Hoc Working Group on Participatory Development and Good Governance (PDGG) organised several thematic workshops – democratisation, the role of civil society, human rights, legal systems and democratic decentralisation – jointly with DAC Members and the OECD Development Centre. A two-part final report has been published and is now available at the following web site: http://www.oecd.org/dac/pubs/p-pdgg.htm.

Part I sets out the main results of this work as agreed by DAC Members in the framework of the Ad Hoc Working Group and endorsed by the 1997 DAC High Level Meeting. This includes eight key conclusions and an agreed policy note on strengthening country level co-ordination for PDGG and a related guidance note on possible first steps for donors in attempting to promote an open country level dialogue which is "owned" by the developing country. Pilot exercises are being launched in seven countries sponsored by "lead donors": Benin (Switzerland), Bolivia (Germany), Burkina Faso (Netherlands), Costa Rica (UNDP), Malawi (United States), Mauritania (UNDP) and Uganda (Denmark).

Part II contains summaries, prepared by the Secretariat, of the discussions on the main topics taken up in the thematic workshops. An important contribution was made by the DAC Expert Group on Aid Evaluation providing the synthesis of evaluation results and lessons learned in the areas of legal systems, public sector management, decentralisation, human rights and participation (http//www.oecd.org/dac/htm/pubs/p-pdggev.htm).

Box II-3

Gender equality and women's empowerment: a vital issue for development

Development cannot be achieved unless women, and the human and economic potential they represent, are integrated – alongside those of men – into the development process.

Investment in gender equality and in women's empowerment strengthens economic, social and political structures, and helps ensure that these structures are sustainable over the longer term. It is a particularly strategic investment as its impact on poverty, economic development, fertility rates and family health, and welfare more generally can be considerable.

A set of Guidelines on gender equality and women's empowerment was endorsed by the DAC in 1997. The Guidelines are based on collective analysis of experience. They provide direction for DAC Members who, for lasting, positive results, must build capacity and commitment for incorporating gender issues into most of their activities and policies.

The Guidelines illustrate the relevance of gender equality and women's empowerment (ge/we) across a range of different programming modalities and development sectors, both for bilateral and multilateral approaches. They include sections on:

- DAC Members' strategies for women's empowerment;
- gender equality as a development objective;
- ge/we within the context of development partnerships;
- ge/we as an integral part of development co-operation approaches.

The Guidelines include practical illustrations for policy dialogue, institution building and competence development, relating to gender equality and women's empowerment in the following areas:

- poverty;
- economic development;
- democratic processes and human rights;
- education;
- health;
- environmental sustainability;
- conflict resolution.

In order to provide impetus and focus to their efforts in the field of gender equality and women's empowerment, most Member organisations have adopted a Gender Action Framework. The DAC itself has now adopted such a Framework. This should improve the gender competence of Secretariat staff and ensure that the DAC addresses gender issues properly.

The web site for gender issues is: *http://interprod.oecd.org/dac/htm/humdev.htm*

in Chapter V, for indications of how DFID (United Kingdom) is responding].

From the DAC-sponsored work listed above there are at least five key operational implications for donors who wish to promote local capacity and ownership in development activities:

- the need for donors to integrate their implementation approaches and structures into local systems;

Box II-4

Capacity development in environment

The DAC Working Party on Development Assistance and the Environment has built up over several years a body of policy guidelines and practical material defining important concepts and providing practical guidance on how to enhance the capacity of developing country societies to address environmental issues and respond to environmental problems.

A successful workshop on Capacity Development in Environment (CDE) was organised in Rome in December 1996 including participants from bilateral and multilateral agencies, developing countries and NGOs. The programme focused on tools and approaches for developing capacity in environment and their application in aid management based on 46 case studies. Workshop participants strongly affirmed the need for fundamental change in the theory and practice of development co-operation in line with the paradigm shift. As part of this, developing countries urgently need to build their abilities to deal with environmental challenges, if they are to develop sustainably and be able to share equally in the benefits of globalisation. Full proceedings are available on the web site: http://www.oecd.org/dac/htm/cde/proceed.htm.

Work has culminated in an OECD publication *Capacity Development in Environment – Principles in Practice*. It describes how donors and their partners can help to promote CDE in developing countries. Each section presents the essential elements of the DAC principles for CDE, each principle illustrated in turn by a case study leading to specific avenues for action.

- the importance of systematic sharing of project costs among donors, intermediary institutions and beneficiaries;

- the critical role of stakeholder involvement at every phase of the activity, backed up by systematic gender analysis;

- the need for transparency and accountability both within the aid agency and among donor agencies and development partners;

- the need for these operational practices to be promoted by the criteria specified in staff performance assessments.

Integrating with local institutions

A key factor for successfully promoting local ownership is the extent to which donors integrate with country organisational structures and systems.In many African countries donors have tended to circumvent existing local institutions, processes and procedures and rely on their own. This practice is still in evidence. Some of the most cited reasons relate to disbursement pressures within aid agencies; a preference for streamlining implementation rather than systematically taking the time to ensure national participation from the outset; the use of bureaucratic and centralised approaches to managing development co-operation programmes; and a narrow interpretation of "financial" control and accountability. Donors who have promoted local ownership do not always see women as key local actors who are essential to real local ownership.

The quality of the donor/recipient country interface is currently being tested by the DAC within the framework of a review of the international aid system conducted in Mali with the participation of the Malian administration, civil society and donors active there. Preliminary indications from this pilot exercise point to a number of major dysfunctions which will be discussed in a series of debates in Mali with broad

Box II-5

Mali Aid Review: Are donors integrating with local institutions?

At the Review's launch workshop in April 1997, Malian participants presented their views on the degree of coherence of the aid system and its impact on the country's development. One of the most frequently cited dysfunctions is the practice of many donors to set up parallel structures and project implementation units. This undermines the already weak institutional capacity in the Malian administration and compromises local ownership. It also severely handicaps the sustainability of certain development activities. Because of their narrow interests and objectives, these donor-owned initiatives often conflict with the wider concern for strengthening the country's institutional system.

A number of the Malian participants in the launch workshop stated their support for a moratorium on the creation of any more units in order to provide time to rationalise those already in existence. Unfortunately this situation is not limited to Mali. Many studies document the same phenomenon throughout Africa, with the predictable negative effects on the quality of public administrations and services, particularly in the health and education sectors.

participation. It is expected that the dialogue initiated by the Review between the Malians and the donors will lead to jointly-agreed corrective measures.

Sharing resource contributions of development activities

There is a saying in Mali that it is impolite to inspect closely the meat on a chicken that is given as a gift. This helps to explain the general passivity of beneficiaries in the face of programmes and projects wholly funded by donors or NGOs. The systematic sharing of project costs between aid agencies and beneficiaries changes the aid relationship. Beneficiaries begin to see aid as a complementary resource instead of as a substitute for their own resources, or as a "free good". Cost-sharing arrangements should be negotiated from the outset, be binding for the duration of the activity, and proportional to the command each stakeholder has over resources. For aid agencies, this would imply eliminating 100 per cent financing, and defining contractual financial arrangements at all levels – host government, intermediary organisations and beneficiaries. Sharing of resource contributions also has implications

Box II-6

***Caisse Française de Développement* financing of the central market in Bamako**

Following a fire in 1993 that completely destroyed the central market in Bamako, the city district and the *Caisse Française de Développement* (CFD) signed an agreement for entirely rebuilding it. The contract amounted to CFAF 2.3 billion of which CFAF 600 million were in the form of loans and CFAF 1.7 billion were grants. A recent policy change makes it impossible for the CFD to request a government guarantee for reimbursement of its loans. Thus, the loan portion had to be secured in the same way as a private bank loan and traders planning to set up business in the new market facility were required to mobilise their own guarantee funds.

The policy change led to a fundamental shift in the attitude of the project beneficiaries – in this instance the market traders. At first there was resistance as the traders expected the aid-financed market facility to be "free" to them. Following a year of negotiations, the traders were convinced that if they did not come up with the funds the construction of the market would not proceed. As a result of this process the traders eventually organised themselves, raised the funds and set up management principles for the subsequent operation of the market. Thus the partial "market-oriented" approach adopted by the CFD in this case induced the beneficiaries to change their attitude towards the project; accepting much more management and financial responsibility and adopting operating principles that can improve both the ownership and the sustainability of the market.

for control of the activity: beneficiaries who bear some of the costs will most likely want to have more control over the design and implementation of the activity. This will enhance local ownership and thus the prospect that the activity will be self-sustaining over time.

Operationalising stakeholder participation in development activities

The fact that participation leads to better results is now seldom questioned. Participation of key stakeholders has become a major component in many development projects. The extent of stakeholder participation, however, depends on the characteristics of prevailing political systems and institutions in the partner country. Stakeholder analyses do not always distinguish between or within different groups, including men and women, and different component populations who make up the "poor". When open to local participation, development activities can be demand driven and inclusive of and responsive to local communities, their specific cultures and dynamics. Donors can benefit from the skills and capacities of groups and organisations in civil society and assist local governments in creating broadly-based strategic development plans to guide action by local and foreign institutions. The decentralisation processes now underway in a number of developing countries call for aid agencies to improve their capacity to analyse implications for the various levels of stakeholders. Experience shows that in the absence of sufficient understanding of the local dynamics donor support can have damaging consequences for the beneficiaries.

Donor agency evaluations on participation show that this is a very difficult process to operationalise and one which involves some intrinsic tensions. For example, consensus may not necessarily be reached through consultation of all stakeholders where strong vested interests exist. Certain target groups, such as women, may not be available to participate fully in processes which are time-consuming, due to the exigencies of other responsibilities or their lack of legitimacy as perceived by others. Stakeholders themselves may not possess the range of skills required to bring an activity to its successful conclusion.

Operating through participatory approaches has special requirements in terms of organisational skills, time and resources. The relationship between inputs and benefits is rarely direct. The effort required is often highest for the most disadvantaged groups. In order to be meaningful, participation must be associated with a sharing of power by funding agencies with the stakeholders, in terms of how decisions are made and who makes them. According to the DAC Source Book on Concepts Linked to Gender Equality and Women's Empowerment, participation requires special facilitation skills from local institutions (*e.g.* ability to listen, facilitate debates and build consensus); and from the aid agency, flexibility to respond to the outcomes of the consultation process (*e.g.* prompt access to funds, flexible programming cycles and decision-making structures).

At the workshop on Capacity Development in Environment referred to in Box II-4, donors presented a number of case studies of participatory and process approaches which were successfully being implemented. For example, the Green Towns project in Kenya supported by the Netherlands has emphasized a participatory approach to the planning and design of environmental plans for three towns through the creation of community-level environmental action groups. The Workshop also provided an

Box II-7

Irish Aid in Zambia: Implementing successful participatory approaches

During a visit to the Zambia in September 1994 the OECD Secretariat was able to see how Irish Aid, a small donor, could make a significant impact on the country's development process by using participatory techniques emphasizing beneficiary implementation A series of notable achievements were obtained working with disadvantaged groups and involving only relatively modest financial resources:

- A network of maternity clinics providing comprehensive coverage of the poor districts of Lusaka was developed over a ten-year-period. Initially inspired by an Irish nun, it is now managed entirely by Zambians and constitutes a model that could be replicated.

- A sustainable approach to rural village water supply development in the Northern province, based on community responsibility for planning, implementation and management.

- An urban compound upgrading project in Lusaka with the local community developing its own water, sanitation and educational services. This community initiative, impossible to envisage before the political liberalisation of the early 1990s in Zambia, provided a model for other urban slum communities.

opportunity to discuss the modelling of participatory processes, in particular the work of the GTZ.

Beyond the environmental field there have been key break-throughs with participatory approaches, for example, the Participatory Rural Appraisal methodology developed at the Institute of Development Studies in the United Kingdom. Some donors are currently working to ensure that gender is adequately built into their participatory methodologies. Nevertheless, evaluation work done on participatory approaches indicates that donor-driven projects and programmes are still very widespread, particularly in aid-dependent countries.

Ensuring transparency and accountability

Clear mechanisms for mutual accountability at all levels is a major requirement for true partnerships between donors, developing country governments, intermediary agencies and beneficiaries. This is possible only if there are transparent processes and mechanisms by which each level can monitor decision-making and resource use by the others. Resource use should be subject to internationally acceptable audit standards which are agreed to prior to launching the development activity. At the launch workshop of the developing country-based aid review in Mali, many participants expressed the view that donor agencies often demonstrate reluctance to be transparent and accountable to partners. This criticism was based on experience with the complexity of donor procedures, the gap between stated policies and actual practices and the reluctance to make information available on the costs of aid management and of expatriate technical co-operation personnel.

Aid agencies themselves sometimes lack transparency and accountability. The DAC Source Book referred to above noted that accountability structures, especially for gender-related issues, which ensure that aid agencies actually implement policy commitments are scarce. Clear implementation plans with measurable objectives are rarely available, nor are there clear criteria for

Box II-8

The NGO sector and accountability to local communities

A study of NGO-supported community development in Kenya financed by the Ford Foundation concluded that communities had little control over the development process and gained little useful experience during the implementation of a number of development activities. The reason was that NGOs seldom attempted to be accountable to the communities or to provide them with information on the financial management of the activities that they worked on together. NGO capacity to design and manage development activities tended to increase over time but evidence showed that the communities they worked with were not acquiring capacity to the same degree. Furthermore, any increase in size of the NGO often resulted in a corresponding increase in bureaucracy and, consequently, a reduction in its effectiveness in working directly with communities.

appraising staff performance. Many agencies are currently introducing performance-based management systems. The United Kingdom, for example, is introducing a new portfolio management system, based around objectives and results. Similar approaches have been emerging in Canada, the United States and Switzerland. The multilateral development banks have now, in principle, switched focus from approvals to country portfolio management although this move is still in process. Measuring performance in such complex areas as gender balance, conflict management and good governance does, of course, raise difficult issues. But the shift to systematic monitoring against objectives is underway.

The extent to which donors are changing with respect to the operational implications outlined above thus varies. Many of the new approaches are still at an experimental stage even in the most progressive donor agencies. And in order to implement in a significant way the paradigm shift in aid-dependent countries, donors would need to give more priority to their collective relations with partner countries, in other words to the overall coherence of the international aid system at the country level. This, in turn, would require a collective effort to reform aid management and transform aid agencies.

◆ 3. Reforming aid management: The key requirements for the transformation of aid agencies

"New approaches to learning and facilitating"

Traditionally, many aid agencies tended to view their role as contributing to a developing country's acquisition of infrastructure or equipment. The approach was primarily administrative, sending out specialists to identify and design a project, processing project documents, supervising procurement and the performance of contractors responsible for implementation. In the 1980s, this approach was broadened as the crucial role of the policy and institutional environment was recognised. Now, donors are increasingly involved in "sensitive" areas that touch the heart of the political, cultural, historic and traditional values of societies. There is a premium on understanding local contexts. But many agencies still have only a limited number of staff capable of working on institutional issues or conducting stakeholder or gender analyses.

The evolving challenges in conflict prevention and post-conflict rehabilitation and reconstruction require that development co-operation play a critical role in this sensitive area, along with diplomatic, military and economic instruments. DAC Members are now beginning to develop mechanisms for systematically drawing lessons learned and building internal capacity to bring political, military and development responses into coherent and effective packages. The multi-donor evaluation of the donor response to the Rwandan genocide was an important landmark in this respect. Learning processes are emerging in individual agencies. For example, in 1996, the Swiss Agency for Development and Co-operation undertook an analysis of lessons learned in six countries or regions on all aspects of the Swiss response to pre-conflict, conflict or post-conflict situations. The World Bank is engaged in reviewing experience and articulating strategies for conflict zones. Canada, Sweden, the Netherlands and Norway are in their different ways doing likewise. The *Guidelines on Conflict, Peace and Development Co-operation* produced by the DAC Task Force in 1997 reflect and help to advance this progress. The DAC is continuing with this work and will reflect feedback in updated materials in the future, including also further guidance in selected areas.

The types of personnel required to facilitate people-centred development are not the same as for more traditional projects. Aid agencies have to modify the composition of their staffs to meet those new requirements. This is particularly noticeable at the level of short and long-term technical co-operation personnel. With more emphasis on developing country control and ownership, conflict resolution and good governance, less traditional expert-counterpart exchanges, greater need to intervene at the level of the institution or even at the systems level between institutions, the professional and personal skills needed by agency staff are more varied, more complex and more substantive than before.

Participants in the Workshop on Capacity Development in Environment concluded that donors should be encouraged to enhance their internal capacity through training by broadening the range of skills of aid agency staff and involving a wider range of disciplines, from law and social sciences to communications. As one Workshop participant put it, "Donors need fewer experts who 'know', and more who can facilitate those within the partner country who have the knowledge. Skills are therefore needed in conflict resolution, negotiation and participatory methodology." The World Bank is attempting to do just this through a strategic compact with the institution's shareholders. Key elements of the compact include reinforcing the Bank's knowledge base and revamping institutional capabilities. For more information see Box IV-2 in Chapter IV.

Evaluations have considerable potential for institutionalising learning within aid agencies and government institutions. At present, the extent to which aid agencies systematically incorporate lessons learned from evaluations in new programmes and projects varies widely. Nevertheless, there are major efforts ongoing in the context of the DAC Expert Group on Evaluation to identify users' needs as a basis for strengthening feedback on evaluations to operational staff, and to share experiences with systems that support performance-based management. Performance rating systems are an effective means of helping to create a results-focused organisational culture when they are an integral part of the management system and receive strong support from and understanding of their potential and limitations from senior management. At the same time it is crucial that these new systems and approaches be designed and applied in the spirit of partnership and beneficiary participation. This would require building up partner countries' monitoring and accountability capacities which is a major challenge for aid agencies.

Using "state of the art" tools to analyse complex situations

Increasingly aid agencies are turning to new tools to help them better support the people-centred development process. These include: contextual, risk, needs, stakeholder, institutional and gender analyses.

Taking up the theme of institutional and capacity development, the DAC Informal Technical Co-operation Network has developed a practical tool for aid agencies to assess their own progress in integrating capacity development into their aid programmes and projects. This is being done in the form of a checklist which can be adapted internally by each agency. The checklist addresses four key areas for aid agencies to assess themselves – strategy, processes, procedures and incentives:

- Does the donor agency have a clear **strategy** to promote and integrate capacity development into day-to-day operations?
- To what extent has the agency adapted its **activities** and **processes** to integrate capacity development requirements?
- To what extent has the agency adapted its administrative **procedures** to integrate capacity development requirements?
- What **incentives for change** have been introduced to promote and integrate capacity development into day-to-day operations?

The United Kingdom Department for International Development (DFID) and the Canadian International Development Agency (CIDA) have agreed to apply the checklist to their own agencies within the context of the review of their respective aid programmes. Other DAC Members are expected to follow suit.

The DAC Guidelines on Conflict, Peace and Development Co-operation include a framework for analysing how and why violent conflicts occur – a new area for many aid agencies. The framework involves distinguishing between structural factors on the one hand, and accelerating or triggering factors on the other. It also involves analysing the phases and dynamics of conflict. Analysis of structural factors should include interrelated political, social and economic factors such as population density, the level and distribution of wealth and opportunity, the state of the resource base, the structure and ethnic make-up of society and the history of inter-group relations. This type of analysis goes far beyond the socio-economic tools developed for project analysis. Multidisciplinary approaches which transcend the sectoral basis on which many aid agencies' technical departments have been organised are required. Aid agencies will need to develop new skills and learning centres for this type of analysis.

The DAC Source Book noted that training is important to upgrade aid agency staff competence and facilitate necessary changes in attitudes. But this must be coupled with real incentives and accountability mechanisms. Leadership must come from the top. In view of the extensive changes needed to meet the demands of people-centred development, it recommended that aid agencies adopt broader institutional strategies of which training could be one component. The institutional strategy would

Box II-9

Changing aid cultures: The perspective of a developing country expert

At the workshop on capacity development sponsored by the TC Network in December 1996, one of the developing country experts presented seven principles for assessing the extent to which donor aid agencies are willing to integrate local ownership and capacity development into the programmes and projects that they fund:

- Attitude – How accommodating are aid agencies to accepting local failures?
- Compromise – How willing are aid agencies to move away from established ways of managing and implementing programmes and projects ?
- Initiative – Are aid agencies ready to take the lead on advising central governments to integrate the local ownership and capacity development objectives into development activities?
- Perception – How comprehensive are aid agencies' perceptions of capacity development and local ownership?
- Priority – On what basis do aid agencies decide on which activities to support?
- Sustainability – How can financial and technical sustainability of development activities be ensured?
- Trust – How much authority and decision-making power are aid agencies willing to delegate to local institutions?

The expert provided his own rating of aid agencies based on the above principles and noted that results varied considerably among donors.

involve changing the incentive structure within aid agencies to promote interdisciplinary work; emphasizing knowledge and understanding of the complexities of human development; and recruitment policies to attract skills not commonly available within aid agencies.

Introducing process-sensitive management with strong leadership skills

Leadership in aid agencies is a key factor for ensuring commitment to the necessary aid management reforms. According to the Source Book on Gender Equality "leadership is a matter of entrepreneurship; it involves a combination of imagination in inventing institutional options and skill in brokering the interest of numerous actors to line up support for such options." Based on an aid agency's history and bureaucratic culture, strong management can identify pockets of innovators and the entry points for promoting change. Careful analysis of the external environment and pressures to which the aid agency is subject is also required. Are these pressures consistent with the needed reforms and if not, what could be done to build a coalition for change?

Strong leadership skills are necessary to resist the prevailing emphasis on disbursements and topics promoted by special interests, and to adopt a longer-term and higher risk approach that promotes developing countries' capacity to manage their own development in an efficient and sustainable way. Senior management's communications with national parliaments, executive boards and special interest groups should stress the long-term nature of the development process and the danger of pursuing "quick-fixes" or panaceas.

Process-sensitive management is based on the understanding that the ultimate objective of development co-operation is to stimulate positive social change among the stakeholders of development activities. Senior management needs to provide consistent leadership and clear signals to staff about relative priorities, relevant analytical capabilities and information requirements. Monitoring systems to ensure that policy commitment to social change is translated into specific actions at the implementation phase are also needed. In the Source Book the authors note that aid agency staff are often confronted by a multiplicity of demands. The complexity of their work has grown exponentially with the increasing number of development themes and cross-sectoral concerns. The role of management is to set clear priorities which can evolve over time in response to the results of stakeholder consultations and locally-owned development processes.

Some recent DAC Aid Reviews have provided encouraging examples of leadership in bilateral agencies which has shifted their agencies' cultures and operational capacities strongly in these directions. (See especially box on Aid Review of the United Kingdom in Chapter V.)

Introducing and maintaining flexible aid modalities and procedures

There is a wide consensus at the policy level that flexible aid modalities are critical for achieving sustainable, people-centred development. Procedures must allow for timely responses to changing circumstances on the ground, which also take into account the considerable human resource constraints of local intitutions in many developing countries. Agreement should be reached with local institutions on principles for funding various types of activities, and criteria need to be established for oversight and accountability of intermediary institutions.

Making effective donor co-ordination a reality

Another important aid management reform for moving from policy commitments to practice is effective donor co-ordination. Co-ordination has received considerable attention over the past three decades, inspiring a large number of meetings and the creation of many fora at the international, national and sub-national levels. Nevertheless, real progress on the ground is limited, and too often depends on the individual personalities of key actors on the donor or the developing country side.

Donor co-ordination at the country level can play an important role in maximising the impact, efficiency and cost effectiveness of development co-operation. Practical ways of making co-ordination work are available to donors and partner countries. But there are some prerequisites:

On the recipient side:

- **leadership from the partner country**, which should be responsible for ensuring that co-ordination mechanisms are active and efficient;

- the prior **existence of a strategic framework** within which the donors' contribution can be co-ordinated.

On the donor side:

- a **culture of willingness in donor agencies to engage in co-ordination**, including effective communication, but also extending to joint donor efforts to improve responsiveness to recipient country strategies;

Box II-10

Flexible modalities and funding mechanisms: Supporting civil society organisations (CSOs) for good governance

Support to CSOs is pivotal in the attempt to promote good governance in a number of areas, including democratisation and human rights, and in generating demand for the rule of law. In Part II of the Final Report of the DAC Ad Hoc Working Group for PD/GG, the lessons learned in working with CSOs include the importance of 1) fostering relationships over a long time-frame; 2) providing funds that are at the discretionary use of CSOs to pursue their own priorities; and 3) partially funding the costs of networking among CSOs. Attention needs to be devoted to helping CSOs to progressively build up in-country sources of funding.

A workshop on human rights and development co-operation held at the OECD in early 1996 also stressed the value of networking as a means of strengthening CSO capacity and impact. This was true for women's rights groups in particular as it enables them to understand the situations faced by women in different societies and supports them in their own country.

Special funds for CSO support, managed in the host country by boards consisting of representatives of CSOs and donors, offer an appropriate mechanism. A Danish fund for democratisation in Albania included a board with representatives of CSOs, government, and independent personalities. A similar mechanism was used for an EC-supported fund for CSO empowerment in various Eastern European countries. An evaluation of Sida's experience with support for human rights through CSOs identified a number of areas of concern: 1) insufficient financing of core funding which is often the major need; 2) the cash flow problems created by the policy of reimbursing CSOs for specific activities and 3) long delays in making disbursements. It recommended that advance payments in the form of block grants be used.

Box II-11

Formulating a strategic framework for aid co-ordination in situations of violent conflict: an illustrative checklist

The strategic framework in the context of countries experiencing violent conflict is designed to provide the rationale for a programme of relief assistance and recovery and the context for allocating resources among relief, reconstruction and development activities. It is intended to be both a consensus-building process and a product for frequent reference. To the extent possible, all important actors should be involved in its formulation – government, local actors and donors. The framework should cover the following aspects:

- Situation Analysis – What is the situation including recent developments, government responses to events and available resources?
- Risk Assessment – What are the prospects of violence erupting? Can reconstruction begin, can external assistance help overcome the legacy of violence?
- Programme Response –What are the goals and objectives, the principal components of the programme, the road map for reaching programme goals, cross-cutting issues and how is the budget being allocated?
- Requirements for Success – What are the critical requirements for successful implementation in terms of local capacity, the role of women, co-ordination mechanisms, avoiding excessive aid dependency, exit arrangements, coverage of recurrent costs?

- a similar willingness by donors to **think programmatically and over the longer term** and to harmonize their aid procedures so as to make the multi-donor aid effort more manageable for the recipient country.

The key to successful co-ordination is that all parties support the co-ordinating entity. Programme managers and operational staff in the field are the best-placed to observe and judge what actually works and to identify synergies or overlaps between different programmes. Field-level co-ordination requires special mechanisms to agree upon the main rules of co-ordination and the means to translate them into practice.

A fundamental constraint is that co-ordination takes time and yet is given too little attention, especially at senior strategic levels. Incentive structures in aid agencies all too rarely provide for recognition of staff who work effectively under the co-ordination of a partner government or another donor. This must change. A promising development over the last two years has been the institution in India of a regular and systematic co-ordination effort in twenty areas of development co-operation and extended recently to cover project implementation issues. This effort, which has been facilitated by the UN Resident Co-ordinator, involves the wider development community in India, including NGOs in some sectors.

◆ 4. A collective programme of action for aid donors

DAC development co-operation ministers and heads of agencies have expressed their determination to shift to a new kind of partnership with the developing countries in the driver's seat. The DAC work programme for 1998 includes the assembly of a set of principles for aid partnerships. The donor community already has a fairly clear idea of the types of transformations that should be introduced and many aid agencies are already experimenting with some of them, as indicated in sections 2 and 3 of this chapter. To facilitate the process, aid agencies need mechanisms for fully taking advantage of the experience of those agencies that are further ahead in implementing the needed transformations, and for agreeing on collective behavioural change in the field. This is a need that the DAC will address in the coming year.

ANNEX

The paradigm shift in the context of co-operation to promote trade and private investment

Capacity development for increased trade and private investment in aid-dependent countries is now clearly on the international agenda. A WTO/UNCTAD/ITC programme is being launched for this purpose. The first step is to gain a better understanding of the specific needs of the LLDCs with a view to improving integrated approaches to donor-financed technical assistance. At a DAC Experts' Meeting on Capacity Development for Trade held early in 1997, the importance of needs assessments undertaken by the partner country itself as a departure point for improving trade capacity was emphasized. In this context work of the DAC Informal Technical Co-operation Network on capacity development could provide important guidance.

Box II-12

Building capacity to meet environmental and health requirements for exports to OECD countries

Increasingly stringent environmental and health standards adopted in OECD countries present a special challenge to developing country exporters. In a recent DAC Workshop on Trade, Environment and Development Co-operation developing country participants noted that one of the major constraints for exporters is that of acquiring the capacity to monitor and control the quality of their exports through reliable internationally accepted testing procedures. It can also be difficult to obtain information about these new regulations in developing countries.

Donors have responded to the need with various approaches. For example, the Government of Finland is working with Egypt to establish and accredit a well-equipped laboratory for testing food exports, particularly herbs and spices. There have been some positive results, but most Egyptian exporters are still unaware of the existence of the laboratory. An Indo-German export promotion project has adopted a somewhat more comprehensive approach involving public information campaigns on the use of alternative chemicals, specialised training for testing and certifying for laboratory technicians and the installation of testing equipment. However, most of the export products are produced in the countryside where awareness of the new eco-standards is still generally very low. A well-defined strategy would need to include greater interaction with producers, interaction with support systems and better anticipation of problems involved in the process of adjusting to the new standards.

Past efforts to generate trade capacity and invest flows in poorer countries have been disappointing for a variety of reasons linked to the lack of an appropriate enabling environment (including sound macro-economic policies) in many of the poorest developing countries and the embryonic nature of the private sector in those countries.

Another constraint to trade and investment growth in the poorest developing countries has been a lack of communication and consensus between government and the private sector on appropriate public policies. In many instances the private sector has been too weak to engage in a meaningful dialogue with the state. This situation is changing and private entrepreneurs are organising themselves to increase their impact in such discussions.

An encouraging example of this is the **West African Enterprise Network**. Private enterprises in the Sahelian region began to organise themselves in 1993. They now meet at regular intervals to discuss common problems and strategies for addressing them, including lobbying with government authorities. The network involves more than 350 enterprises from 12 countries. It is a locally-owned initiative with the agenda determined by the entrepreneurs (both male and female) themselves. Although initial seed capital and administrative backstopping for the network has been provided by donors, direct costs are now covered fully by membership fees and corporate sponsors.

Results to-date are impressive. The Network has sponsored activities to strengthen trade capacity and information, to improve access to finance and financial services and to improve the quality of auditing, accounting and legal services available in the region. Local advocacy campaigns have been organised to put pressure on public authorities to adopt more pro-private sector policies and generally improve business conditions. Two campaigns currently underway focus on raising awareness among parliamentarians with respect to the role of private enterprise in the national economy and promoting the adoption of a Business Impact Act that would require governments to assess the impact of new regulations or legislation on enterprises, prior to enactment.

REFERENCES

LLOYD, Rodwin and SCHON, Donald A. eds., *Rethinking the Development Experience: Essays Provoked by the Work of Albert O. Hirschman*, The Brookings Institution, Washington, D.C., The Lincoln Institute of Land Policy, Cambridge, Massachusetts, 1994.

HIRSCHMAN, Albert O., *The Strategy of Economic Development*, Yale University Press, New Haven, 1958.

HIRSCHMAN, Albert O., *Development Projects Observed*, The Brookings Institution, Washington D.C. 1967.

OECD, *Participatory Development: From Advocacy to Action.* Eds. Helmut Scheider with Marie Helen Libercier, OECD Development Centre Series, Paris 1995.

OECD, *Capacity Development in Environment: Proceedings of a Workshop held in Rome, Italy, 4-6 December 1996*, London 1997.

OECD, *Final Report of the Ad Hoc Working Group on Participatory Development and Good Governance*, Paris, May 1997.

OECD, *DAC Guidelines on Conflict, Peace and Development Co-operation*, Paris, 1997.

OECD, *DAC Source Book on Concepts Linked to Gender Equality and its Empowerment*, Paris 1997.

OECD, *DAC Guidelines on Gender Equality and Women's Empowerment*, Paris 1997.

UN Resident Co-ordinator's Office, Interagency Support Unit, New Delhi, India, *Development Co-operation in India: Multi-bilateral and UN System Sectoral Co-ordination Arrangements.*

World Bank, *The World Bank Participatory Source Book*, Washington D.C. 1996.

World Bank, *The Strategic Compact: Reviewing the Bank's Effectiveness to Fight Poverty*, Washington D.C. 1997.

III Development financing into the 21st century: a look at the agenda ahead

Market-based developing economies can only flourish where there is an agile client-oriented financial system which responds to new demands for financing economic activity. Financial system development is thus a strategic necessity for mobilizing domestic and foreign financial resources. As recent financial crises demonstrate however, the emergence of strong financial institutions with effective supervision and transparency are essential for stable and sustainable growth in all countries.

◆ 1. Introduction: Financing Market-Based Development in the New Global Age

Against the background of the development goals and the partnership concept set out in the OECD Report *Shaping the 21st Century*: *The Contribution of Development Co-operation*, this chapter takes a holistic view of the evolution of development financing patterns and systems over the next two decades. It encompasses both private and public financing and internal and external resources. It looks at the key contribution of effective macroeconomic management and financial systems in realising agreed development goals and helping more developing countries to make the transition to becoming dynamic nations linked to the global economy. These issues are discussed in the framework of what is termed below as the "new development finance agenda".

The "new development finance agenda" emerges from three mutually reinforcing sources:

- the almost universal adoption over the last decade of market-based development strategies;
- the globalisation of trade and finance, which changes the opportunities and challenges facing developing countries;
- the new information and communication technologies which favour (and require) decentralised initiative and faster adaptation and decision-making by enterprises.

These forces imply very different development financing patterns and systems from those which have been characteristic of the past. In the long era of state-based development strategies, many developing countries used their financial systems as a passive instrument for conducting industrial policies through directed and subsidised lending, or more broadly to underwrite often extensive and loss-making state enterprise sectors. Now, financial systems have to play a very active and autonomous role – essentially the mobilisation of domestic and international capital and its allocation on the basis of proficient assessments of risks and rewards to serve a wide range of clients and financing needs, in a dynamic, competitive environment.

Building the institutional capacities and human skills in the financial sector needed for this changed role, including the institutions and skills required for prudential regulation of the financial sector, has become a key **national** priority across the whole spectrum of developing and transition economies, from emerging market economies to the least developed economies.

- For emerging market economies, the issues mainly concern the strengthening and transformation of financial systems, including transparency and regulation and the governance of financial institutions. The recent financial crises in emerging market economies underline the strategic importance of these financial sector issues. The economic reform agendas of the large low-income emerging economies, China and India, also involve comprehensive measures to transform and strengthen the financial sector.

- For less advanced economies, where domestic resource mobilisation remains a key development challenge, policy and institutional issues are at a more basic stage. But, as argued below, the development of their financial systems is a *sine qua non* for their economic take-off. Over the course of the next two decades, their development progress will involve rising domestic resource mobilisation and private international capital flows. Levels of aid dependence will fall as they succeed, even though aid must continue to play a strategic supporting role.

At the same time a new **international** financial co-operation agenda has emerged, largely shaped by the growing role of developing countries in international financial markets. This agenda includes on the one hand, initiatives to promote the liberalisation of capital flows and financial markets, to help restore the creditworthiness of heavily indebted countries, and to find ways to finance accelerating needs for economic infrastructure. On the other hand, it includes initiatives to strengthen the stability and safety of national and international financial markets – more concerted assistance for strengthening domestic financial systems; enhanced transparency of financial information; more effective multilateral surveillance and new arrangements for international financial co-operation in crisis situations. The agenda extends beyond specifically financial areas, by recognising that well-functioning financial systems both serve and require a broader environment of macroeconomic stability, strong fiscal positions, effective and equitable development policies, transparent and accountable governance, sustainable environmental practices and strong investment in human development progress with reducing levels of poverty.

Concessional aid will continue to have a strategic role to play in the development process and in the transition to a more diversified financing system needed in a market-oriented economy. But development co-operation will become even more focused on development results and the functioning of the state, the private sector and civil society. The role of aid in filling "financial gaps" will have diminishing relevance as domestic resource mobilisation and capital inflows strengthen over time.

At the September 1997 Annual Meetings of the IMF/World Bank held in Hong Kong, the new agenda received its most comprehensive articulation and discussion so far by the international community.[1] The significance of the new agenda and the challenges as well as the opportunities that it entails were underlined by the concurrent crisis in the financial markets of a number of countries in the Asian region.

The bibliography at the end of this chapter provides a selective guide to the recent literature on the new agenda produced by the OECD, the IMF and the World Bank.

◆ 2. Financial Systems, Economic Take-off and Private Sector Development

The strategic role of the financial system in the development process has long been recognised. Although assistance with institution-building and skill-development has been provided by the international financial institutions (notably the IMF for central banking) and some bilateral donors, the financial sector generally has received too little recognition and attention from development policy-makers, both from developing countries and from donor agencies. (Indeed, the processes of allocating and administering aid may have contributed to the "crowding out" of financial sectors in heavily-aided developing countries.) Financial institutions have often been burdened with the debts of large non-viable state-owned enterprises and used by insolvent governments as their captive funding instrument. These kinds of circumstances have often left the financial sector with little capacity to play a constructive role. Political interference with credit allocation criteria and decisions has also often weakened the financial sector.

The DAC addressed this problem in its 1994 *Orientations for the Support of Private Sector Development.* Recognising the close relationship between private sector development and the emergence of the financial sector, the Orientations call for a concerted effort to help countries to renovate their financial systems and institutions, through effective technical co-operation to build local capacities.[2] This is a demanding area of co-operation, requiring highly experienced personnel in a comprehensive effort ranging from payments system and lending skills to bank supervision and prudential regulation to the operation of securities markets. It raises also the question of the role of market entry for foreign banks and other financial institutions in the context of financial sector reform. The announcement at the Hong Kong meetings in September 1997 that the IMF and the World Bank will now collaborate more closely in renewed efforts to strengthen financial sectors may have been prompted primarily by the realisation that weak banking sectors are a primary source of systemic risk for the world economy, but the developmental spin-off of strong financial sectors is fundamental.

A recent research effort undertaken by the OECD Development Centre has underscored the significance of this point.[3] "This reciprocal influence [between financial development and economic growth] may be at the origin of cumulative processes and hence of the appearance of virtuous circles of development or, on the contrary, of poverty traps. Depending on the policies pursued with respect to the financial sector, either the economy will be dragged down into a poverty trap or it will be capable of joining the "convergence club" of developed economies".[4]

Why this may be so is connected fundamentally with the efficacy of the Hirschman-style development process described at the beginning of Chapter II above. Decentralised, enterprise-driven development, generating widespread learning by doing, can only flourish where there is an agile client-oriented financial system which responds quickly, but with strong repayment incentives, to new demands for financing economic activity.

This is clearly also the central feature of successful microcredit institutions such as the Grameen Bank model, which can act powerfully to pull people at the very bottom out of the poverty trap. Indeed, it is important to consider the "financial system" as a plurality, with potentially many different markets and institutional solutions, particularly in countries where there are several layers of development.

The Development Centre study also brings out a number of central points concerning the role of financial systems in structural adjustment. Essentially, financial systems provide the processes through which capital gets reallocated between sectors of the economy. Where effective financial systems do not exist, then the shifts of capital that need to take place following economic reforms, such as trade liberalisation and reduction in the size of the state, will be greatly hampered. The new growth sectors are forced to rely on self-financing. (If the improvement in the economic and political environment is sufficiently promising, foreign direct investment and the repatriation of flight capital may compensate to a greater or lesser extent.) Thus the effectiveness of policy reform in countries with weak financial systems is greatly impaired and the supply-side response is too often disappointing.

As mentioned earlier, there is a basic symbiosis between financial system development and private sector growth. This requires the emergence of dynamic and competent private sector actors. In countries where the private sector has been limited in size and scope, these actors need to be fostered and provided with a friendly environment of business laws and policies, and an active, open approach to dialogue on the part of the government. They also need to absorb the mentalities and best practices that underlie effective corporate governance and management. The experience in the transition of the former socialist countries has added to knowledge and capacities in the development co-operation and banking communities for assisting in these areas. For the agencies which specialise in assisting private sector development, the challenge is to move their efforts towards countries and regions where the impact on poverty reduction is maximised. For example the Commonwealth Development Corporation (the UK enterprise development agency now to be partially privatised) has been shifting its portfolio from middle-income to low-income countries and regions, taking equity stakes in enterprises which can act as role models and learning centres for others. These approaches are all embedded in the DAC's Orientations for Support of Private Sector Development. The DAC will be assessing progress in this area and updating these orientations where necessary in the course of the next year.

◆ 3. The Macroeconomic and Financial Policy Agenda for Economic Take-off in Less-Advanced Countries: Towards a High Growth Scenario

Table III-2 in Box III-1 shows the marked difference in the financing patterns of Least Developed Countries (LLDCs) as compared with Other Low-Income Countries (OLICs), and their very different degrees of aid-dependence. A number of low-income countries have embarked on the process of economic take-off, including the largest countries – China, India and Indonesia – although they each still face challenging economic reform agendas. The macroeconomic and financial policy challenges facing the less dynamic low-income countries are captured in the analysis set out below, based around the case of a "stylised" less advanced low-income country with unresolved debt problems. While bearing in mind the heterogeneity of such cases, it is nevertheless useful to consider the macroeconomic and financial policy issues confronting such a "stylised" low-income country.[5]

The challenge facing the stylised less advanced country is essentially how to raise economic growth to levels which will meet poverty reduction goals while at the same time achieving internal and external solvency and becoming less dependent on aid over the longer term. A successful scenario might be framed in terms of two blocks of time, although different countries would have different start and end points (some are already well into this kind of scenario, others have yet to begin):

- A decade (1995-2005) of major policy reform efforts to upgrade fiscal and institutional performance and increase investment and savings ratios, accompanied by international action to help bring debt to sustainable levels and ensure that the improved policy environment is used as an opportunity to supply effective aid in support of economic growth and human and institutional development. In this period growth rates would rise as poor policies and institutional performance were corrected. (Uganda is a country which illustrates how this phase can unfold.)

- A further decade and a half (2005-2020) where the benefits of this reform effort will be reaped and further improvements made so that economic growth rises to levels consistent with the poverty reduction goals set for 2015. In this phase, the attractiveness of the policy environment for both aid donors and foreign investors generates strong capital inflows, high investment ratios and, as a consequence of the rising incomes, increasing rates of domestic savings.

The key macroeconomic and financial policy improvements required would be:

- a strong rise in national investment ratios, with investment/savings ratios (current account deficits) and fiscal positions in ranges consistent with debt sustainability;

- the productive employment of net cumulative investment within the country implying:

  – the privatisation of state-owned enterprises (whose losses have been claiming public resources which should be directed into increasing investment in human capital and economic infrastructure);

  – a major increase in the private sector's share of investment, requiring the creation of a business-friendly environment for foreign and domestic investors and an effective financial sector;

  – a major improvement in total factor productivity through continued policy reform and deregulation. (Achieving the productivity levels reached in the dynamic Asian economies in the 1980s would imply an improvement of some 30 per cent in the efficiency with which the capital stock is utilised in today's less advanced countries.)

The experience of the dynamic Asian economies demonstrates that within a twenty-five year period, economies and societies initially dismissed as having very poor prospects can be transformed on the scale implied by this kind of scenario, even when the starting point includes civil and regional conflict. Many of the lagging countries today have begun to grapple with the root causes of very low rates of productivity growth, such as poor governance and institutional performance. The scope for "catch-up" is large. (For example, the African Development Report for 1997, issued by the African Development Bank, sets out the agenda for a radical improvement in African economic performance, with a focus on private sector development supported by strengthening of financial systems in African countries. See References.)

Apart from the civil and regional conflicts, the debt problem poses the greatest risk of undermining all prospects for the Heavily Indebted Poor Countries (HIPCs). Unless these is a solution, the benefits of economic reform will be swallowed up by increased debt service payments (the incentive to reform would thus be very low) and access to financial markets will be blocked indefinitely. Relations with official creditors (including the IMF and World Bank) would reach an impasse, with perpetual ad hoc rescheduling operations occupying the time and attention of policy-makers. Against this background, the recent proposal by the United Kingdom to aim to bring all eligible countries within the HIPC Initiative by the year 2000 may be seen as an essential part of a high growth scenario. It would mean that all low-income countries should be more or less creditworthy by 2005, and equipped with policies that would maintain this solvency while producing growth. For this to be achievable of course, all the contributions to the financing of the HIPC Initiative would need to be put into place, including from the Paris Club creditors, bilateral and multilateral contributors to the Trust Fund and from the IMF through completion of the replenishment of the Enhanced Structural Adjustment Facility (ESAF).

Modelling approaches following those employed in the OECD's study on *The World in 2020: Towards a New Global Age*, but adapted to focus on the conditions for achieving national solvency, indicate that the above scenario could yield economic growth in less advanced developing countries at levels (*e.g.* 5-6 per cent per annum in Sub-Saharan Africa and rising in the period 2005-2020) sufficient to produce the following results:[6]

- By the year 2015, the incidence of extreme poverty in less advanced and other low-income countries could be reduced by one half, meeting the poverty target set out in *Shaping the 21st Century*. The actual number of extremely poor people could decline by about one-third compared with 1995.

- The degree of aid dependency would fall dramatically in those countries whose development is today largely, and sometimes almost totally, financed by aid.

- Although a sustained aid effort by DAC countries would still be essential, by the year 2020 it would represent a significantly lower level of DAC countries' GNP, allowing room for the expansion of aid directed at global issues of sustainability and other international public goods.

◆ 4. The International Agenda for Capital Mobility: The Contribution to Development

Domestic financial sector reform and external financial liberalisation in developing countries need to be seen in the context of a larger systemic effort at the global level. The liberalisation of capital flows and financial markets to produce a global finance system is an historic endeavour with a high payoff in terms of world economic growth and development. It also brings new kinds of vulnerability at both the national and the international levels. (Box III-4 provides a brief guide to the concerns, lessons, and opportunities associated with the liberalisation process.)

a) Liberalisation of Capital Flows and Financial Systems

Currently, there are three major international initiatives underway to consolidate progress and extend the liberalisation process to all countries wishing to share the benefits and responsibilities.

- In the IMF, where all members, developed and developing, have agreed to promote the liberalisation of international capital movements as a matter of principle;

- In the WTO, where under the General Agreement on Trade in Services (GATS), there is an on-going process for liberalising market access for financial services in both the banking and insurance industries;

- In the OECD, where a Multilateral Agreement on Investment, open also to non-Members, is under negotiation to provide a treaty-based framework for Foreign Direct Investment flows.

In September 1997 in Hong Kong, the IMF Interim Committee adopted a Statement on the Liberalisation of Capital Movements Under an Amendment of the Articles [of the IMF]. This move received wide support from developing countries. Its historical significance is that it represents the final formal break with the original Bretton Woods concept of an international monetary order based on current account "equilibrium" and official financing both of adjustment (by the IMF) and of development (by the World Bank and other official agencies).

In essence, the IMF, in its role as overseer of the international monetary system, is adapting its Articles, its policies and its procedures to match up with an international monetary system characterised by private capital flows. The new IMF mission to create a multilateral and non-discriminatory system to promote the liberalisation of capital movements is designed with the objective of enabling international financial markets to contribute, safely and securely, to world prosperity in the age of globalisation. (See Interim Committee Statement, Hong Kong, 1997.) For the OECD, this endeavour has been an essential part of its function since its founding. A high degree of liberalisation has been achieved, over a considerable period, among its Members.[7] The OECD has been assisting a number of non-Member countries with capital movement liberalisation through its dialogue programme with them.

All of the initiatives highlighted above imply major efforts of national and international capacity-building sustained over time and tailored at the level of each country in terms of design, sequencing and speed. "Particular importance will need to be attached to establishing an environment conducive to the efficient utilisation of capital and to building financial systems solid enough to cope with fluctuations in capital inflows."[8] Given the growing sense among developing-country officials that there is no option but to link into global finance, the financial system agenda can now be expected to become a much higher development priority. As argued in the preceding section, there is the potential to release a great deal of new development energy, through a service-oriented financial sector, bearing in mind the care and caution needed in implementing the liberalisation agenda.

The WTO financial services negotiations, in which a significant number of developing countries participate actively, are designed to facilitate the operation of foreign enterprises in the financial sector, bringing new expertise and resources and greater range, depth and competition to local capital markets. Thus the WTO negotiations are highly complementary to the IMF agreement to promote capital market liberalisation. Indeed, there is the potential for financial sector development to be greatly speeded up through their combined impact, with less advanced countries having the opportunity to cut many years off the learning cycle and institutional strengthening process in the financial sector.

The liberalisation of national regimes for FDI has been proceeding for some time in many developing countries as they reorient their basic policy stance to capture the benefits in terms of knowledge transfer and employment creation that FDI can bring. While no international code on FDI exists, the OECD is currently finalising the Multilateral Agreement on Investment (MAI) which will be open to developing-country adherence. Developing countries have been consulted as the negotiations have progressed, and a number of them have indicated an intention to sign on to the agreement when it is finalised, through a process which includes provision for entering national reservations. Others will undoubtedly take these standards as a model to emulate over time.

The creation of a well-functioning global financial market in which developing countries are strong partners has a major contribution to make to global welfare. It would, for example, facilitate the flow of savings of ageing OECD-country populations through pension funds and similar financial instruments, to developing countries with increasing work-forces and high investment demand.[9] And some development economists see new scope for using financial innovation and globalisation to create instruments that would directly contribute to human development and poverty reduction, for example, including human development indicators in credit ratings, bundling and securitising microcredit loan portfolios and developing low-cost insurance schemes for health and temporary unemployment.[10]

b) International Co-operation for Stability in Financial Markets

The debt crises and the associated adjustment processes which have involved a wide range of developing countries since the early 1980s, have driven home the primary importance of the financial solvency of the state and the achievement of a stable, non-inflationary monetary environment. Development progress and the normal functioning of financial markets and institutions, both national and international, depend upon this positive interaction between macroeconomic and financial factors. There have been major achievements on these fronts through adjustment and policy reform programmes and debt resolution mechanisms. There is now a wide consensus among policy makers on the key elements of the required economic agenda, although the associated political and technical agendas often remain formidable. And safeguarding vulnerable poor people and avoiding damage to critical investments in health and education have become integral components of adjustment design.[11]

The problem of volatility in capital markets, as exemplified in the 1994 Mexico crisis and now in a number of emerging market economies, has stimulated new debate and new international facilities for coping with very large and sudden outflows of capital. Globalised financial markets, which react "efficiently" to new information, involve risks which must be understood and addressed.

As in the early 1980s, before the developing country debt crisis broke, easy access to large volumes of international bank credit reduced the degree of discipline on political and financial actors alike, and warning signals were not interpreted as such early enough by financial markets. Unsustainable domestic savings/investment balances, reflected in large current account deficits and hence large external financing requirements, have generally been the root cause of the recent crises.[12] These problems have often been compounded by excessive credit expansion, often of a speculative character, and financial systems in which domestic institutions lacked the capability as well as strong incentives to engage in balanced credit assessments, and where supervisors were unable to protect the integrity of individual institutions or the system as a whole.

These episodes are extremely costly in development terms. They intrinsically involve financial asset inflation, misallocation of investment and human resources, and adverse income distribution impacts. They can retard economic growth for several years and cause reductions in social investment expenditures. They can spread serious "contagion" to neighbouring countries. The political support for liberal economic regimes and further deregulation, critical for development progress, is placed at risk.

The lesson to be learned is not about the risks of globalisation of financial markets, but about the importance of "good citizenship" when tapping them – pursuing sound, transparent policies that maintain confidence.[13] The question is how can this good citizenship be monitored and reinforced through improved and extended multilateral surveillance arrangements.

Clearly, the advent of important non-OECD economic players and the prospect that these players will increase in weight and be joined by many other smaller new players in an integrated global financial system has significant consequences for multilateral surveillance systems. On the one hand this trend will broaden the consensus on the keys to economic growth and welfare. On the other hand it generates greatly increased requirements for timely and relevant information and poses issues of the roles of the various international institutions that share surveillance functions – including the OECD, IMF, BIS – and the processes for undertaking such surveillance in the most effective way. In the global economy, ways need to be found to make surveillance transparent, multidisciplinary and based on peer pressure from neighbours and others who have important interests at stake.[14] Smaller countries, especially the less-advanced developing countries, have a strong interest in the mechanisms for helping them to cope with financial volatility arising from external shocks and for improving the coherence of the policies of major players.

◆ 5. Summary and Conclusions

The key conclusions may be summarised as follows:

- Building robust and versatile financial systems which can effectively mobilise and invest rising domestic savings and private capital inflows is essential to poverty reducing economic growth and must now be a central priority for capacity-building co-operation in all developing countries, including the poorest.

- For effective financial system development to become possible, governments need to achieve and sustain financial solvency and provide a low inflation environment. This requires sound public finances and monetary stability, which will open the way for financial and private sector development while providing the room for governments to invest in strategically important economic and social infrastructure, including human capital and improving the prospects of poor people.

- For these macroeconomic conditions to be attainable, debt burdens must be brought to sustainable levels in the Heavily Indebted Poor Countries in particular.

- The efficiency, effectiveness and enterprise of institutions in all sectors of the economy, public and private, must improve. This implies a continuation of wide-ranging capacity development efforts, institutional renovation and regulatory reform, leading to a sustained rise in the rate of productivity growth.

- Success on these fronts will depend on a widely-based commitment in developing countries to good economic management, good governance and participatory development, backed up by appropriate international support. Progress requires confidence in the sustainability and equity of economic growth and of all savers and investors (whether domestic or foreign) in the safety and stability of the financial system.

- A new phase of international system building has been inaugurated in the financial area, designed to provide the basis for all countries to integrate effectively into a well-functioning global financial market, in which major financial accidents would be less common, with processes and resources for managing them when they do occur. As this programme is carried through, it will enable developing countries to shift further to a pattern of development financing reflecting a private-sector-based economy.

- Concessional aid will continue to have an important role in strengthening the development process in contexts of greatly improved developing-country policy environments, but high levels of aid dependence should progressively come down, with aid finding its proper place as a strategic complement to, rather than a substitute for, domestic resource mobilisation and private capital inflows.

These closely interlinked conditions, if realised, would lay the basis for spreading achievement of "High Growth" scenarios in poorer countries over the next two decades. Within the first decade of the next century, most if not all of today's poorer countries could have made significant progress towards reducing poverty and benefiting from stronger links with the world economy. Globalisation will then be realised in the true sense of the word, with its benefits enjoyed by all.

Box III-1

Current patterns of development finance

The tables below provide two complementary views of the current patterns of development finance. Table III-1 surveys the level and composition of international capital flows from DAC Member countries to the entire range of developing countries. Table III-2 shows the significance of the different categories of financial flow in terms of the GDP of different developing-country income groups. Key (and well-known) features evident from Table III-1 are the major increase in the 1990s in private financial flows in all of the main sectors – foreign direct investment, international bank lending and international bond issues. (The increase in foreign direct investment

(continued on next page)

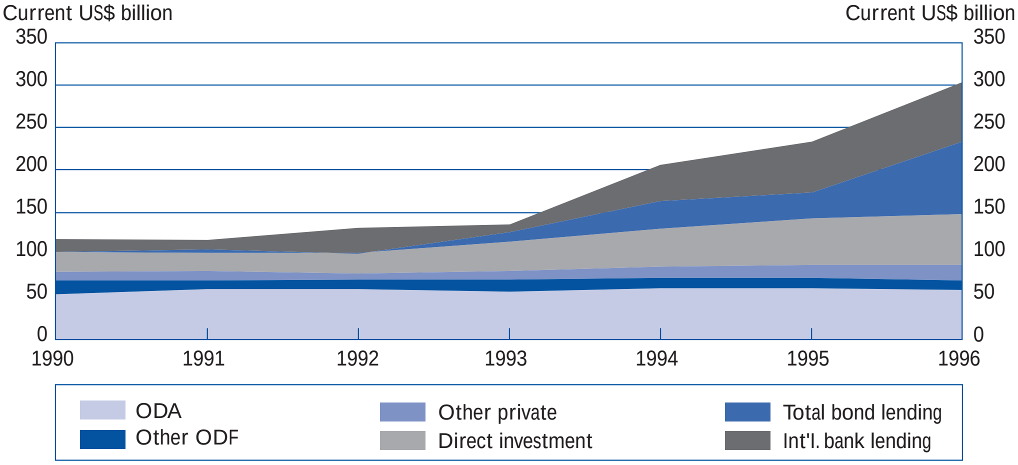
(continued)

is understated here particularly as far as China is concerned, since significant flows of FDI into China from non-OECD sources, Hong Kong and Taiwan in particular, are not captured in the reporting received from OECD Members). Official development finance remained the major part of overall external finances flowing to developing countries through the early 1990s. In 1994, however, private flows began a dynamic expansion in all the main sectors – FDI, bank lending and bonds. Portfolio investment also accelerated sharply, although this is not fully apparent in the figures above since only a very few official reporters in OECD countries are able to capture these outflows. A dramatic feature of the last three years has been the high volume of short-term bank lending. This phenomenon is likely to have reflected conjunctural and policy factors in both the supplying and the receiving countries and cannot be regarded as stable, as the current problems in South-East Asia demonstrate.

Table III-2 gives an idea of the extent to which different categories of developing country are being financed by the official and private sectors in OECD countries. What is striking here is that, apart from the LLDCs, most developing countries are not highly aid dependent. The aid percentages are still significant and stable in many of them, however, especially when considered in relation to current account deficits. The key shift in the 1990-95 period was the marked increase in the reliance of the Lower Middle Income Countries on short-term bank lending, signalling the vulnerability that was revealed in South-East Asia in 1997. A further point to note is the reduction in the share of financing for Upper Middle-Income Countries provided through non-concessional official lending (including the hard windows of the multilateral development banks). These countries have migrated towards FDI and the banking and bond markets as they graduate from the MDB's active borrower lists. During this period, the LLDCs became even more aid-dependent..

While official financing still provides a significant and relatively stable share of long-term development financing, there has been a downward trend in the 1990s, equally shared between concessional and non-concessional assistance. The mid-1990s have seen a marked increase in private sector financing, with a major rise in its most long-term form, namely FDI, significant expansion in bond financing and portfolio flows, but also a major rise in volatile short-term bank lending. This is the context in which the "new development finance agenda" has emerged.

Chart III-1. **Total net resource flows to developing countries**



Source: OECD.

Table III-1

Total net resource flows to developing countries from DAC countries

current US$ billion

	1990	1991	1992	1993	1994	1995	1996
Official development finance (ODF)	**69.5**	**69.6**	**70.2**	**70.2**	**71.8**	**72.1**	**65.6**
Official development assistance (ODA)[a]	52.8	58.6	59.0	56.4	60.5	59.7	57.7
Other ODF	16.7	11.0	11.2	13.8	11.3	12.4	8.2p
Export credits	**5.0**	**1.4**	**0.5**	**–1.5**	**6.1**	**4.8**	**3.5**
Private flows	**48.5**	**47.6**	**61.4**	**64.7**	**133.5**	**160.9**	**234.0**
Direct investment (DAC)	23.5	21.0	23.8	34.5	44.9	54.9	60.0
International bank lending[b]	15.0	11.0	31.0	9.0	42.6	60.0	70.0
of which: short-term	7.0	12.0	25.0	7.0	44.0	55.0	60.0
Total bond lending	0.5	4.9	–0.8	11.4	32.0	30.0	86.0
Other Private[c]	4.4	5.3	1.4	4.0	8.0	10.0	12.0
Grants by non-governmental organisations	5.1	5.4	6.0	5.8	6.0	6.0	6.0
Total net resource flows	**123.0**	**118.6**	**132.1**	**133.4**	**211.4**	**237.8**	**303.1**

p = provisional.
a) Excluding forgiveness of non-ODA debt for the years 1990 to 1992.
b) Excluding bond lending by banks and guaranteed financial credits.
c) No reporting has been received from DAC Members on portfolio equity investment.
Source: OECD.

Table III-2

External net flows from DAC countries as a per cent of GDP of developing countries

	LLDCs		OLICs		LMICs		UMICs		Sub Saharan Africa		HIPCs	
	1990	1995	1990	1995	1990	1995	1990	1995	1990	1995	1990	1995
Official development finance (ODF)	**17.0**	**20.3**	**2.4**	**1.8**	**1.8**	**2.0**	**0.8**	**0.3**	**8.5**	**7.6**	**13.0**	**11.6**
Official development assistance (ODA)	16.2	20.2	1.9	1.5	1.4	1.4	0.3	0.2	7.4	7.4	11.4	11.3
Other ODF	0.8	0.1	0.6	0.3	0.4	0.6	0.4	0.1	1.1	0.2	1.6	0.3
Total private flows	**1.6**	**1.4**	**2.0**	**1.5**	**1.3**	**3.9**	**0.6**	**3.5**	**0.4**	**1.2**	**–0.2**	**0.1**
of which:												
Direct investment	0.3	0.1	0.1	0.4	0.3	1.0	0.8	1.1	0.2	0.2	0.0	0.4
Banks	0.2	–0.2	1.6	0.8	0.7	2.6	–0.4	0.9	–0.4	0.3	–0.2	–0.4
Bonds	0.0	0.0	0.0	0.0	0.1	0.2	0.0	1.1	0.0	0.0	0.0	0.0
Total external flows[a]	**18.1**	**21.1**	**4.9**	**3.5**	**3.2**	**6.2**	**1.4**	**3.8**	**8.7**	**8.7**	**11.9**	**11.6**

Note: "0.0" denotes less than 0.1%.
LLDCs = Least developed countries.
OLICs = Other low-income countries.
LMICs = Lower middle-income countries.
UMICs = Upper middle-income countries (including High-income countries).
HIPCs = Heavily-indebted poor countries.
a) Includes long and short-term export credits.
Source: OECD.

Box III-2

ODA and the new development finance agenda

From filling financial gaps to results-based development co-operation

Successful development has always been built on rising levels of domestic resource mobilisation, with external sources of finance, whether private or official, providing a strategic supplement. Most of today's more advanced developing countries received significant official assistance in the early phase of their economic take-off, but are now independent of official financing (even from the multilateral banks) and some have even become new donors.

Before the emergence of the international financial markets, official development assistance, concessional and non-concessional, was the major source of development finance. In combination with prevailing concepts of development problems in which the notion of "financial gaps" in domestic savings and foreign exchange earnings played a prominent role, the volume of aid came to be seen as a crucial factor in development progress. This notion of filling financial gaps still impacts upon the way aid performance is assessed today.

However, the understanding of what successful development involves has changed, and together with the shift to market-based economic strategies and the extended reach of international financial markets, filling "financial gaps" is no longer seen as the starting point for determining the role of aid. Rather, development is seen to depend on a sound policy framework, strong investment in human capital, the fostering of effective institutions in the state and the private sectors and an active civil society. The role of aid is to invest in these fundamental determinants of development wherever this can be effective. Hence the shift to what may be termed results-based aid, as exemplified by the goals and partnership approaches set out in the DAC's report on *Shaping the 21st Century: The Contribution of Development Co-operation.*

Thus, as the two previous chapters in this report bear witness, the stress today is on the effectiveness of aid in helping to produce development results, the most fundamental result being the elimination of poverty through strong development performance. When the basic conditions for this effectiveness are not present in a developing country then donors are increasingly unwilling to provide assistance. (A major study on aid effectiveness is currently under preparation for publication in 1998 by the World Bank, involving consultations with a wide range of experts and institutions, including the DAC.)

Aid which is effective in helping developing countries in terms of the policy environment, human development, well-functioning institutions and governance systems (including those required for a robust financial sector), and environmental sustainability, is highly complementary to development financing patterns which move from aid-dependence to domestic resource mobilisation and access to international financial markets and foreign direct investment. Indeed, private investment will not be sustained in countries that lack stable macroeconomic environments, adequate physical infrastructure, and basic human capital. Effective aid is high-powered aid in this sense. Strengthening the competence and the dynamism of local people makes their development self-sustaining over time. Development financing becomes increasingly endogenous to the development process instead of exogenously provided by official agencies. (It is not surprising therefore that the Development Centre study on *Financial Development Policy and Growth* cited in the text finds that there is a close connection between human development and financial development.)

Box III-3

Financial development in Africa

In terms of the development of the financial sector Sub-Saharan Africa, apart from South Africa, is essentially still at the beginning. The policy environment, both at the macroeconomic level and the microeconomic level, have so far precluded the emergence of financial markets, and the banking sector has not been geared to intermediating between savers and lenders. With the major reform efforts now underway, the prospects and the need for financial sector development in Africa are changing radically. A survey of recent developments by the World Bank indicates the new perspectives that are opening up.[15]

However, beyond the reform of the macroeconomic and institutional frameworks, there is a vital requirement for the development of new attitudes and skills, the circulation of financial and business information and broader partnerships between the state, business (both local and international) and donors, in order to develop the common vision and best practices that will result over time in financial sectors that meet Africa's needs. A recent OECD Development Centre publication presents the proceedings of a 1995 Conference on these matters and identifies ways in which donors and others can help to strengthen and develop the financial sector.[16]

Sub-Saharan African countries can and must turn their situation as latecomers to financial development to advantage.

First, the degree to which global financial markets now provide access to international capital on a competitive basis is much greater than in the past. As African countries establish a reputation for sound policies and deregulation of their economies, their credit ratings will rise and the interest of global financial institutions could grow quickly. There is evidence that the improvement in credit ratings for reforming African economies is lagging behind as rating agencies have yet to engage in the detailed country assessments that would reveal just how marked the improvement has been.[17] At the same time this potential will not be fully realised unless African countries also work to improve the regional image in the areas of governance, security and regional co-operation. Southern Africa is now beginning to reflect the benefits of a changing image. In Central Africa, the prospects for international capital inflows, notably foreign direct investment, could be vast if countries could find the formula for regional peace building and regional co-operation, opening up perspectives of dynamic economic development linking East Africa, Central Africa and Southern Africa as a new growth zone in the global economy. (It needs to be recalled that solutions to regional security problems and regional co-operation were factors in the success of emerging markets in Asia.)

Second, the recent financial crises in emerging market economies provide important lessons as to how and how not to carry through sound financial sector development, and point to the macroeconomic policy errors that can create or expose systemic risk. Institutional development in the financial sector can also be greatly accelerated by opening up to international financial services companies which bring management systems and skills with them. Supervision and prudential regulation can draw on international networks for information, standards and systems development and training.

African countries can engage in mutual learning and support in all these areas through regional programmes with support from international agencies and the international financial industry. Innovative financial mechanisms relevant to the region can be shared and replicated. For example, South Africa has a programme to assist local governments to package infrastructure projects for private debt or equity financing through a Municipal Infrastructure Investments Unit, aimed at black townships where incomes and service provision are low and local tax boycotts instigated under apartheid have become a tradition. For an urbanising continent these kinds of approach to resource mobilisation, bringing together financial markets with local reform efforts, will become essential.

Box III-4

The financial liberalisation process: concerns, lessons and principles

Designing and implementing programmes of financial liberalisation is a particularly challenging undertaking, with continuing debate on issues such as timing, speed and sequencing. Where some experts emphasize the time needed for institutional strengthening and structural policy reform as a basis for financial liberalisation to have the desired impact, others suggest that the globalisation of financial markets and the spread of the associated technologies and financial and business practices mean that developing countries must liberalise sooner rather than later.[18]

Recognising both the risks and the benefits of capital market deregulation, the OECD's Development Centre has published work on how the liberalisation process can be structured and phased in over time in ways which avoid the kind of major financial catastrophes that some developing countries have suffered during past liberalisation attempts.[19]

The OECD's *Economic Outlook No. 61*, published in June 1997, contains a concise synthesis of the concerns and lessons (see section on "Financial Sector Liberalisation in Emerging Markets"). This article starts with the proposition that financial sector liberalisation in emerging markets "brings clear benefits but they cannot be realised if it leads to increased financial instability that adversely affects the country in question and spills over into markets abroad, disrupting international trading and financial relationships. On occasion, such disruption poses broader systemic risks". In contrast to financial liberalisation in the 1970s and 1980s in OECD countries which had the advantage of already relatively robust and well-functioning financial markets, "developing countries have typically begun from positions of less liberalised financial regimes, more fragile financial systems, less financial expertise and poorly developed systems of prudential regulation and supervision. Compared with industrialised countries, they have also tended to experience much greater macroeconomic volatility – in many cases the result of serious mistakes in monetary, fiscal and exchange-rate policies".

The *Economic Outlook* survey points out that the factors that make for a successful transition to a liberalised financial system go far beyond the financial sector itself – "a stable macroeconomic framework, low inflation, and a strong fiscal position which increases the authorities' flexibility to cope with possible capital-flow surges during the transition and eliminates dependence on the inflation tax and financial repression to finance public expenditures". It concludes that financial market reform, including liberalisation of current and capital account payments "is best viewed in the broad context of economy-wide reforms. Liberalised, market-based economic systems work well, but half-liberalised systems can develop severe and destructive imbalances... Commitment to sound macroeconomic policies, market-oriented domestic reforms and progressive external liberalisation programmes should go hand in hand".

Following the G-7 Lyon Summit meeting in June 1996, the Group of Ten invited representatives of a number of emerging market economies (Hong Kong, Indonesia, Korea, Mexico, Poland, Singapore and Thailand) to join in devising a strategy for the formulation, adoption and implementation of sound principles and practices to strengthen financial systems. The joint *Working Party Report* was guided by three fundamental premises:[20]

- "Ultimate responsibility for policies undertaken to strengthen financial systems must lie with the national authorities who have a strong interest in developing sound arrangements for their financial systems;

- In an increasingly integrated global economy, financial sector stability is most likely to be achieved when international prudential standards are met and when markets operate competitively, professionally and transparently, according to sound principles and practices that generate the relevant information and appropriate incentives.

- Sound macroeconomic and structural policies are essential for avoiding financial imbalances, misleading price signals and distortions in incentives."

(continued on next page)

(continued)

The report also noted that:

- "Financial stability requires sufficient political and social consensus supporting the measures needed to establish and maintain that stability. A financial system that is robust is less susceptible to the risk that a financial crisis will erupt in the wake of real economic disturbances and more resilient in the face of crises that do occur. Although reforms are in many cases urgent, the time required for their implementation will differ considerably depending on the nature of the reform and the need for appropriate sequencing. The international community can be of assistance by developing in a consultative manner a corpus of sound principles and practices bearing on financial system robustness and supporting their adoption and implementation."

Box III-5

Financial infrastructure: a systems approach

The infrastructure needs of high growth developing countries will present major financing and management challenges often mixed in with acute demands for political resolution of stakeholder and environmental issues and co-ordination among different sectors and jurisdictions. Legal, financial and administrative frameworks will need to be set in place so that this complex of issues can be managed on an intensive, ongoing basis. Attention will therefore need to shift from one-at-a-time deals to creating the human and institutional capacities needed to operate and expand infrastructure systems. A key objective should be to ensure that infrastructures generate income to cover their own financing and operating costs wherever possible, allowing subsidies to be targeted to providing greater access for poor people and freeing budget resources for increased social investment.

Financial engineering techniques and infrastructure management approaches are emerging along these lines, but multi-year capacity-building programmes will be needed to spread these approaches more widely, including at the supranational (*i.e.* regional) and sub-national (*e.g.* municipal) levels. Public-private partnerships in financing and design/management hold important potential in this regard.[21]

Infrastructure financing systems can be linked with the development of domestic capital markets. As domestic institutional investors begin to handle significant pension funds and other savings, they can become an important source of local currency funding for soundly based infrastructure entities with adequate political insulation and legal foundations. The pace of urbanisation in developing countries and the emergence of regional growth poles creates the scope for this kind of synergy to become a part of a virtuous high growth circle.

Notes

1. See Interim and Development Committee Communiqués and Addresses by the Managing Director of the IMF and the President of the World Bank (www.imf.org and www.worldbank.org).

2. For the range of DAC work relevant to these issues, see DAC Guidelines on: Private Sector; Programme Assistance; Technical Co-operation; Participatory Development and Good Governance. See also *Private Sector Development: A Guide to Donor Support. OECD 1994, and Debt and Development Co-operation: Debt Relief Actions by DAC Members*, OECD, 1997.

3. *Financial Development Policy and Growth*, eds. Jean-Claude Berthélemy and Aristomène Varoudakis, OECD Development Centre, 1996.

4. *Ibid*, p. 11.

5. See Valpy Fitzgerald, Queen Elizabeth House, University of Oxford, *Financing Sustainable High Growth in Poor Countries*, mimeograph 1997, for scenario modelling on which the following scenario in the text is based. For a similar approach to prospects for Uganda, although with a more explicitly expansive approach to fiscal and current account deficits, in the first phase, see Paul Collier, Centre for the Study of African Economies, University of Oxford, *A Commentary on the Ugandan Economy*, mimeograph, September 1997.

6. See Fitzgerald, *ibid.*

7. See OECD, *Liberalization of Capital Movements and Financial Services in the OECD Area*, 1990.

8. Interim Committee Statement, Hong Kong, September 1997.

9. See Fisher and Reisen, *Pension Fund Investment from Ageing to Emerging Markets, Policy Brief No. 9*, OECD Development Centre, 1994.

10. The recently established Money Matters Institute, sponsored by UNDP, is promoting such ideas through Money Matters Forums, involving the private business and financial sectors in both developed and developing countries.

11. For a reading of the state of consensus reached by the mid-1990s, see *Deepening Structural Reform in Africa*, ed. Laura Wallace, IMF/Ministry of Finance, Japan, 1997.

12. See for example the statement by the Minister of Finance for Indonesia at the World Bank/IMF Annual Meetings: "over the last 2-3 years South-East Asian economies in general are marked by the following: high economic growth with signs of economic overheating; enlarged current account deficits accompanied by inflationary pressures; growing short-term private foreign borrowings; construction of huge projects that are beyond the limits of our national capacity."

13. See Michel Camdessus, "Address to the Board of Governors", IMF/World Bank Annual Meetings, Hong Kong, September 1997.

14. See Kumiharu Shigehara*: Multilateral Surveillance. What the OECD Can Offer*, OECD. 1996.

15. See *Africa on the Move: Attracting Private Capital to a Changing Continent.* Callisto Madavo and Jean-Louis Sarbib, SAIS Review, John Hopkins University, Summer/Autumn, 1997.

16. See *New Approaches to Financing Development in Africa*, eds., Jean-Claude Berthélemy and Carlos Quenan, OECD Development Centre, 1996.

17. See Paul Collier, *op. cit.*

18. See Cole and Slade: "Speeding up by slowing down: a market-building approach to Financial Sector Reform" in *Deepening Structural Reform in Africa, Lessons from East Asia,* ed. Laura Wallace, IMF/Ministry of Finance, Japan.

19. See Fischer and Reisen, *Liberalizing Capital Flows in Developing Countries, Pitfalls, Prerequisites and Perspectives*, OECD Development Centre.

20. See Group of Ten: *Financial Stability in Emerging Market Economies*, 1997.

21. See address by Jérôme Monod, *Global Integration: The Role of the Private Sector in Promoting Infrastructure Development in Emerging Economies*, Hong Kong, September 1997.

REFERENCES

OECD, *The World in 2020: Towards a New Global Age*, Paris, 1997.

OECD, *Globalisation and Linkages to 2020: Can Poor Countries and Poor People Prosper in the new Global Age?*, Paris, 1997.

OECD, *Shaping the 21st Century: The Contribution of Development Co-operation*, Paris, 1996.

OECD, *Orientations for Support of Private Sector Development* (see especially Sections on Financial Sector and on Microenterprises), Paris, 1994.

OECD, *Orientations for Participatory Development and Good Governance*, Paris, 1994.

OECD Development Centre, *Financial Development Policy and Growth*, Jean-Claude Berthélemy and Aristomène Varoudakis, Paris, 1996.

OECD Development Centre, *New Approaches to Financing Development in Africa*, Jean-Claude Berthélemy and Carlos Quenan, Paris 1996.

OECD Development Centre, *Pension Fund Investment From Ageing to Emerging Markets. Policy Brief No. 9*, Bernhard Fischer and Helmut Reisen, Paris, 1994.

OECD Development Centre, *Liberalizing Capital Flows in Developing Countries: Pitfalls, Prerequisites and Perspectives*, Bernhard Fischer and Helmut Reisen, Paris, 1993.

OECD Development Centre, *Towards Capital Account Convertibility. Policy Brief No. 4*. Bernhard Fischer and Helmut Reisen, Paris, 1992.

OECD, *Liberalization of Capital Movements and Financial Services in the OECD Area,* Paris, 1990.

OECD, *Multilateral Surveillance: What the OECD Can Offer*. Kumiharu Shigehara, Head of Economics Department, Paris, 1996.

OECD, "Financial Sector Liberalisation in Emerging Markets". *Economic Outlook No. 61*, Paris, 1997.

IMF, *International Capital Markets. Developments, Prospects and Key Policy Issues*, Washington D.C., 1997.

IMF, *External Finance for Low-Income Countries*. Editors: Zubair Iqbal and Ravi Kanbur, Washington D.C., 1997.

IMF, Communiqué of the Interim Committee, September 21 Statement of the Interim Committee on the Liberalization of Capital Movements Under an Amendment of the Articles, Hong Kong, 1997

IMF, Capital Account Liberalization and the Role of the IMF." "Paper presented by Stanley Fischer, Deputy Managing Director, Hong Kong, September 1997.

IMF, *Deepening Structural Reform in Africa. Lessons from East Asia*. Proceedings of a Seminar held in Paris, May 1996, jointly with Japanese Ministry of Finance, Washington D.C., 1997.

IMF, *World Economic Outlook*, September 1997.

World Bank, *Private Capital Flows to Developing Countries. The Road to Integration*, Washington, D.C., 1997.

World Bank, *Global Development Finance, Volume 1*, Washington D.C. 1997.

World Bank, *Mobilizing Domestic Capital Markets for Infrastructure Financing. International Experience and Lessons for China*, Washington D.C., 1997.

World Bank, *Africa on the Move: Attracting Private Capital to a Changing Continent*, Washington D.C., 1997.

Group of Ten, *Financial Stability in Emerging Market Economies: A Strategy for the Formulation, Adoption and Implementation of Sound Principles and Practices to Strengthen Financial Systems*, 1997.

WTO, *Opening Markets in Financial Services and the Role of the GATS*, Geneva, 1997.

African Development Bank, *African Development Report 1997* – Fostering Private Sector Development in Africa, Oxford University Press, 1997.

Aid patterns of both the bilateral and multilateral agencies are shifting to reflect the increased emphasis on poverty reduction. In the multilateral institutions, the process of management reform and refocusing of priorities is now well advanced. In a number of DAC Member countries, recent reports have advocated a more active and selective approach towards managing the allocation of funds to multilateral agencies.

◆ 1. Selected aspects of the emerging aid picture

Declining aid volume in the 1990s

For two decades up to the early 1990s, net disbursements of ODA consistently amounted to around 0.35 per cent of donors' combined gross national product. Since then there has been a sustained fall in aid levels. Between 1992 and 1996, net ODA fell by 16 per cent in real terms.

Details of the aid efforts of individual DAC Members are presented in Chapter V. The picture given there is a complex and diverse one, and there is considerable volatility in the year-to-year figures for many donors. Even so, the downward trend is clear.

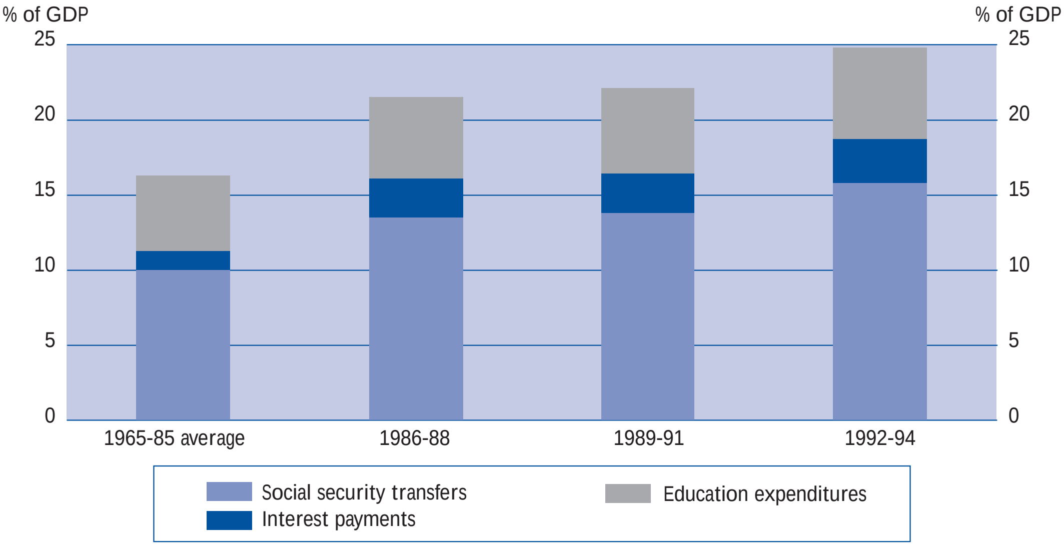
What has caused the supply of aid to be restricted? Why has the "peace dividend" expected from the end of the Cold War failed to free resources for an increase in official concessional financing of development?

Pressures on donors' national budgets

The 1996 Development Co-operation Report showed that aid had fallen fastest in those DAC Member countries which had been running the largest fiscal deficits. The DAC Members with the smallest fiscal deficits had, by contrast, all been able to increase their aid in real terms in the 1990s.

A number of factors lie behind the large fiscal deficits in most OECD Member countries in recent years. Ageing populations have increased pension and health care budgets. Labour and product market rigidities have made it difficult for many OECD countries to adjust to rapid technological and structural changes in the economy, resulting in increased expenditures on unemployment benefits. At the same time some countries have expanded education and training programmes to combat unemployment. Earlier borrowings to finance fiscal deficits in the 1970s and 1980s have increased governments' interest bills. Chart IV-1 shows the rising share of GDP spent in these areas.

Chart IV-1. **Rising social expenditures and interest payments in DAC countries, 1965-94**



Source: *Historical Statistics, OECD, 1996*, 1996, p. 71; *Economic Outlook No. 60*, OECD, 1996, p. 33; *Human Development Report*, UNDP, various years.

The expenditures shown in Chart IV-1 are either largely inevitable, or else politically very difficult to compress. The increasing share of national wealth which they have commanded in the OECD area over the past ten years has reduced resources available for the whole range of more discretionary areas of expenditure, from public sector infrastructure investment to aid programmes. Persistent fiscal deficits and rising national debt have led to intensified efforts in major economies to bring deficits and public debt back to "sustainable" levels, further squeezing resources. Such efforts include recent deficit reductions and agreement to balance the federal budget in the United States, the Maastricht convergence criteria in the European Union, and successive deficit reduction plans in Japan and Canada. Over the medium term, these fiscal moves in OECD countries could help developing countries by tending to reduce pressures on international capital markets, thus lowering real interest rates and debt service burdens and freeing up private sector saving for, among other things, investment in developing countries.

Adapting aid to the new global financing environment

Chapter III gives details of the increase in the flow of private finance to developing countries during the 1990s. This upsurge in private flows to developing countries in the 1990s was from an historically low base. Throughout the 1970s and up to the mid-1980s private flows consistently exceeded official development finance (ODF). After the Mexican debt crisis of 1982, however, private financing for developing countries rapidly dried up, and private flows did not again exceed ODF until 1992. Now, the flow of reward-seeking private capital private to developing countries is at its highest real level since the wave of decolonisation in the early 1960s. This has profound implications for the role of development assistance. On the one hand, private financing may now be available for large, commercially viable projects which it would be impossible or inappropriate to fund from shrinking aid budgets. On the other hand, aid planners face the challenge of adjusting their programmes to achieve the best complementarities between private and public capital inflows to developing countries.

To promote balanced development in harmony with private inflows, aid must:

- avoid projects that could be realised with private financing;
- help governments address needs for social infrastructure and services for which private financing is difficult to secure;
- address needs for emergency assistance;
- play a catalytic role in reducing persistent poverty.

There is statistical evidence that Members have started to reorient their programmes to meet these demands, and this is discussed below. The changes so far may seem modest, but it should be borne in mind that disbursement data lag changes in policy.

Continuing decline in bilateral ODA loans

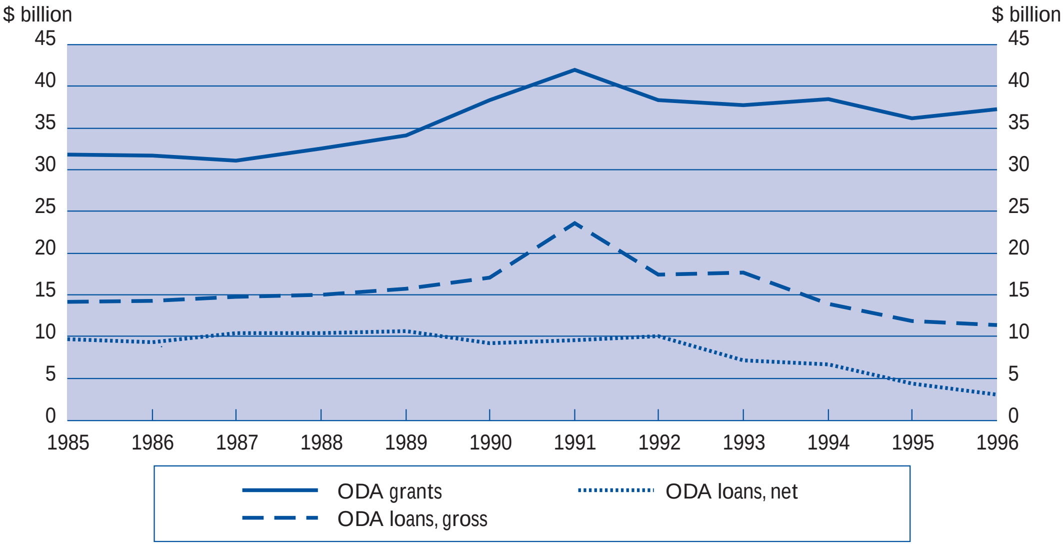
Traditionally, bilateral ODA loans were directed mainly to improving developing countries' infrastructure. These needs can now be partly addressed by private funds. Privatisation initiatives and financial liberalisation have increased the opportunities for external private capital to develop the infrastructure of developing countries. This applies particularly to sectors in which user charging is already customary, such as telecommunications, transport, and power and utility supplies. At the same time, concessional lending by multilateral development banks is increasingly directed towards social sectors such as health, education, water supply and rural infrastructure (see section on multilateral aid below).

While developing countries now have access to a greater range of external financing options, many of the poorest countries are already heavily indebted and lack the financial capacity to service further borrowing. Recognising this, a number of DAC Members have either terminated their loan programmes in recent years, or restricted them to the better-off developing countries. Only six of the 21 Member countries – Austria, France, Germany, Italy, Japan and Spain – still operate large programmes of ODA loans. The fall in new ODA loans would have been greater but for the fact that Spain – which gives a larger proportion of its aid in loan form that any other Member – joined the DAC in 1990.

Trends in the flows of gross and net ODA loans are shown in Chart IV-2. Net loans have fallen more sharply than gross loans for two main reasons. First, repayments are building up on loans given over the past two decades. The second factor arises from the increasing volume of debt forgiveness. Where

Chart IV-2. **DAC Members' bilateral ODA loans and grants, 1985-96**

At 1995 prices and exchange rates



Source: OECD.

an ODA loan is forgiven, it is recorded as having been repaid by the debtor country with a debt relief grant from the creditor country. Grant flows rise, while a negative entry is made under loans to record the repayment.

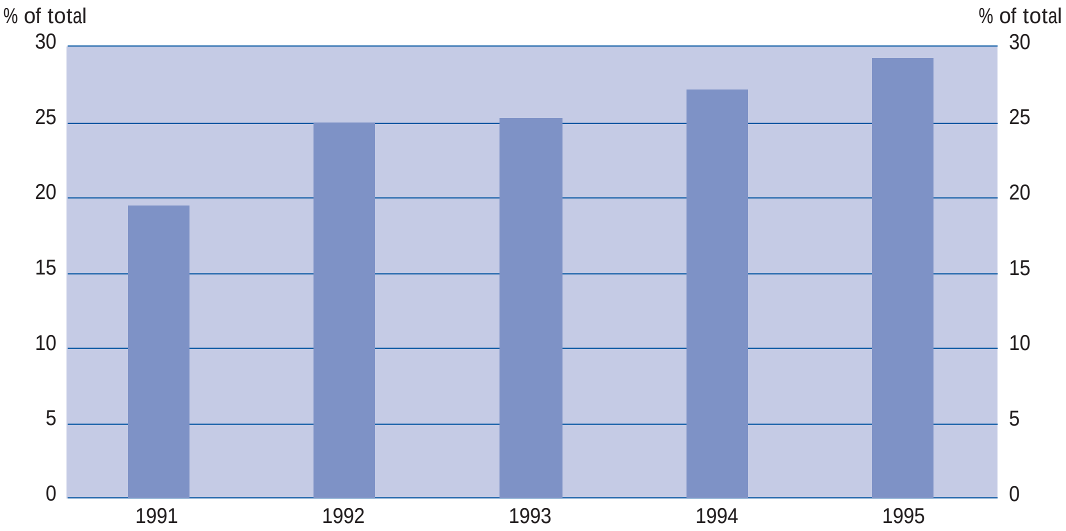
The combined effect of reduced new lending, increasing repayments, and substantial debt forgiveness has been to reduce net loan flows to an historically low level, even in current prices. In 1995 and 1996, loans accounted for less that 10 per cent of total net flows of ODA, down from around 25 per cent in the mid-1980s. Nevertheless, as Chart IV-4 indicates, new bilateral loans (*i.e.* on a commitments basis) remain an important part of the aid effort.

Targeting social sectors

Private financing (apart from grants from non-government organisations) seeks a return on investment, and as noted above favours those sectors in which a return may be obtained direct from customers. However, in many social sectors, governments provide services free, or heavily subsidised, at the point of delivery. This is typically the case for primary and secondary education, primary health care and job centres. Many rural services, including agricultural extension, rural roads and various community facilities, are also often provided largely from central government revenue.

To be effective, social services and infrastructure of this kind needs to be planned at the local and national level. Since private financing is unlikely to be attracted to these activities, aid can in many cases provide at least part of the necessary financial and technical resources which cannot be mobilised locally. Chart IV-3 shows the increasing percentage of bilateral aid flows devoted to the social sectors since the surge in private flows to developing countries began at the beginning of the 1990s.

Chart IV-3. **Share of social sectors in total bilateral ODA, 1991-95**



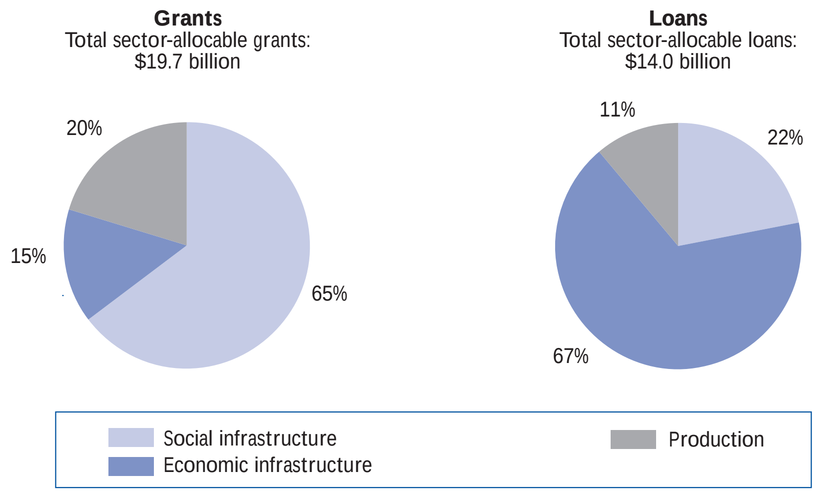
Source: OECD.

Within the social sectors, the largest increases in recent years have been in aid to education (up from 8.7 per cent of total bilateral ODA in 1991 to 11.2 per cent in 1995); health (up from 3.2 per cent in 1991 to 5.5 per cent in 1995); and water supply and sanitation (up from 2.7 per cent to 5.8 per cent over the same period). Conversely, aid to some economic infrastructure and production sectors has fallen. Aid to industry mining and construction, for example, fell from 3.3 per cent of the bilateral total in 1991 to 1.3 per cent in 1995.

However, the largest falls in share of bilateral aid in recent years have been in non-sector allocable items. Debt relief fell from 12.8 per cent of bilateral assistance in 1991[1] to 7.5 per cent in 1995. Programme aid, which includes structural adjustment assistance and budget and balance-of-payments support, fell from 12.5 per cent to 5 per cent. These forms of financial assistance peaked in the period 1990-92 as donors made special efforts to assist countries affected by the Gulf War. Over the past three years they have gradually fallen back towards more normal levels. They remain important and relevant forms of assistance in many situations today, although as countries move out of crisis mode they become an adjunct to reform rather than emergency packages.

Emergency aid rose sharply after 1990, and peaked in 1994, as explained in the 1996 *Development Co-operation Report.*[2] It remains, nevertheless, a substantial portion of donor expenditure, some $3 billion bilaterally and $2.5 billion multilaterally (with a further $3 billion in peacekeeping costs which do not count as ODA). Attention by DAC Members to conflict prevention (Chapter II) should lead to a further reduction in these sums, freeing them to be spent on long-term sustainable development.

Chart IV-4. **Shares of grants and loans in different aid sectors, 1995**
Commitments basis



Note: Unlike the data in Chart IV-2, which relate to disbursements, this chart is based on commitment data. There is a time lag between commitments and disbursements, and some commitments may either be cancelled or reduced before disbursements takes place. In 1995 some $10 billion of reported grant commitments were sector-allocable.

The growing share of aid being devoted to the social sectors is helping to drive the increasing preponderance of grants over loans. Social sectors account for the bulk of sector-allocable grants (see Chart IV-4). Bilateral loans are less often used for social programmes, perhaps because of the long-term nature of returns on investment in activities such as education, health and population programmes, and the fact that benefits are spread throughout society. Although it is possible to calculate rates of return on this type of investment, there is a tendency to view basic social programmes as an area where bilateral borrowing would not normally be appropriate.

Recent trends in the geographical distribution of official development assistance

Before examining changes in the allocation of aid over recent years, it may be useful to recall two general considerations which will help in interpreting the data.

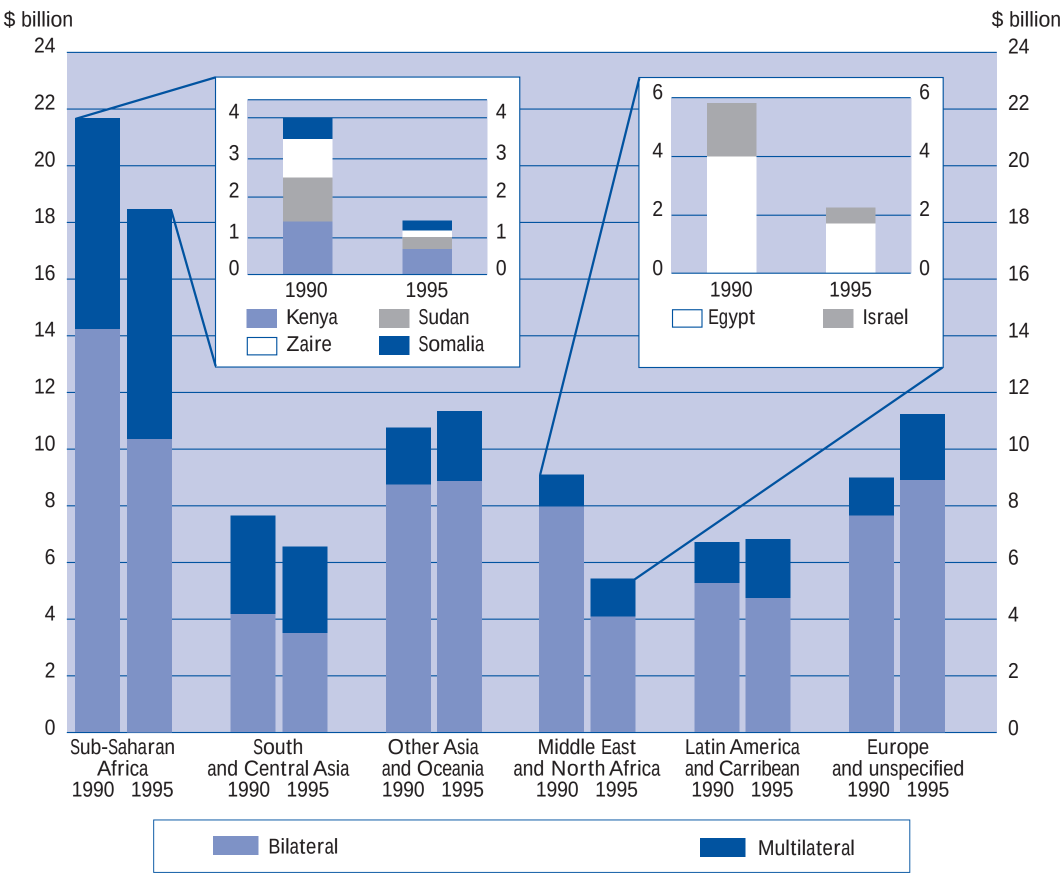
The first is the fall in aid flows from DAC Members since 1992, the reasons for which have already been discussed. This fall directly reduces the amount of bilateral aid received by developing countries, and indirectly reduces disbursements from multilateral organisations. The overall effect has been a decline of 8 per cent in real terms in total aid received from DAC Members and multilateral agencies between 1990 and 1995.

The second point is the long-term nature of aid relationships between individual recipients and their main bilateral and multilateral donors. A perusal of Table 42 of the Statistical Annex will demonstrate this point in the case of DAC Members. In several instances, the top recipient of an individual Members' aid now is the same as it was 15 or even 25 years ago. In other cases, the order is different but the top recipients as a group still show a surprising consistency over a long period.

Bearing these points in mind, we should expect to see a general, but not dramatic decline in aid receipts across the various income and regional groups over recent years, with a few exceptional cases accounting for any noticeable change in the share of a particular group.

Chart IV-5. **Bilateral and multilateral ODA by region, 1990-95**

Constant 1995 prices



Source: OECD.

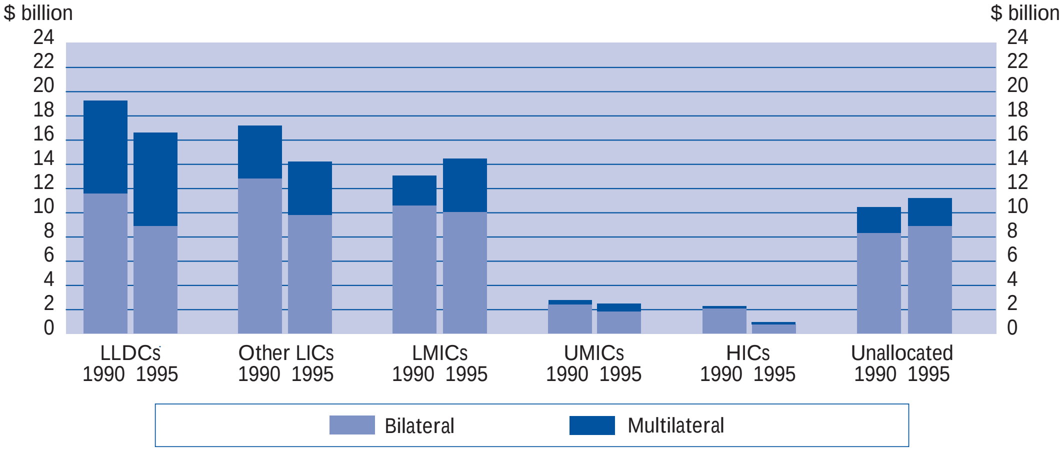
Chart IV-5 shows the changes between 1990 and 1995 in the real levels of both bilateral and multilateral aid receipts by the main developing regions. The bulk of the fall in aid to **Sub-Saharan Africa** is accounted for by just four countries. In Somalia, Sudan and Zaire the dysfunctioning of the state made it difficult or impossible to deliver effective aid, while in Kenya, concerns among the donors with government issues were reflected in reduced aid allocations. The combined receipts of these countries fell from over $3.3 billion in 1990 (in current prices – for constant prices, see the Chart) to $1.35 billion in 1995.

Aid to the countries of **South and Central Asia** has fallen in line with the global trend. The rise in aid to **other Asia and Oceania** results mainly from the evolution of flows to China. These had been growing strongly in the 1980s and nearly doubled between 1985 and 1988 to reach around $2 billion annually. After the Tien An Men Square massacre of 1989, many donors cancelled or reduced new projects. But the years since 1992 have seen renewed growth in aid to China, which reached $3.5 billion for the first time in 1995. One other country in this region has also showed a large increase: aid to Cambodia, which had been less than $100 million per year in the early 1990s, surged to nearly $600 million by 1995 as donors supported United Nations action to bring peace and democratic rule to the country.

Flows to the **Middle East and North Africa** peaked in the early 1990s before and after the Gulf War. Aid to Egypt reached $3.3 billion in 1990, and after peaking at $4.5 billion in 1991 gradually fell back to less than $2 billion by 1995. The 1995 total for aid to this region was also unusually low because a United States contribution to Israel which would normally have been paid in 1995 was deferred because of delays in approval of the US federal budget for fiscal 1996. The rise in aid to **Europe** is almost entirely due to aid to the successor states of the former Socialist Federal Republic of Yugoslavia ($50 million in 1990; $1.6 billion in 1995). Aid to Turkey, which peaked during the Gulf War period at over $1 billion annually, was down to less than $200 million by 1995.

Chart IV-6. **Bilateral and multilateral ODA by income group, 1990-95**

Constant 1995 prices



Note: OECD.

Chart IV-6 shows changes in aid receipts over the same period by income group (the countries in each income group are shown in the *DAC List of Aid Recipients* at the end of this volume).

As we would expect, there is the same general downward trend, with most of the variations from this trend arising from the special cases already noted. The large reductions in aid to Somalia, Sudan and Zaire mean that the fall in total assistance to Least-Developed Countries (LLDCs) is somewhat greater than the average. The fact that the other Low Income Countries (Other LICs) show the largest decline of all reflects the $1.4 billion fall in aid to Egypt, and also the reduction in assistance to Kenya.

The increase in aid to the Lower Middle-Income countries (LMICs) mainly arises from the surge in aid to states of the former Yugoslavia, but also reflects additional assistance to Côte d'Ivoire in 1995 to compensate for the effects of the devaluation of the CFA franc. There was also a substantial build-up in aid to Albania in this period.

Aid to both Upper Middle Income Countries (UMICs) and High Income Countries (HICs) remained a small proportion of the total. The drop in aid to the HICs is more apparent than real, since the 1995 figure is depressed by the late payment of a tranche of United States' aid to Israel noted above.

For information on the total aid receipts of individual countries over recent years, see Table 33 of the Statistical Annex. More detailed data over a longer period is provided by our sister publication, *Geographical Distribution of Financial Flows to Aid Recipients*. This is available both in book form and on CD-ROM from the outlets listed at the end of this volume.

◆ 2. The multilateral system– the Multilateral Development Banks (MDBs) and the UN Development Agencies

Trends in the volume of multilateral finance

Concessional multilateral assistance has peaked at just over $20 billion per annum over the period 1994-96. Over $19 billion annually is directed to countries on Part I of the DAC List of Aid Recipients (*i.e.* those eligible to receive official development assistance). The composition of these flows has been broadly as follows:

- the soft-fund lending of the **multilateral development banks** has shown a total net flow (excluding interest) averaging $7.5 billion annually, practically all of it directed to Part I countries.

- assistance from agencies of the **European Union** has been on a rising trend, reaching almost $5 billion for Part I countries in 1996, and averaging over $1 billion for Part II countries annually since 1994.

- aid from **United Nations** agencies peaked at over $6 billion in 1993, falling back to $5.4 billion in 1996, the lowest level of disbursements since 1991. Almost all of these flows were directed to Part I countries.

- concessional lending (SAF/ESAF) by the **IMF** has fluctuated considerably, but has only once exceeded $1 billion (in 1995).

Non-concessional multilateral flows – although down considerably from their 1990 peak of $10.8 billion – have again been rising since 1994, reaching a total of $8.7 billion in 1996 on a net basis. Part II countries receive almost 40 per cent of these flows, whereas they receive less than 10 per cent of concessional multilateral flows. The largest providers of non-concessional finance to Part I countries are the International Finance Corporation and the Inter-American Development Bank, each with net disbursements of over $1 billion annually since 1993. Net flows from the IBRD to Part I countries have been negative since 1994. The IBRD, however, is the largest provider of non-concessional finance to Part II countries ($1.8 billion in 1996). The EBRD is by far the second largest source of non-concessional finance to Part II countries ($1.1 billion in 1996).

Funding of concessional facilities and programmes

MDB Concessional Fund Replenishments

Concessional lending from the MDB soft-fund windows has traditionally supplied around one third of concessional disbursements for developing countries. These funds are raised from donor governments through multilateral pledging sessions to cover concessional lending for the subsequent three or four years. Therefore an analysis of the most recent soft-fund replenishments indicates how much concessional lending these sources will provide over the coming years. The primary replenishments considered here, the source of most MDB soft-fund lending, are IDA (World Bank), FSO (IDB), AsDF (AsDB) and AfDF (AfDB).

A. World Bank: – IDA II

1996 marked the final year of IDA 10, which called for a three-year replenishment total of $18 billion. In March 1996, donors agreed to provide funding which would allow IDA lending of about $20 billion to cover planned concessional lending for 1997-1999. However, due to increasing non-donor resources and a carry-over of uncommitted resources from IDA 10, the amounts pledged by IDA donors under IDA 11 are significantly lower (in SDR terms) than their contribution to IDA 10. Part of the funding provided by donors for the 1997-99 period is to be channelled through a separate fund (with procurement restrictions for non-donors). This was required to assure adequate funding for IDA operations, since the US needed 1997 to catch up on its arrears, and was only able to pledge new funding for two years under IDA 11. IDA's net disbursements have grown steadily in recent years. They reached $6.3 billion for Calendar 1996, up from 1995 ($5.7 billion), and were the highest ever.

B. InterAmerican Development Bank:
– FSO

Unlike the other soft fund windows, the Fund for Special Operations (FSO) is an integral part of the capital structure of the InterAmerican Development Bank (IDB) and does not require separate replenishment negotiations. At IDB 8 in 1994, the most recent IDB capital increase negotiations, the FSO funds were replenished by $1 billion, with Japan being the largest donor. Traditional IDB donors accounted for 65 per cent of the contributions with Latin American hard-loan borrowers making up the other 35 per cent.[3]

C. African Development Bank:
– AfDB VII

After several years of discord and confusion, the members of the African Development Bank agreed to a delayed ADFVII in May 1996, demonstrating their confidence in the Bank's new President, Omar Kabbaj, and the reforms he has undertaken in Bank operations and policies. The replenishment negotiated was $3.0 billion to cover concessional lending for 1996-1998. The AfDF is relatively more important to the AfDB than are the soft-loan windows of the other MDBs. Only 14 of the Bank's 53 borrowing members qualify for funding from the non-concessional window of the AfDB Group resources.

D. Asian Development Bank:
– AsDF VII

In January 1997 the Asian Development Fund agreed on an AsDF VII replenishment of $6.3 billion to cover the period 1997 to 2000. This agreement is noteworthy in that traditional donors to the Fund are to put up less than half of the total resources mobilised for Fund activities. The majority of the resources ($3.3 billion out of $6.3 billion) are to come from non-donor sources, reflows, etc., and from non-traditional regional donors. In the previous replenishment (AsDF VI) traditional donors funded $4.2 billion of the $6.0 billion total (*i.e.* 70 per cent). The list of Asian contributors to the AsDF continues to grow with Hong Kong, Singapore, Korea, China and Chinese Taipei being joined by Thailand, Malaysia and Indonesia. The last three are current borrowers from the Bank's hard loan window,[4] and Hong Kong, Singapore, Korea and Chinese Taipei are not Bank borrowers.

Box IV-1

International Monetary Fund: SAF/ESAF

The IMF has supported structural adjustment and reform programmes in low-income countries through its Structural Adjustment Facility (SAF), established in 1986, and its Enhanced Structural Adjustment Facility (ESAF), established in 1987. Total disbursements under the SAF to 38 countries amount to SDR 1.8 billion; the final SAF loan was disbursed to Zambia at end-1995. As of end-April 1997, total net commitments under 63 ESAF arrangements with 46 countries amounted to SDR 7.1 billion, of which SDR 5.4 billion has been disbursed. An amount of SDR 3.4 billion remains to be committed under the current ESAF.

In September 1996, the IMF Executive Board agreed on the financing of the continuation of ESAF (after current ESAF resources would be fully committed) during the period 2001-04. Thereafter, the self-sustained ESAF would start, fully financed by the IMF's own resources.

The Board also agreed that the IMF's participation in the joint World Bank/IMF Debt Initiative for the Heavily Indebted Poor Countries (HIPC) would be through special ESAF operations that would take the form of a reduction in the present value of a country's debt to the IMF through the provision of grants or loans to be used solely for paying debt service falling due to the IMF. In February 1997, the Executive Board established the ESAF-HIPC Trust to finance special ESAF operations under the HIPC Initiative as well as interim ESAF subsidy operations. At its meeting in Hong Kong in September 1997, the Interim Committee noted that, "in the light of the bilateral pledges received or in prospect, and the need to continue making commitments under the HIPC initiative, further steps to secure the timely funding of these initiatives will have to be considered soon".

Sectoral distribution of MDB lending

Each MDB presents the sectoral distribution of its lending activity differently. It is difficult, therefore, to present trends clearly across all the MDBs in this regard. However, available data suggests the following:

- The MDBs are moving away from what used to be called their main "product line" – large infrastructure projects in power, transport or oil and gas sectors – in favour of social sector loans that focus on human capital development and poverty alleviation.

- Similar trends are evident in the regional development banks where donors have conditioned the most recent soft-fund replenishments in this direction. In the case of the African Development Bank for example, the donors to ADF VII conditioned their contributions on an understanding that the bulk of the resources will be invested in agriculture and the social sectors.

- Similarly, the last replenishment of the Inter-American Development Bank carried with it the stipulation that the IDB would broaden and deepen its support for social sector and poverty reduction programmes, with a target of 40 per cent of total lending and 50 per cent of the number of operations.

The North-South Institute of Canada has analysed these trends among the principal MDBs in the following table.

Table IV-1

MDBs sectoral distribution of lending for the years 1986, 1991 and 1996 (percentages)

Sector	IBRD/IDA			IDB/FSO			AsDB/AsDF			AfDB/AfDF		
	1986	1991	1996	1986	1991	1996	1986	1991	1996	1986	1991	1996
Agriculture	29	16	12	21	11	8	41	21	15	37	24	13
Transport/Telecommunications	10	8	13	12	13	10	9	16	27	9	12	20[a]
Energy	19	14	16	25	13	5	26	35	22	27	19	14[b]
Industry[c]	16	18	8	11	9	1	6	15	8	17	27	21
Social[d]	11	22	27	21	11	30	14	13	13	10	3	4
other (including multisector)	16	23	26	10	44	46	5	0	16	0	14	29
TOTAL[e]	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Notes: These categories are not completely congruent among MDBs.
a) Does not include telecommunications.
b) Categorised as "public utilities".
c) Includes Development Finance Companies and small-scale enterprises.
d) Includes education, population, health and nutrition, and water supply/sewerage.
e) Slight discrepancies in totals are due to rounding.
Source: *MDB Annual Reports 1986, 1991, 1996,* compiled by the North-South Institute.

The trend toward more social investment stands out most clearly at the World Bank and the IDB. The IDB has always seen social investments as a significant part of its mandate, and was founded to give Latin American nations a source for this type of investment as far back as the 1950s. The low social sector share for the African Development Bank should change dramatically under the conditions laid down as part of ADF VII.

The reform process in the multilateral development institutions

In one sense, multilateral institutions are always undergoing some type of reform. The managements and boards of the institutions often propose reorganisations, or the institutions change their operational mandates to better reflect the current state of development thinking and approaches. In a fast-changing world maintaining the status quo would be untenable. Each international organisation must pay attention to prevailing opinion as to its utility and effectiveness in carrying out its established mandate.

The reforms currently underway or promised are nevertheless of special significance, as explained in Chapter II above. In the MDBs, they have been motivated by two kinds of challenges: first the need to shift from approval cultures to results-based cultures, as identified by the various task forces that they each commissioned, and second, the need to respond to external criticism that reached alarming levels in the mid-1990s. At bottom the reforms reflect the institutions' realisation that their cultures and operational modalities had become inappropriate, and that there is real concern among their various publics about their roles and effectiveness. In the United Nations system, the motivation has been acute financial crisis linked to reform issues which have been identified for many years. But the UN reforms also reflect a public confidence problem in a system being asked to produce effective, co-ordinated interventions in highly complex and visible emergencies as well as to follow up a proliferating number of UN Conference action agendas in a coherent and efficient manner.

Beginning with the World Bank's Wapenhans Report on project effectiveness and three subsequent regional MDB reports: the IDB's Tapoma Report, the AsDB's Shultz Report, and the AfDB's Knox Report, considerable debate has taken place over the past few years on how effective the MDBs are in promoting development via their traditional method of assistance: the project loan. This debate, in its various forms, has lead to substantial change in all the MDBs.

There was a remarkable concurrence in the findings of the four reports. Focusing primarily on internal post-project evaluations – which in all the Banks showed a rising rate of unsatisfactory projects[5] – the reports all criticised the excessive emphasis on the quantity of lending at the expense of loan quality. "The Bank's success is determined by benefits 'on-the-ground'– sustainable development impact – not by loan approvals, good reports or disbursements." (Wapenhans Report). "The African Development Bank is facing serious problems of quality of lending. At present too much attention is paid to the quantity of lending and too little, perhaps even none, to its quality" (Knox Report).

The various action plans put in train by MDB managements to correct this situation emphasized project design, implementation, on-the-ground supervision and more systematic portfolio control – the focus became in short, how to guarantee **sustainable development impact.** The action plans focused on a number of project-related improvements. These included:

- Paying more attention to the kinds of projects entering the Banks' pipelines at the start of the project cycle.

- Ensuring local ownership of the project idea or concept. Local ownership was seen as essential to a realistic commitment by the beneficiaries to closely monitor the project during its implementation and to assume necessary responsibilities to "sustain" the project throughout its life-span. ("The most satisfactory projects tend to be those in which there has been most Borrower participation during preparation, and, as a result, the greatest likelihood of high Borrower commitment" – Wapenhans Report.)

- Ensuring that each project is strongly based on a thorough understanding of local conditions.[6]

At the same time as the MDBs were attempting to re-focus their operational procedures to raise their own project financing success rate, the accepted development model was undergoing significant changes as well (see Chapter II). The MDBs were being pressed to introduce more environmental analysis, gender sensitivity, governance considerations, and a much greater emphasis on poverty alleviation. Perhaps the clearest example of the impact of these various goals and management shifts can be seen in the justification and proposed changes implied in the World Bank's current reform agenda: the March 1997 *Strategic Compact* (see Box IV-2).

An outgrowth of the four MDB reviews was a decision at the April 1994 meeting of the Development Committee to establish a high-level Task Force to review the purpose and functioning of the MDBs. Such a need was underscored by the G-7 Meeting at Halifax, Canada, the following year, which called for more coherence in the collectivity of international financial institutions. The Task Force began its deliberations in late 1994 under the chairmanship of Abdlatif Y. Al-Hamad, Director General of the Arab Fund for Economic and Social Development. The Task Force's report, *Serving a Changing World*, was presented at the April 1996 Development Committee meeting. Among the key recommendations of the task force are the following:[7]

The MDBs should:

- Initiate the process of financial disengagement in countries having reliable access to private capital, and establish **graduation policies** for this purpose.

- Focus their assistance on countries demonstrating **a strong commitment to reducing poverty** as part of a soundly based economic and social reform programme.

- Set **explicit targets** by country for their poverty work, co-ordinate their programmes of assistance, and improve the ways in which actual changes in poverty are measured.

- Support policies and **strengthen financial institutions** to encourage savings, capital market development, domestic enterprise development, and broader access to resources.

- Foster **borrower ownership** of reforms, programmes and projects. Staff and management should encourage borrowers to take the lead on project and sector work, especially on major economic policy reforms.

These are just five of nearly 50 recommendations contained in the task force report. But they reflect the tenor of the entire report, and presage the kinds of specific injunctions that are now exerting wide influence in the research studies and operations of the MDBs. The key importance of demonstrated country commitment to poverty reduction, poverty-reduction targets, borrower ownership, and strengthening financial institutions has also been highlighted in a number of independent reviews of multilateral assistance (see Section 5 below). The greater specificity about objectives is motivated not only by the concern for development effectiveness, but also by a recognition that future public support demands a greater effort to articulate **what** the institutions are intending to do in their client countries, **why** this is important, **how** it will be accomplished, and **what** performance standards are to be employed to measure levels of achievement.

Box IV-2
The World Bank's Strategic Compact

The World Bank's blueprint for reform was submitted to its Executive Board in February 1997. It aims at improving overall Bank effectiveness and strengthening public approval in its share-holding countries. As can be seen in the title of the reform proposal: The Strategic Compact: Renewing the Bank's Effectiveness to Fight Poverty, poverty reduction is the guiding reform principle described in the compact. The programme is comprehensive, touching nearly all divisions and functions of the Bank. The Compact also sees the Bank as part of the broader development community, as the "premier global development institution", and as a knowledge and financial catalyst at the forefront of a global attack on world poverty. A major thrust is to create new and stronger partnerships with other organisations to enable the Bank to be more selective and to specialise in those areas where it has a comparative advantage.

Key Elements of the Strategic Compact:

- Move closer to the Bank's clients, through greater decentralisation, diversification of client services, and improved, cost-effective business practices.
- Modify the Bank's agenda, to include greater attention to social and environmental sustainability, building partnerships with relevant players in the development community – both donor and recipient – and improve the country assistance strategy process to reflect the state of the art in development thinking.
- Make the Bank's knowledge base a world standard, by instituting a knowledge management system easily accessible both inside and outside the Bank, integrating a more decentralised Bank into that system, using this knowledge base effectively in all the Bank's capacity-building efforts world-wide, and involving the new thematic networks and the EDI in this effort.
- Revamp the Bank's institutional capabilities to support the Compact through: a more integrated information system, an improved human resource management system, decentralised decision-making authority and reformed financial management to better link resources with priorities and improve transparency and accountability.
- The goals established under each of the above four elements will be subject to periodic review and will be monitored and evaluated through a series of **performance indicators.**

Box IV-3

United Nations Reforms

On July 16th 1997, the new United Nations Secretary General, Mr Kofi Annan, submitted to the UN General Assembly a major reform proposal entitled: *Renewing the United Nations: A Programme for Reform,* described in the press as a "quiet revolution of consolidation and rationalisation." (*The Economist,* July 19th, 1997). Pledging a 33 per cent reduction in administrative costs by the year 1999-2000 (with the savings re-allocated to a development fund for poor nations), the Secretary General has proposed cutting 1 000 Secretariat posts and reducing the UN's use of paper by 30 per cent.

Key Elements of the UN reform proposal are listed below:

- The management of the Secretariat's work programme is being reorganised around the five areas that comprise the core missions of the United Nations: peace and security; economic and social affairs; development co-operation; humanitarian affairs; and human rights.
- Executive committees have been set up for the first four areas, with human rights seen as a cross-cutting issue germane to the activities of each group. All UN departments, programmes and funds will be placed under one or another of the four general areas. The functions of the executive committees will provide policy development, decision-making and management for their respective areas, thus improving overall coherence, joint strategic planning and budget rationalisation.
- In an effort to regularise the funding of the United Nations, or in the Secretary General's words, "to end the persistent state of near-bankruptcy" Member States will be asked to establish a Revolving Credit Fund, capitalised at up to $1 billion.
- Grouping of United Nations development funds and programmes into a reformatted United Nations Development Group. The purpose of this reform is to achieve maximum co-ordination and developmental effectiveness by grouping three departments under a new United Nations Development Assistance Framework in the field as well as in the headquarters (the concept of a "United Nations House", where all UN agencies in the field would be located, is being piloted in South Africa).
- An Office of Development Financing is being established to strengthen funding processes across UN agencies.
- Proposals to the General Assembly to shift from input accounting to "results-based budgeting" and to enact "sunset provisions" applicable to any new organisational structures or major financial commitments.

Evaluating the multilateral channels from a donor perspective: some recent national reviews

In recent years a number of DAC Members have conducted studies of multilateral assistance from the perspective of their own national interests. In 1991 a review prepared for the Dutch Parliament by the Ministries of Development Co-operation and Finance evaluated the multilateral organisations in terms of their appropriateness and effectiveness as a channel for Dutch aid. Most of the organisations received marks of "very positive" or "positive", with only one organisation receiving a "negative" evaluation in one of the evaluation categories. The study was important, however, in that it presented a clear evaluation methodology and served as a useful precedent for others to follow. More recently, such evaluations have been conducted in Denmark, Canada, and the United States:

- Denmark: Plan of Action for Active Multilateralism, 1996.

- Canada: The Multilateral Development Banks: Titans or Behemoths? The North-South Institute, 1997.

- United States: *The United States and the Multilateral Development Banks*, Center for Strategic and International Studies Task Force, July 1997.

A comprehensive review of aid policy in Australia, *One Clear Objective: Poverty Reduction through Sustainable Development* (the "Simons Report") also covered multilateral aid.

One of these (Denmark) was a government study. The others were the product of independent panels or respected international policy centres. Taken as a group they represent a useful summary of the multilateral system, its strengths and weaknesses and recent trends in assessments of policy prescriptions for the multilateral systems. Perhaps the most important message emerging from these reports is that effectiveness and organisational efficiency will increasingly determine the amount of financial support an institution receives. Equally, recipient countries will be expected to demonstrate a strong commitment to poverty alleviation and to established democratic practices of good governance as key factors determining their eligibility.

The highlights of these reports are listed below:

Denmark: The Danish review was conducted by the Ministry of Foreign Affairs and was published in 1996. The review sought to establish a basis for the government to differentiate among multilateral institutions in terms of financial support in future years. Specifically, future Danish multilateral funding will "focus more on the *priority areas of Danish efforts* and Danish multilateral contributions will be tied more closely to such priority areas and their effective handling than to consideration of Denmark's traditional level of contributions to individual multilateral organisations". These priority areas include poverty reduction – as the central objective of Danish multilateral efforts – along with gender, environment, population, democratisation, humanitarian assistance, and capacity development. Improving the division of labour within and the co-ordination of the multilateral development assistance system is also a priority objective. *Active multilateralism* was the term adopted to convey the intended linkage "between the size of the Danish contribution to an organisation and efforts made by that organisation to adhere to Danish policy objectives and the general efficiency of the organisation". As one of the largest donors to the multilateral system, both absolutely and in relative terms,[8] Denmark sees an enhanced opportunity to influence multilateral policies but also a "greater co-responsibility in ensuring that the multilateral assistance system operates effectively". *Active multilateralism* is also intended to convey to the multilateral institutions and to the donor community at large that Denmark is prepared, when conditions warrant, to "reduce and not merely freeze contributions to organisations and as a last resort *abandon* them." (our emphasis). The review then examined ten organisations captured by the term "UN system"; five multilateral development banks; six humanitarian organisations; and the development activities of the EU. Organisations are examined in terms of their effectiveness in advancing the Danish priority areas and, in light of these findings, strategies are advanced for Danish action in three basic arenas: governing bodies, the organisations' secretariats, and in the recipient countries.

Canada: The North-South Institute's study on the multilateral development banks, *Titans or Behemoths?*, is the final volume in a series of five, with each of the first four focusing on a specific regional development bank: the African, Asian and Inter-American development banks and the sub-regional Caribbean Development Bank. The project, funded by the Canadian Government, is meant to serve as a basis for public education in Canada as to the benefits the MDBs bring to the world economy and to the Canadian economy. The final volume includes the World Bank for purposes of completeness. Specific concerns addressed in the summary volume include:

- the role of the Banks in addressing world poverty;

- the changing nature and mandates of the MDBs brought on by what is called the "rapidly rebounding private sector";

- the key criticisms of the family of MDBs as well as criticisms directed at the individual MDBs;

- the strengths of the regional MDBs as they relate to the World Bank;

- the role of the MDBs in the international debt problem and an outline of how the MDBs, the World Bank and the regional development banks can work productively and harmoniously together in a model of "competitive pluralism".

In the book's concluding chapter it proposes that the MDBs join the bilateral donors represented on the OECD's Development Assistance Committee and endorse the goals and targets of the DAC's recently published *Shaping the 21st Century*.

United States: This review was the product of a task force of individuals, assembled by the Center for Strategic and International Studies (CSIS). It included current members of the US Congress, Executive Branch, private sector, NGO representatives and academics. The review addresses only the role of the United States in the MDBs and does not consider the UN family and related agencies. After reviewing the changing world in which the MDBs must now operate, the report considers key reforms necessary to ensure active and steady US support. Against a backdrop of a increased public reluctance to support bilateral and multilateral aid efforts, in the United States and in other OECD countries as well, the "changing world" is seen as including:

- the end of the Cold War;

- much larger private capital flows;

- greater willingness to rely on market-determined economic solutions;

- increased concern over environmental risks;

- a renewed focus on the need for effective programmes – both bilateral and multilateral – to address the needs of the estimated 1.3 billion people in the world living in poverty.

The report underlines the unique advantages that the MDBs have individually and collectively:

- flexible and cost effective means of raising funds;

- significant financial capital and intellectual talent;

- established roles as development information clearing houses;

- an accepted leadership role in the international economic system.

But there is a downside as well. The MDBs are recognised as having:

- disparate and sometimes contradictory roles and functions;

- outdated and inflexible structures and requirements;

- large, change-resistant, opaque bureaucracies;

- incentive structures emphasizing the quantity of their lending over the quality and sustainability of their work.

Of the report's 18 major recommendations four are especially noteworthy:

- Higher threshold standards of country policy adequacy. MDBs should lend only to countries that are maintaining a policy framework adequate to achieve economically, environmentally, and socially sustainable growth.

- Governance systems in the borrowing country should be adequate for sustainable growth and poverty reduction.

- A threshold test for receipt of loans should be set. This would include enough accountability to contain corruption and diversion of resources, enough respect for law and its enforcement to permit growth, and enough of the attributes of representative government to promote sustained improvement in the opportunities for the poor.

- Building on a country commitment to poverty reduction. A serious demonstrated commitment to poverty reduction should be made a requirement for an MDB loan programme.

The report argues that to restore US leadership in the MDBs and to re-establish the public support necessary for ensuring that leadership, the United States will need a clear vision of the role the MDBs should play in the international economy and support a well-defined set of policy changes and reforms within the institutions to support that vision.

Australia: A Committee drawn from experts outside the Government, but reporting to the Minister for Foreign Affairs, was set up to review how the Australian aid programme could best contribute to lasting poverty reduction "while also serving Australia's interests". The Committees' report (the Simons Report), published in April of 1997, covered the entire scope of Australian aid – bilateral, multilateral and non-government organisations. Like other reviews discussed above the Committee saw a continued commitment to multilateral assistance as an essential part of an effective and balanced development co-operation programme. Likewise, the Australian committee recommended that the country's support for individual multilateral organisations should be based on the contribution each could make to attaining the proposed key aid objective of poverty reduction, as well as on the effectiveness and efficiency of the organisation. To implement this approach the review committee outlines a series of actions to involve Australian aid authorities more deeply in the reform efforts of certain multilateral organisations. These actions range from being more active in the governing councils of the organisations, greater monitoring of the organisations' headquarters and field activities and more frequent evaluation exercises, undertaken individually or with other donors. The Simons Report joins the Danish review in recommending the promotion of reform by adopting more of a "carrot and stick approach". In making this recommendation the committee points out that "closer relationship between funding levels and institutional performance and reform are emerging features of many donor aid policies".

Notes

1. This figure includes substantial relief of military debt offered by the United States. For details of the statistical treatment of this assistance, see the *Notes on Definition and Measurement*.

2. *Development Co-operation Report, 1996*, pp. 97-100.

3. The FSO amount mobilised for concessional lending, $1 billion as opposed to the previous replenishment of $200 million, was the product of a series of changes in the capital structure of the Bank. This involved expanded share-holdings for some of the European donors to the IDB, a special capital increase to allow Japan to gain a single constituency seat on the IDB board of executive directors, and a reduction of the US share in the Bank's capital stock to 30 per cent.

4. ADF VII was the AsDB's first replenishment agreement adopted as part of a longer-term strategy aimed at concessional fund self-sufficiency. "The need for donor replenishment, will gradually diminish and, eventually, become dispensable, as internally generated resources increase while the region's need for concessional assistance stabilizes or even declines. The planning target is that the Bank will become self-financing in half a generation." Ifzal Ali, Assistant Treasurer, Financial Policy Division, Asian Development Bank, *ADB Review*, Mar.-April, 1997.

5. For the World Bank this rate rose from 15 per cent in 1980-81 to 37.5 per cent in 1990-91.

6. Unlike the AsDB and AfDB, the World Bank and the IDB have reacted to the internal reviews by strengthening their use of field offices and decentralisation of authority. According to Wapenhans: "There was consistency of opinion...that the Bank should strengthen its Field Office establishment to ensure that the Bank is in more continuous contact with Borrowers, can effectively address its co-ordination responsibilities, and **is sufficiently familiar with the local society to effectively address social sector issues**." [DCD Emphasis]

7. Under four broad headings: the role of the MDBs, supporting sustainable development, striving for results, and enhancing the impact of the MDBs as a group, the report lists forty-seven separate recommendations. See the Development Committee's *Serving a Changing World, Report of the Task Force on Multilateral Development Banks*, March 1996.

8. Multilateral assistance represents approximately 45 per cent of total Danish development assistance, against an average of 30 per cent for all donors.

V Policies and efforts of individual donors

Budget constraints continue to affect aid volume performance in many DAC countries, outweighing the efforts of others who are managing to maintain or even increase their ODA. At the same time, recent Peer Reviews of DAC Member performance show evidence of considerable efforts to align aid policies with the 21st Century Goals and to move towards results-based approaches to aid management.

1. Continuing decline in official development assistance

Overall flows of Official Development Assistance (ODA) in 1996 from DAC Members to developing countries and multilateral organisations totalled $55 billion, down from $59 billion in 1995. This represents a decline of 4 per cent in real terms, and a fall of 16 per cent in real terms since 1992 (see Chart V-1). ODA flows in 1996 represented some 0.25 per cent of DAC Members' combined GNP, the lowest ratio recorded over the nearly 30 years since the United Nations established a goal of 0.70 per cent. In ten of the 21 DAC Member countries, however, aid levels rose in 1996 in real terms so that the average level of effort of individual DAC Member countries (the unweighted average of their ODA/GNP ratios) fell only marginally from 0.41 per cent to 0.40 per cent. (See Table V-1.) Four countries – Denmark, the Netherlands, Norway and Sweden – reached the United Nations target in 1996.

Three trends emerge. One is the increasing diversity in the financing situations of developing countries (see Chapter III, Box III-1). The second trend is that of a growing volatility in the year-to-year aid disbursements of many donors (see below). The third trend is the continuing decline in overall ODA, as fiscal adjustment in some large donor countries continues to restrict aid spending.

2. Aid flows from Japan fall sharply; mixed results in other countries

The global decline in ODA in 1996 was more than accounted for by a fall of $5 billion in current prices (25 per cent in real terms) in aid from Japan, by far the largest donor in recent years. The main causes were a sharp drop in contributions from Japan to multilateral agencies during the year, and significantly lower net flows of bilateral ODA loans, because of rising repayments. Mean-

Table V-I.

Official development assistance flows in 1996

	1996		1995		Real per cent change 1995 to 1996[1]
	ODA $ m	ODA/GNP %	ODA $ m	ODA/GNP %	
Australia	**1 121**	**0.30**	1 194	0.36	**-12.9**
Austria	**557**	**0.24**	767	0.33	**-25.1**
Belgium	**913**	**0.34**	1 034	0.38	**-8.7**
Canada	**1 795**	**0.32**	2 067	0.38	**-14.8**
Denmark	**1 772**	**1.04**	1 623	0.96	**10.5**
Finland	**408**	**0.34**	388	0.32	**9.1**
France	**7 451**	**0.48**	8 443	0.55	**-11.1**
Germany	**7 601**	**0.33**	7 524	0.31	**4.9**
Ireland	**179**	**0.31**	153	0.29	**15.5**
Italy	**2 416**	**0.20**	1 623	0.15	**35.0**
Japan	**9 439**	**0.20**	14 489	0.28	**-24.7**
Luxembourg	**82**	**0.44**	65	0.36	**29.1**
Netherlands	**3 246**	**0.81**	3 226	0.81	**4.3**
New Zealand	**122**	**0.21**	123	0.23	**-7.6**
Norway	**1 311**	**0.85**	1 244	0.87	**3.1**
Portugal	**218**	**0.21**	258	0.25	**-16.6**
Spain	**1 251**	**0.22**	1 348	0.24	**-9.1**
Sweden	**1 999**	**0.84**	1 704	0.77	**9.3**
Switzerland	**1 026**	**0.34**	1 084	0.34	**-1.1**
United Kingdom	**3 199**	**0.27**	3 202	0.29	**-1.8**
United States	**9 377**	**0.12**	7 367	0.10	**24.8**
TOTAL DAC	**55 485**	**0.25**	**58 926**	**0.27**	**-3.6**
Average country effort		**0.40**		0.41	
Memo items (included in above):					
1. EU countries combined	**31 293**	**0.37**	31 358	0.38	**0.1**
2. European Commission	**5 455**		5 398		**2.6**

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

Chart V-1. **Net ODA in 1996 – amounts**

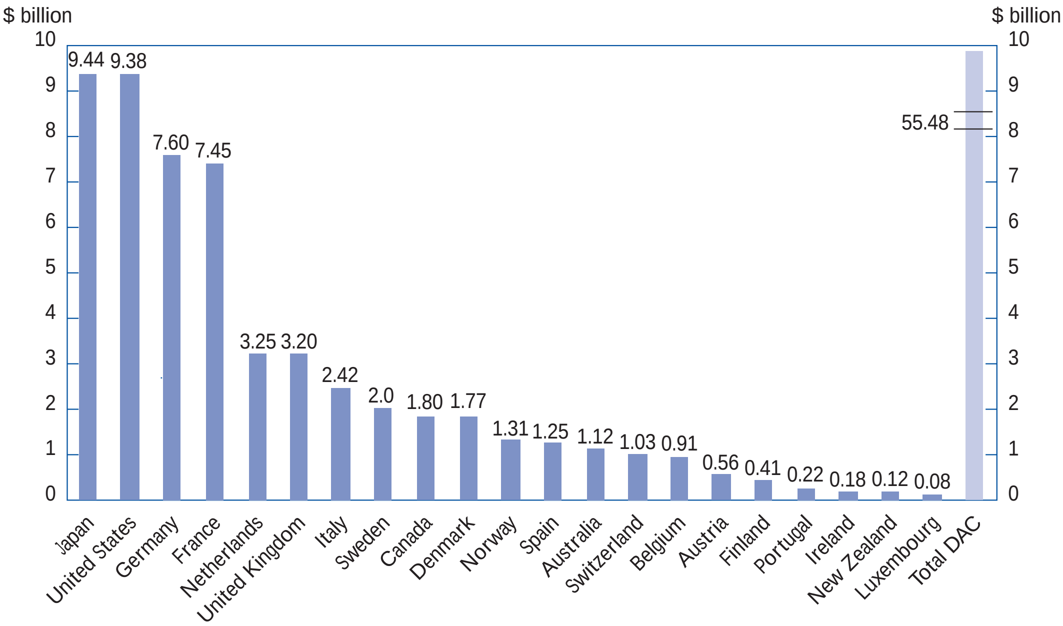
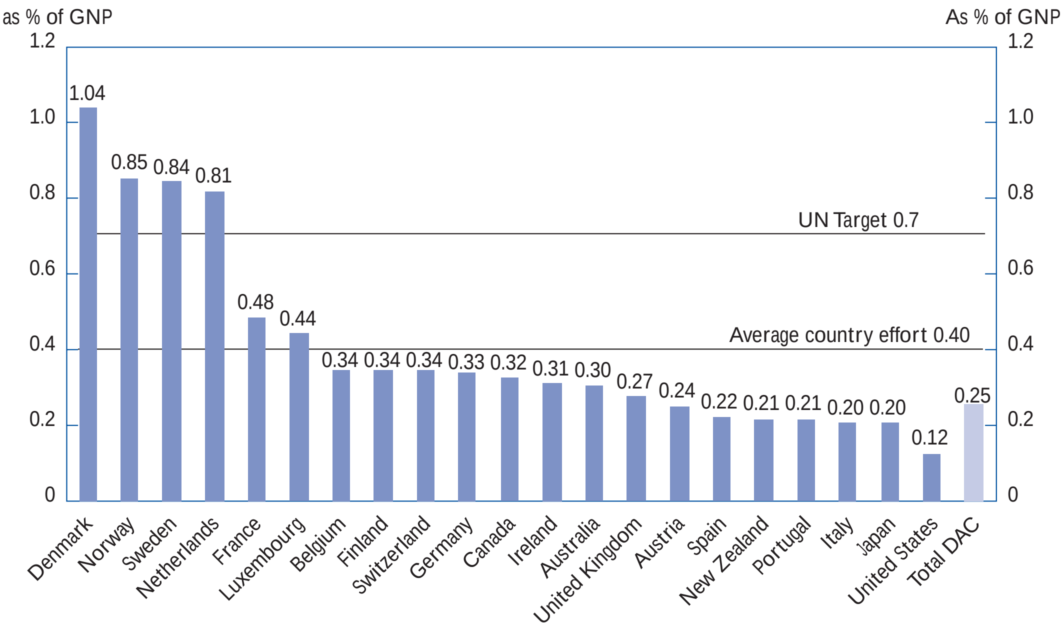


Chart V-2. **Net ODA in 1996 – as a percentage of GNP**



while, Japan's bilateral grants were little changed in real terms.

France's aid fell by 11 per cent in real terms, due partly to the timing of some multilateral contributions, and partly to cuts in its bilateral programmes. In nominal terms, France's aid fell behind Germany's for the first time. Substantial falls in ODA disbursements were also registered by Australia, Austria, Canada, and Portugal.

The sizeable 1996 increases in aid by Italy and the United States again highlight the recent volatility of year-to-year flows. Both countries' multilateral ODA had been unusually low in 1995 because of the timing of subscriptions to multilateral agencies, and the shortfall has been made up in the 1996 data. Delays in approving the United States budget for fiscal 1996 also meant that two years' worth of grant disbursements to Israel were included in the 1996 United States data.

◆ 3. Some common threads in bilateral aid agency experience in 1996-97

Reviews of policies, programmes and management

As is evident from Chapter II and Chapter IV above, a major phase of institutional reappraisal and renewal has been underway in the last several years. The country notes in this chapter provide evidence that this era of change retains a good deal of momentum. Changes of government, budgetary constraints and public debates have provoked such reviews in particular cases. But underlying all the reviews there have been two basic driving forces:

- a concern to implement the people-centred, participatory development paradigm, with the Strategy for the 21st Century an explicit point of reference for many of the reviews;

- a widespread shift towards results-based approaches to aid management, driven by pressures to demonstrate results and value for money, in line with public management philosophies emerging in many DAC Member countries.

Policy coherence

There is now more systematic attention to policy coherence issues in aid reviews. Some reviews have included round-table meetings in capitals with several depart-ments present. A number of Members are making a special effort to improve the integration of approaches to trade and debt issues into their development programmes, both at the national level and through initiatives at the international level. Some Member governments have taken concrete steps to reduce the influence of commercial interests in aid projects, while at the same time there is a move to strengthen co-operative ties with the private sector to harness its contribution to the development effort.

◆ 4. Country notes

Countries are presented in the order of those which have undergone an aid review since the last DCR (Switzerland, France, Portugal, Belgium, Netherlands and the United Kingdom), then in alphabetical order, beginning with Australia.

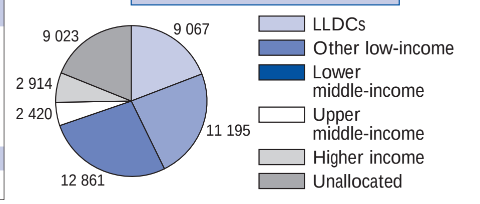
TOTAL DAC COUNTRIES

Gross bilateral ODA, 1995-96 average, unless otherwise shown

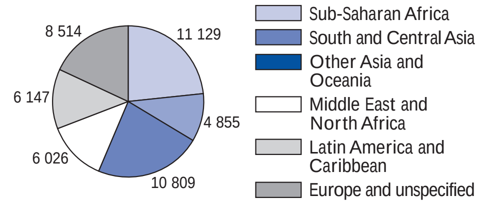
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	58 926	55 485	-5.8%
Constant (1995 US$ m)	58 926	56 785	-3.6%
ODA/GNP	0.27%	0.25%	
Bilateral share	69%	71%	
Net Official Aid (OA)			
Current (US$ m)	9 037	5 596	-38.1%

Top ten recipients	(US$ m)
1 China	2 412
2 Indonesia	2 118
3 Poland (OA)	2 018
4 Egypt	1 937
5 India	1 708
6 Israel	1 484
7 Russia (OA)	1 228
8 Philippines	1 195
9 Thailand	1 059
10 Bangladesh	849

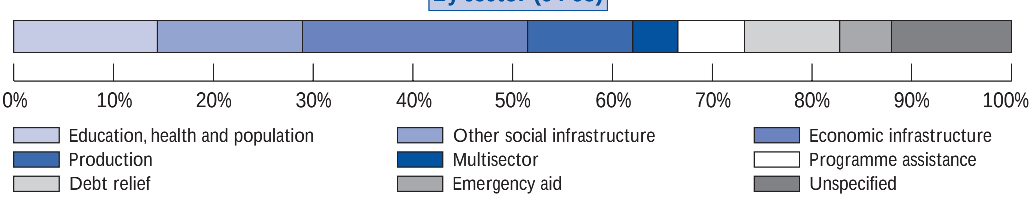
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

SWITZERLAND

Switzerland's development co-operation policy puts an emphasis on local participation and ownership, closely reflecting the DAC 21st Century Strategy. Two new Framework Credits, one for Humanitarian Aid and the other for Economic and Trade Policy Measures have been approved by the Federal Assembly.

As described in the Box on the following page, the Swiss ODA programme is financed through Framework Credits. Two new Framework Credits were approved since the last DAC Aid Review in November 1996. These were for Humanitarian Aid (1997-2000) with proposed funding of 1.05 billion Swiss Francs and for Economic and Trade Policy Measures (1997-2000) with proposed funding of 960 million Swiss Francs.

Although the Swiss Agency for Development Co-operation (SDC) has traditionally operated in rural areas, it has become more active in recent years in urban areas, and expects to become increasingly so as the majority of the world's population will be living in cities in the next century. SDC gives emphasis to management problems in urban development, job creation in small and medium-sized enterprises, and helping the most disadvantaged, particularly women so that their rights of inheritance and property ownership are respected. The Federal Office of Foreign Economic Affairs (FOFEA) promotes industrial development and is introducing incentive measures to encourage private enterprise to invest in certain developing countries, in particular the transfer of environmental technology.

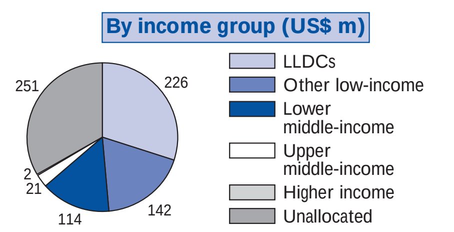
Swiss ODA declined 1 per cent in real terms in 1996 although the ODA/GNP ratio remained the same at 0.34 per cent.

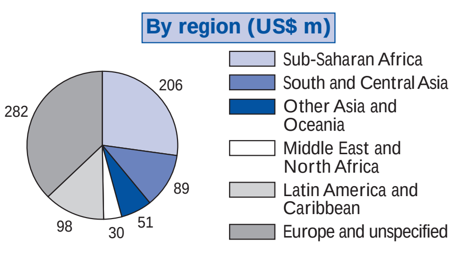
SWITZERLAND

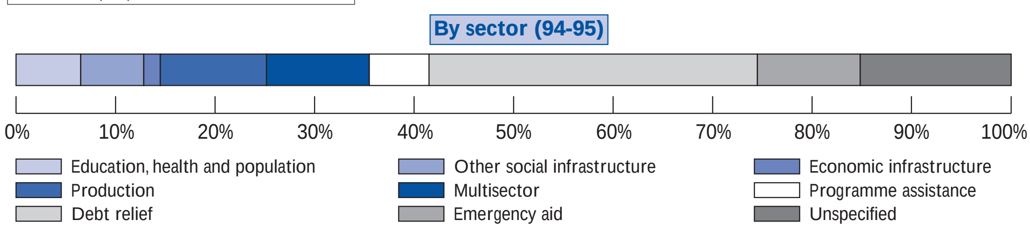
Gross bilateral ODA, 1995-96 average, unless otherwise shown

Net ODA	1995	1996	Change 1996/95
Current (US$ m)	1 084	1 026	-5.3%
Constant (1995 US$ m)	1 084	1 072	-1.1%
In Swiss Francs (million)	1 281	1 269	-1.0%
ODA/GNP	0.34%	0.34%	
Bilateral share	72%	70%	
Net Official Aid (OA)			
Current (US$ m)	102	97	-4.5%

Top ten recipients	(US$ m)
1 Mozambique	27
2 India	24
3 Bolivia	20
4 Rwanda	18
5 Bosnia and Herzegovina	18
6 Tanzania	17
7 Nepal	15
8 Madagascar	15
9 Nicaragua	15
10 Russia (OA)	15







Source: OECD.

Box V-1. DAC Peer Review of Switzerland, 4 November 1996

In March 1994, the Federal Council provided a blueprint for Switzerland's development co-operation policies in North-South Guidelines, which provide a comprehensive policy outline based on four themes: safeguarding and promoting peace and security; commitment to human rights, democracy and the rule of law; promotion of general prosperity, promoting welfare, and social justice (notably relating to women); and protecting the natural environment.

Two federal offices are responsible for the planning and implementation of the Swiss ODA programme: the Swiss Agency for Development and Co-operation (SDC) in the Federal Department of Foreign Affairs, and the Federal Office of Foreign Economic Affairs (FOFEA) in the Federal Department of Public Economy. While these agencies collaborate extensively, the DAC saw a need to deal more explicitly with areas of overlap in the context of the general review of government efficiency. Switzerland also should move faster to attain its own aid volume target of 0.4 per cent of GNP.

While sharing the principles of the DAC Strategy, Switzerland is pursuing reflection on its implementation, suggesting a partnership approach in specific sectors in the field and a tighter aid co-ordination framework both in the field and on policy levels.

The DAC found that Switzerland has a well-functioning system for defining and approving policies and funding for development co-operation, through a budget process by which a series of Framework Credits are voted by the Federal Assembly. These Framework Credits, covering different policy areas such as technical and financial co-operation, economic and trade policy measures, Bretton Woods Institutions and so on, provide a firm basis on which the development co-operation administration can carry out plans over several years. This allows sound development programming.

The strong intellectual leadership and high quality of staff in both the SDC and FOFEA was noted by the DAC. The active community of non-governmental organisations in Switzerland also makes an important contribution. Since public opinion has a powerful voice in the form of popular referenda in Switzerland, it is important that the policies and programmes of Swiss aid continue to maintain a high public reputation.

The objective of Swiss aid is poverty alleviation. The full participation of local people in all project phases is a basic principle followed by SDC over many years and aid management techniques, including participatory monitoring, have been developed to a high level. The Committee commended the emphasis in Swiss aid on local participation and ownership, closely reflecting the DAC 21st Century Strategy. The SDC also employs a systematic form of "potential-oriented" strategic control which ensures that programme objectives are continually reviewed in a forward-looking perspective.

The FOFEA principally supports economic and trade reform and related capacity building, again with a strong innovative and forward-looking approach. A recent example was its role, with Sweden, in promoting an in-depth discussion of the case for alleviating the burden of multilateral debt on the poorest countries, which helped to generate the path-breaking HIPC Initiative under World Bank/IMF auspices. Currently, Switzerland is pioneering approaches to trade-capacity building in a partnership with Viet Nam, and is helping to promote best practices in this area through the WTO/UNCTAD/ILO.

FRANCE

The reforms of the system and management of French co-operation with developing countries which had been started by the previous government, are being pursued, taking into account also the goals of the DAC Strategy: *Shaping the 21st Century: The Contribution of Development Co-operation.* The new government has appointed a State Secretary in the Ministry of Foreign Affairs with responsibility for development co-operation in order to maintain a close link between aid policy and foreign policy in general, in the context of a wide-ranging reappraisal of priorities and relationships, including with Africa.

France has played an active part in discussing and preparing the DAC Strategy and is working to comply with it. This implies a continuous process of adjustment of aid policies and procedures. The recent establishment of a contractual basis for relations between France and its partners in development is an example. This will require the introduction of important changes in aid management, such as establishing a genuine partnership with aid recipients, including civil society; preparing and implementing a coherent approach to poverty alleviation; and strengthening aid-effectiveness, largely through systematic evaluation and efficient feedback. For France, the basic premise of the partnership principle expressed in the Strategy is involving developing countries in the aid management and co-ordination process with a focus on the functioning of the system as a whole and with donors agreeing to change aid practice through harmonization and simplification.

ODA volume fell considerably in 1996, in absolute terms, leaving France in fourth place after Japan, the United States and Germany (see also Section 2 of this Chapter).

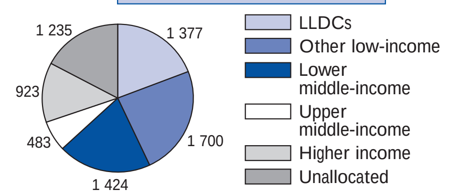
FRANCE

Gross bilateral ODA, 1995-96 average, unless otherwise shown

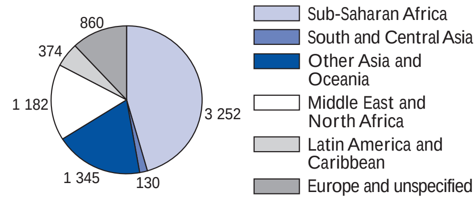
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	8 443	7 451	-11.8%
Constant (1995 US$ m)	8 443	7 510	-11.1%
In French Francs (million)	42 139	38 119	-9.5%
ODA/GNP	0.55%	0.48%	
Bilateral share	76%	77%	
Net Official Aid (OA)			
Current (US$ m)	770	709	-7.9%

Top ten recipients	(US$ m)
1 Côte d'Ivoire	569
2 French Polynesia	458
3 New Caledonia	436
4 Egypt	403
5 Cameroon	307
6 Morocco	305
7 Senegal	259
8 Algeria	214
9 Congo	190
10 Gabon	175

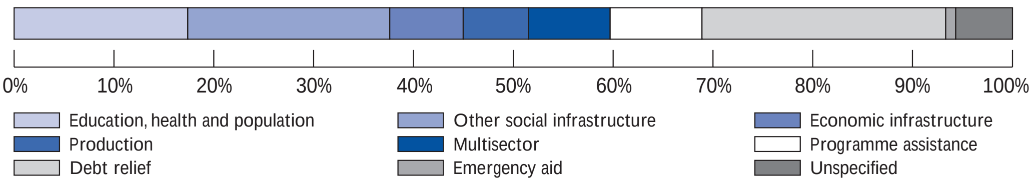
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

Box V-2. DAC Peer Review of France, March 1997

Since the previous review of France by the Development Assistance Committee (DAC) in March 1994, substantial changes have been made in the management of French aid, such as establishing closer links between the Ministry for Co-operation and the Ministry for Foreign Affairs and extending the mandate of the Minister with responsibility for Co-operation to cover all the African, Caribbean and Pacific (ACP) countries and South Africa. To adapt the French aid system to present conditions and needs requires substantial efforts to make the system more coherent and transparent, and to make aid instruments less complex. More specialist personnel are needed in key sectors, and the shift towards a partnership approach with recipient countries has to be sustained. While new systems of *ex post* evaluation of French bilateral assistance have been introduced and existing ones reformed, some aid services have little experience of evaluating the effectiveness and impact of aid, and systematic feedback procedures (applying evaluation findings to new aid programmes) are not always in use.

The DAC noted positively a number of strong points in France's policy and programme of development assistance:

- The determination, at the highest political level, to pursue the reform and the improvement of the French aid system in terms of simplicity, clarity, transparency and effectiveness. Efforts to maintain the French aid volume well above the DAC average and to reduce the debt burden on French aid recipients.

- A focus of bilateral aid on poor countries, with a significant share of the volume going to education and health care. In these sectors, the DAC noted an increasing shift away from aid based on substitution towards a partnership approach, placing donor-recipient relations on a contractual basis.

- Personnel in the various services display a high level of administrative skills, notably with regard to aid for Africa. Rooted in strong personal and moral commitment, this positive attitude in government could be usefully turned to implementing the current reforms, many of which call for sweeping changes in each service's traditional working methods.

The DAC also identified areas in the bilateral assistance programme, where policies and procedures need improvement, for example by:

- more clearly linking France's overarching policy for development assistance with the various operational programmes;

- adopting an ambitious strategy of assistance in the social sectors, especially relating to gender equality, family planning, education and health care;

- working out a specific strategy for the struggle against poverty and, more generally, putting in place medium-term country programmes for a larger number of recipients;

- solidifying a genuine partnership with every country receiving French aid. Beyond the new contractual approach, there should be a deeper policy dialogue to enable developing countries to participate fully in the selection and implementation of French-funded programmes.

PORTUGAL

Portugal's development co-operation programme is closely linked to its history, language and culture. It is almost exclusively concentrated on the Portuguese-speaking countries in Africa (PALOPs) – Angola, Cape Verde, Guinea-Bissau, Mozambique, and Sao Tome and Principe. Aid policy emphasizes strengthening private sector development and governance systems in the PALOPs. A large part of Portuguese aid consists of debt relief. Large annual fluctuations of the amount of debt relief have major repercussions for the volume of aid. Official development assistance declined from $258 million in 1995 to $218 million in 1996, a decline of 17 per cent in real terms. As a share of GNP ODA fell from 0.25 per cent to 0.21 per cent.

Portugal is beginning to diversify its aid effort somewhat beyond its former colonies, but helping these five countries evolve into well-functioning states remains a fundamental foreign policy objective. The development challenges are particularly formidable in Mozambique and Angola, where the question is how to consolidate the new governments formed under the peace process so that the difficult tasks of reconstruction and political and economic development can get underway.

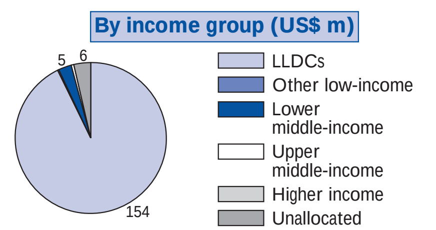
Portugal is undertaking the translation of the DAC *Shaping the 21st Century: The Contribution of Development Co-operation* into Portuguese and intends to hold discussions focused on it with recipient countries. This should lead to an expansion of aid programmes. Portugal still lacks an overall strategy with a medium-term approach, greater transparency and more detailed aid programming.

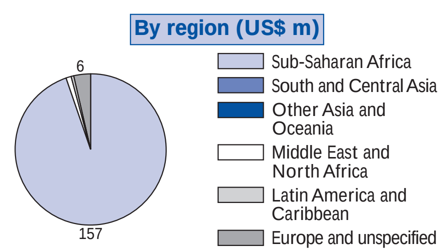
PORTUGAL

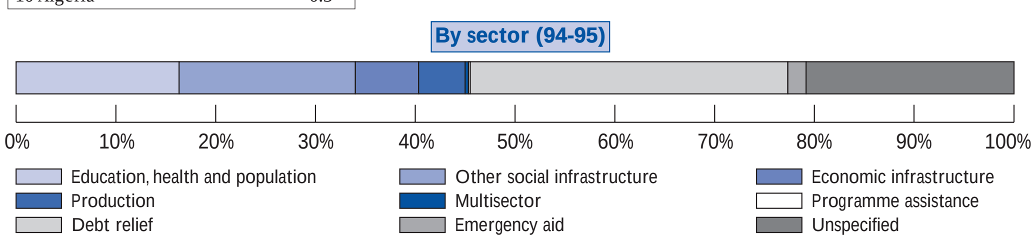
Gross bilateral ODA, 1995-96 average, unless otherwise shown

Net ODA	1995	1996	Change 1996/95
Current (US$ m)	258	218	-15.4%
Constant (1995 US$ m)	258	215	-16.6%
In Escudos (million)	36 611	33 608	-13.0%
ODA/GNP	0.25%	0.21%	
Bilateral share	64%	72%	
Net Official Aid (OA)			
Current (US$ m)	22	18	-17.3%

Top ten recipients	(US$ m)
1 Mozambique	59
2 Sao Tome and Principe	30
3 Angola	29
4 Guinea-Bissau	22
5 Cape Verde	14
6 Namibia	2
7 Egypt	1
8 Turkey	1
9 Brazil	0.4
10 Algeria	0.3







Source: OECD.

Box V-3. DAC Peer Review of Portugal, 3 June 1997

Some fundamental challenges of organisation and professional capacities in the Portuguese aid system need to be addressed. The effectiveness and efficiency of the aid programme is impaired by the dispersion of the programme over many ministries and other public bodies, insufficient co-ordination among the different implementing bodies, the absence of a central aid budget, of well-staffed field offices, and of monitoring and evaluation systems and capacities. The Interministerial Committee for Co-operation was reformed in 1994 to improve co-ordination. It has agreed on the preparation of a consolidated aid budget, but will need to follow through with regular meetings focusing on the composition and quality of the overall programme. The planning of bilateral assistance for its priority countries is done through joint commissions set up for each of the PALOPs which meet every two to three years. However, this planning is so far of a rather general nature and does not include precise indications concerning the financial and human resources to be made available or the results to be obtained. There is a need to promote an overall strategic approach with a medium-term programme and the use of systematic aid management tools by all ministries involved, including regular and independent evaluations. The Institute for Portuguese Co-operation, located in the Foreign Ministry, was established in 1994 to promote the initial co-ordination process but does not yet have the professional skills nor the programming responsibilities and instruments to carry out this job. It is responsible itself for only a small share of total official development assistance. Starting regular and independent evaluations are important tasks for the aid administration.

Debt relief amounted to between one quarter and one half of reported ODA during the period 1990 to 1996, totalling over $600 million, largely accounted for by the refinancing as official concessional loans of private sector loans to the PALOPs made during the 1980s. While there remains an outstanding stock of such debt that will be treated in the context of the HIPC Initiative, the amounts involved are significantly less than the past debt relief. Since Portugal is aiming to maintain its aid at 0.36 per cent of GNP, this creates both the room and the need to expand other parts of the aid programme. The Portuguese authorities are currently considering a new mixed credits facility. However, this is a problematic form of development co-operation. Meanwhile, Portugal's partner countries have vast needs in the areas of basic education and health where Portugal's programme is weaker. Without stronger sectoral strategies and greater consideration of poverty and gender issues, the Portuguese ministries and universities who are the main implementing agents for these activities are unlikely to be able to provide programmes adapted to the wider development needs of the population in the partner countries. Portugal has a unique opportunity to support the literacy and primary education objectives in Lusuphone Africa, and thereby to advance the aims and the partnership approaches of the DAC's strategy for shaping the 21st Century.

Technical assistance has always accounted for the bulk of bilateral grants, between one quarter and one third of total ODA. It mainly concerns scholarships for African students to attend secondary and higher education in Portugal. The number of scholarship-holders has increased over the years, and reached 1 204 in 1995 for secondary and university education. In addition, 3 070 scholarships were awarded for professional training.

An important share of technical assistance is directed towards programmes to support the private sector. This support, which is provided through the Fund for Economic Co-operation, mainly finances feasibility studies and training activities. It also provides interest subsidies for investment projects, although this component is so far relatively small.

The aid programme enjoys broad support from all political parties. No public opinion polls concerning the attitude of the population towards development co-operation have been carried out in recent years, but it is believed that there is wide public support for aiding the PALOPs. On the other hand, the NGOs in Portugal are fairly weak, both administratively and financially. Few NGOs are in a position to undertake significant roles in aid implementation. They receive very little public funding and their own fund-raising capacities are so far quite limited. The Government is introducing procedures governing the application by NGOs for public funds which should significantly facilitate the co-operation between the government and NGOs in future years.

In summary, a major strengthening of both the organisation and the content of the Portuguese aid programme is called for.

BELGIUM

Problems and weaknesses have beset the aid programme and eroded public confidence in Belgian aid activities over the past two years. The government has been working hard on an overall reform of its aid policies and programme.

New policy orientations were presented to a parliamentary commission in October 1996. The aid administration was entirely reorganised in March 1997. An independent implementing agency in the form of a public corporation is to be established by legislation before the end of the year. Despite the government's strong commitment to reverse the declining trend of its aid volume, this may be difficult to achieve given the weak spending capacity of the Belgian aid agency. Some positive steps were taken with respect to policy coherence, but further progress is needed to bring the State-to-State loans and interest subsidies in line with Belgian aid policies, in particular as far as sectoral and geographical considera-tions are concerned. While the grant aid programme is to be unilaterally untied, this does not yet apply to the loan programme administered by the Finance Ministry.

The volume of Belgian aid decreased by 9 per cent in 1996 in real terms, to $913 million, or 0.34 per cent of GNP. In 1995 the government had committed itself to reverse this trend and to reach the intermediary target of 0.5 per cent of GNP for its aid by the end of the present legislature, i.e. 1999 at the latest. Given the weak spending capacity of AGCD, which had to return more than 2 billion BF to the central budget over the past few years, and the budgetary constraints of the government, this target is, however, unlikely to be reached.

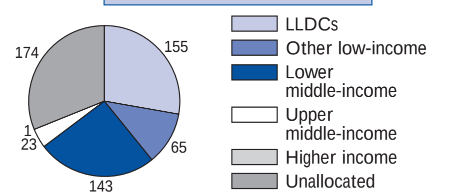
BELGIUM

Gross bilateral ODA, 1995-96 average, unless otherwise shown

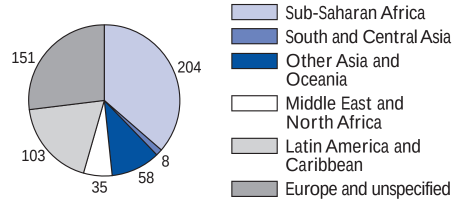
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	1 034	913	-11.7%
Constant (1995 US$ m)	1 034	943	-8.7%
In Belgian Francs (million)	30 498	28 289	-7.2%
ODA/GNP	0.38%	0.34%	
Bilateral share	50%	58%	
Net Official Aid (OA)			
Current (US$ m)	89	70	-22.0%

Top ten recipients	(US$ m)
1 Bolivia	53
2 Congo, Dem. Rep.	26
3 Rwanda	23
4 Viet Nam	13
5 Tanzania	13
6 China	11
7 Indonesia	10
8 Ecuador	9
9 Senegal	9
10 Algeria	9

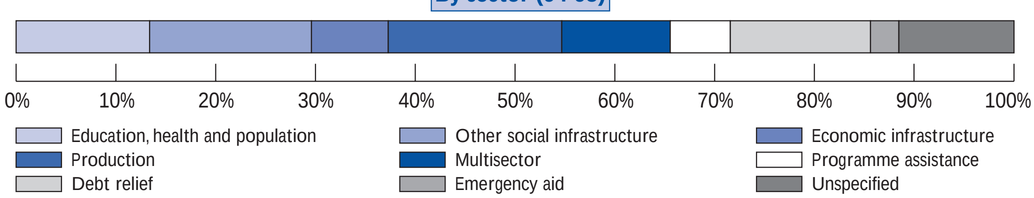
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

Box V-4. DAC Peer Review of Belgium, 17 September 1997

The DAC aid review focused on the new strategies and structures emerging from the Government's reform and reorganisation of Belgian aid.

The new strategy document "Showing our colours – Plan for the future of Belgian development co-operation" was presented to Parliament in October 1996, putting strong emphasis on sustainable people-centred development and the partnership concept. The strategy is likely to be approved by the Council of Ministers by the end of 1997. It is consistent with the goals of the DAC strategy for the 21st Century and other DAC recommendations. It was accompanied by the publication of strategic sectoral notes prepared by the Belgian aid agency, together with action plans concerning health, gender equality, and agriculture and food security. Similar notes on education, conflict prevention and peace, and micro-economic development are currently being prepared as well as a new private sector development programme.

In response to criticism the government committed itself in 1996 to radically reform Belgian development co-operation. As a first step the General Administration for Development Co-operation (AGCD), which is responsible for about 60 per cent of total aid, was restructured in March 1997. The second more radical step should take place before the end of 1997. It consists of the establishment of an independent implementing corporation in charge of the bilateral technical co-operation programme directly managed by AGCD. Policy departments and the internal and external audit services will eventually come under the Foreign Affairs Ministry. Simultaneously with the restructuring of AGCD, new regulations came into force in early 1997, regarding the delegation of authority between the State Secretary and his cabinet and the aid administration on the one hand, and within the aid administration on the other. More decision-making power has been delegated to the directors and the heads of units as well as to the local representations, in order to speed up the execution of the aid programme and eliminate bottlenecks.

The reform package was well received by DAC Members. At the same time the DAC was concerned that no progress had been made on the question of more and better qualified staff since the last peer review of Belgium in 1994.

Traditionally public opinion in Belgium has not been very interested in development co-operation matters. Cases of misuse of aid money published in the press in 1995/96 and the capsizing of a Belgian-financed ship in Tanzania in 1996 gave rise to a serious crisis of public confidence in the objectives and the efficiency of Belgian aid activities. Paradoxically, however, these events acted to raise the level of interest in Parliament, which set up a Commission in late 1995 to investigate the above-mentioned events and make recommendations for the future of the Belgian aid programme.

The DAC noted the unilateral decision of Belgium to untie its grant aid programme administered by AGCD, and acknowledged the efforts undertaken by the government with respect to greater aid coherence. More, however, needs to be done to bring State-to-State loans and interest subsidies, which come under the responsibility of the Ministry of Finance and the Ministry of Foreign Trade, in line with the new orientations of Belgian development co-operation policies. A more active policy with respect to aid evaluations and the feedback of evaluation results into ongoing programmes was also called for in order to make Belgian aid more efficient and transparent.

The Committee welcomed Belgium's efforts to concentrate its aid on a smaller number of sectors and of recipient countries, and to base future development co-operation activities on a real partnership. It encouraged the Belgian government to proceed with the elaboration of country strategies for the priority countries of Belgian aid.

A new law concerning the relations between non-governmental organisations and the Belgian government has come into force in 1997. It takes into account the increasingly important and innovative role played by NGOs in recent years which have benefited from large amounts of co-financing from the government. In exchange for particularly generous co-financing rules, NGOs are encouraged to co-operate more closely, to become more professional and to put greater emphasis on evaluations.

NETHERLANDS

The Netherlands authorities have embarked upon an ambitious reform of the Dutch aid system, with the aim of integrating aid policy with foreign policy and achieving a high degree of policy coherence across the range of public policy. This includes the integration of bilateral aid management with the formulation and conduct of bilateral relations with developing partner countries.

The structure of Dutch aid has been reoriented to balance the emphasis on medium-term country or regional programming, with the pursuit of broad themes aimed at more effective poverty reduction. Dutch embassies in developing countries are now responsible for designing and managing Dutch-financed development programmes and for conducting the policy dialogue with local actors. Based on the overall policy framework for Dutch development co-operation and the medium-term country or regional programme, the embassies identify and propose to headquarters an annual plan comprising the activities and their budgets to be financed by Dutch aid. The authority for approval rests with the Director General for International Co-operation.

In 1996 the Netherlands' aid volume rose by 4 per cent (in real terms), reaching $3.2 billion, which corresponds to 0.81 per cent of GNP, the same as in 1995 (see also Section 3 of this Chapter).

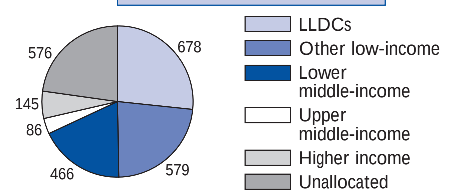
NETHERLANDS

Gross bilateral ODA, 1995-96 average, unless otherwise shown

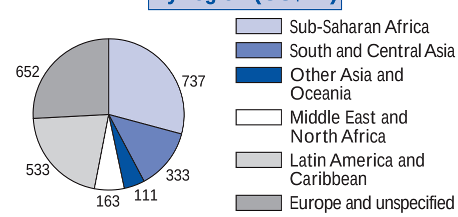
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	3 226	3 246	0.6%
Constant (1995 US$ m)	3 226	3 366	4.3%
In Guilders (million)	5 178	5 474	5.7%
ODA/GNP	0.81%	0.81%	
Bilateral share	70%	70%	
Net Official Aid (OA)			
Current (US$ m)	305	13	-95.7%

Top ten recipients	(US$ m)
1 India	127
2 Netherlands Antilles	113
3 Bosnia and Herzegovina	83
4 Suriname	79
5 Tanzania	77
6 Bangladesh	63
7 Bolivia	57
8 Zimbabwe	51
9 Mozambique	50
10 Ethiopia	50

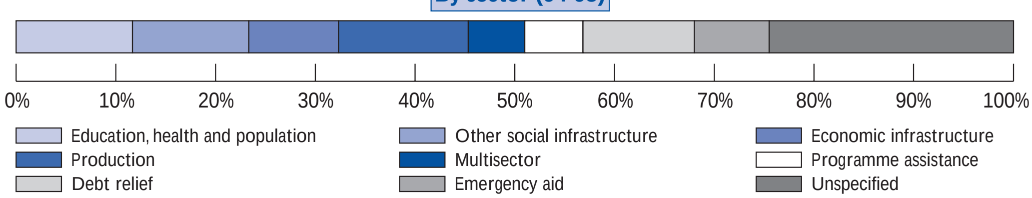
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

Box V-5. DAC Peer Review of the Netherlands, 1 October 1997

The Netherlands is traditionally a strong performer in the community of aid donors. It has been among the leading donors in volume of ODA and the care with which it has been used, as well as in continuous efforts for increased effectiveness. Major changes are being made with a view to centring Dutch aid on promoting the eradication of poverty and the economic self-reliance of partner countries. The Dutch Government is undertaking a significant restructuring of the administration of aid and other elements of foreign policy, including the delegation of more management responsibility from headquarters to embassies.

The DAC peer review focused on the ambitious, even daring, reorganisation of Dutch development co-operation undertaken starting in 1996. This far-reaching reorganisation affects the budget process and staffing of the Ministry of Foreign Affairs and Dutch embassies in recipient countries. A greater degree of delegation of management responsibility is given from headquarters to embassies in the field, which are now the main partners for policy dialogue with recipient country authorities and civil societies. This includes dialogue on general policy issues, good governance and human rights. Annual government-to-government negotiations have been discontinued and Embassies have been made responsible for managing aid programmes.

The ODA of the Netherlands will focus on eight main policy themes (for which the approximate allocations of the 1997 aid budget are indicated in percentages): economy and employment (5 per cent); agriculture and regional development (8 per cent); environment (6 per cent); social development (21 per cent); education, research and culture (7 per cent); human rights, conflict prevention, democratisation and good governance (2 per cent); humanitarian aid (8 per cent); and macro-economic support and debt relief (5 per cent). These themes cover about 62 per cent of the budget, with Suriname, Netherlands Antilles and Aruba (6 per cent), multilateral programmes (22 per cent) and other programmes (10 per cent) covering the remainder. The Directorate General for International Co-operation (DGIS) formulates policy for most of these themes, although units in other DGs of the Ministry are also involved. There is strong support by the Dutch Parliament for promoting respect for human rights. The Netherlands has stopped assistance to countries where democratic institutions have been swept away by a coup and special programmes are in place to assist with establishing conditions for good governance, essentially for countries in difficulty.

The Dutch authorities regularly assess the results of their aid, both at the project (or programme) and at the policy level (aid for individual countries or sectors). The first type are so-called “decentralised” evaluations of which about 200 have been carried out annually by the operational departments of the Ministry of Foreign Affairs. With delegation of aid management responsibilities to field posts, they are now also to be responsible, and accountable, for end-of-project evaluations.

Partly resulting from the reorientation of foreign and aid policies, some financial bottlenecks emerged in the Dutch aid system in early 1997. Embassies, which were not yet familiar with their new responsibilities under the new structure, may have submitted more proposals than could realistically be financed and implemented. Adjustments have now been made in this model of decentralisation. with a reduction in the number of thematic funds and the responsibility for budget approvals placed directly and exclusively in the hand of the Director General of DGIS.

To sustain Netherlands’s ODA performance, the present Dutch coalition Government has felt the need to set clearer targets for the Ministry of Foreign Affairs budgeting procedures, both ODA and non-ODA. As of 1997, all expenditures relevant to foreign policy are united in the so-called Homogeneous Group for International Co-operation (HGIS), amounting to 1.1 per cent of GNP with 0.8 per cent of GNP reserved for net ODA expenditures. For the first time, these budget assurances have been enshrined in a formal coalition agreement. The Minister for Development Co-operation is exclusively responsible for allocating the ODA budget.

UNITED KINGDOM

The British Labour Government, elected in May 1997, immediately created the Department for International Development (DFID). The Department is headed by a Secretary of State within the Cabinet and also has a Parliamentary Under Secretary of State. The Government is committed to key international development targets, including the halving of the proportion of people living in extreme poverty by 2015.

DFID has a wider remit than that of its predecessor, the Overseas Development Administration. Its aim is the elimination of poverty and in addition to managing the United Kingdom aid programme, DFID acts as an advocate for development, working to ensure there is greater coherence of policies on issues affecting developing countries. A major initial task of DFID has been to conduct a Comprehensive Spending Review looking at all budget expenditures to ensure resources are targeted at meeting the new Government's policy objectives.

In 1996 British ODA dropped by 2 per cent in real terms. The ODA/GNP ratio dropped from 0.29 per cent in 1995 to 0.27 per cent in 1996.

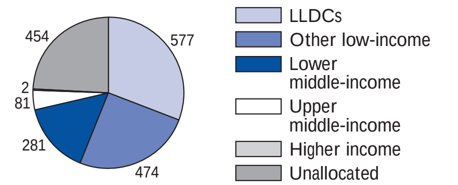
UNITED KINGDOM

Gross bilateral ODA, 1995-96 average, unless otherwise shown

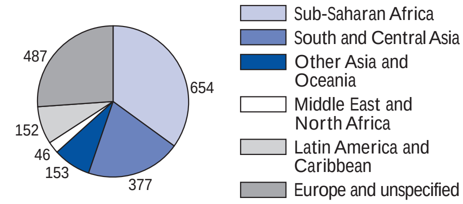
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	3 202	3 199	-0.1%
Constant (1995 US$ m)	3 202	3 146	-1.8%
In Pounds Sterling (million)	2 029	2 050	1.0%
ODA/GNP	0.29%	0.27%	
Bilateral share	54%	56%	
Net Official Aid (OA)			
Current (US$ m)	406	362	-10.8%

Top ten recipients	(US$ m)
1 India	174
2 Zambia	76
3 Bangladesh	75
4 Malawi	69
5 Uganda	69
6 Pakistan	60
7 Ex-Yugoslavia. Unspecified	54
8 Indonesia	54
9 China	52
10 Tanzania	49

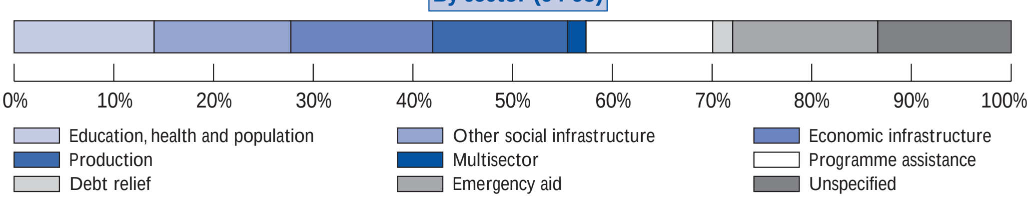
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

Box V-6. DAC Peer Review of the United Kingdom, 14 November 1997

The DAC aid review of the United Kingdom took place one week after the British Government issued its White Paper on International Development entitled *Eliminating World Poverty: A Challenge for the 21st Century.* In conjunction with issuance of the White Paper, British development co-operation policies are undergoing significant change. A wide-ranging consultation process, drawing in many parts of the United Kingdom government and civil society, has contributed to the articulation of the new policies.

Along with creation of the Department For International Development (DFID), headed by a Secretary of State within the Cabinet and a Parliamentary Under Secretary of State, and the issuance of the White Paper, a Comprehensive Spending Review of all budget expenditures is being carried out to ensure resources are targeted at the policy objectives of the White Paper. This review is expected to be completed by mid-1998. DFID has a much wider range of responsibilities than its predecessor, the Overseas Development Administration, notably in ensuring the coherence of all British policies affecting international development.

The DAC welcomed the United Kingdom's new policies, with their focus on poverty elimination and a proactive approach to international development. It viewed the creation of DFID, with its broader responsibilities, and the new emphasis on coherence, as promising steps. In focusing its efforts on the eradication of extreme poverty, DFID, like its DAC partners, will need to emphasize the shaping of its programmes and the testing of their outputs with respect to their impact on the poor. It could also further develop its already strong capacity to analyse and address poverty through a variety of approaches. In its interactions with recipient countries, it must make sure that the programmes meet their goals of helping the poor.

The policy of the new Government on the volume of ODA commits the United Kingdom to reversing the decline of the UK aid effort and reaffirms the UK's commitment to the long-term goal of 0.7 per cent of GNP. A re-expanding aid programme will require effective planning and preparation, which needs to begin at the earliest possible stage. A medium-term plan to move up in phases from the present 0.27 ODA/GNP ratio would buttress this re-expansion. The strong multidisciplinary skills and aid management approaches of DFID are well adapted to the White Paper goals, but the adequacy and quality of staffing of DFID will need to be watched closely if these assets are to be preserved and enhanced as aid volume expands.

The United Kingdom has been making a significant contribution to international debate on development policies and to the instigation of collective action, especially in the area of debt reduction. The new government's decision to maintain and broaden this effort on the international front was appreciated by the DAC.

The White Paper makes it clear that no new commitments will be entered into under the Aid and Trade Provision, which will be closed. The DAC recognised that the United Kingdom has *de facto* gone a long way in untying its aid. The DAC welcomed the decision to abolish the Aid and Trade Provision and to promote the use of local and regional resources in developing countries. British leadership in collective action towards the untying of aid would reflect the broader interest of all DAC Members in fostering well-functioning states and expanding markets in developing countries.

AUSTRALIA

After elections in March 1996, a new government was formed by a coalition of the Liberal and the National Party. There is no longer a Minister for Development Co-operation. The aid programme is now directed by the Minister for Foreign Affairs, assisted by a Parliamentary Secretary. At the beginning of his term, the Minister commissioned an independent review of Australia's overseas aid programme.

The report of the Review Committee was published in April 1997 with the title "*One Clear Objective: Poverty Reduction through Sustainable Development*". A large number of comments and recommendations in the Report correspond to the findings of the DAC Review of Australia in May 1996, concerning particularly aid objectives, assistance in the education sector and management issues. The Report also takes into account, implicitly, the goals of the DAC Strategy "*Shaping the 21st Century*", especially the fight against poverty and the need to strengthen partnership with aid recipients. The Australian government is considering the review and expects to announce its response soon.

Data on Australian aid flows have been revised since the compilation of the Statistical Annex. The latest data indicate that in 1996, Australia disbursed $1 074 million, and the ODA/GNP ratio declined from 0.36 per cent to 0.28 per cent. The updated figures appear in the table below, and will be reflected in the forthcoming edition of *Geographical Distribution of Financial Flows to Aid Recipients*, but they are not included elsewhere in this publication.

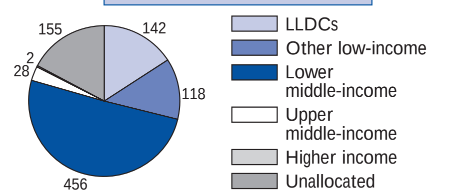
AUSTRALIA

Gross bilateral ODA, 1995-96 average, unless otherwise shown

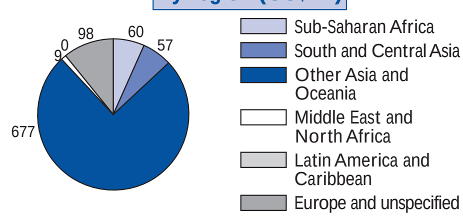
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	1 194	1 074	-10.0%
Constant (1995 US$ m)	1 194	997	-16.5%
In Australian Dollars (million)	1 612	1 372	-14.9%
ODA/GNP	0.36%	0.28%	
Bilateral share	78%	80%	
Net Official Aid (OA)			
Current (US$ m)	4	10	128.4%

Top ten recipients	(US$ m)
1 Papua New Guinea	242
2 Indonesia	97
3 Philippines	56
4 Viet Nam	44
5 China	39
6 Cambodia	27
7 Thailand	23
8 Bangladesh	16
9 Malaysia	15
10 India	15

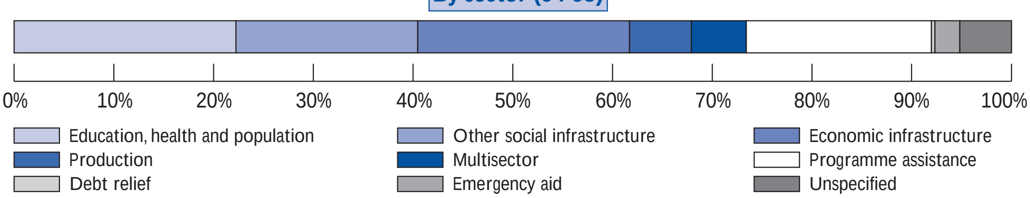
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

AUSTRIA

Austria's development co-operation policy is part of its efforts to enhance security and stability in the world. A large but declining share of its aid is extended to support refugees in Austria. Debt relief - so far very small – is likely to increase following the conclusion of debt relief agreements with thirteen countries. Austria's official development assistance declined from $767 million in 1995 to $557 million in 1996, a fall of 25 per cent in real terms. As a share of GNP, ODA declined from 0.33 per cent to 0.24 per cent.

Austria is putting the new DAC strategy into practice by moving from a project to a programme approach, and in some instances to a country-sectoral approach. Efforts are being made to introduce greater coherence, targeting and cost effectiveness into the programme with emphasis on certain regions and sectors. A systematic discussion with the recipient countries concerning the implementation of the strategy has, however, not yet started. Austria's aid policy orientations are outlined in the rolling Three-Year Programme of Austrian development aid, which is updated annually. However, the programme applies only to a relatively small part of Austrian aid. NGOs occupy a special and important position in the aid programme since they initiate and implement a large share of bilateral grant financed projects – there being no official agency for the implementation of Austria's bilateral aid. The aid administration also uses NGO personnel for local aid co-ordination in several priority recipient countries. This approach is unique among DAC Members. Policy coherence is impaired by the distribution of the aid activities over several ministries.

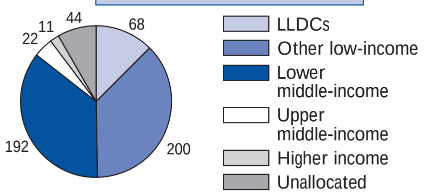
AUSTRIA

Gross bilateral ODA, 1995-96 average, unless otherwise shown

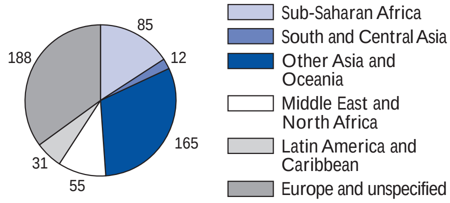
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	767	557	-27.4%
Constant (1995 US$ m)	767	574	-25.1%
In Schillings (million)	7 731	5 893	-23.8%
ODA/GNP	0.33%	0.24%	
Bilateral share	73%	74%	
Net Official Aid (OA)			
Current (US$ m)	313	226	-27.9%

Top ten recipients	(US$ m)
1 Poland (OA)	171
2 Bosnia and Herzegovina	102
3 Indonesia	84
4 China	53
5 Egypt	25
6 Uganda	16
7 Turkey	15
8 Thailand	14
9 Ghana	13
10 Czech Republic (OA)	12

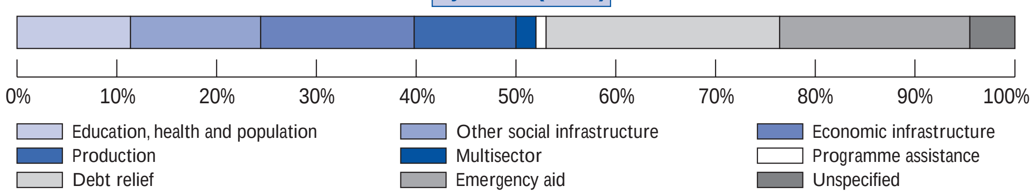
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

CANADA

The Canadian government's 1995 foreign policy statement, *Canada in the World,* includes a Renewal Plan for the Canadian International Development Agency (CIDA).

Phase II of CIDA's Renewal Plan, completed in 1996, has streamlined the Agency's structure and recentralised aid management. A results-based framework for assessment and management has been introduced. A new, one-step contracting process, open to both the not-for-profit and private sectors, is being implemented on a trial basis. It has increased the transparency, efficiency and speed of CIDA's contracting system.

The objectives of the DAC's 21st Century Strategy have been included in CIDA's budget appropriation documents, drawing on the Strategy in reviewing and monitoring its programme, and Canada's contribution to implementing the Strategy will be important for the DAC. CIDA continues to develop major policies and strategies, in consultation with Canadian and international partners, to ensure that the Canadian programme is in harmony with the priorities specified in *Canada in the World* and the goals and principles of the *Shaping the 21st Century* strategy. Recent examples include *CIDA's Policy on Meeting Basic Human Needs* and a *Strategy for Health.*

A continuing decrease of budget resources for aid is now beginning to call into question one of Canada's strong foreign policy roles. After a further steep decrease of 15 per cent (in real terms), Canada's net ODA volume has now fallen to 0.32 per cent of GNP (ranked 11th among DAC countries), after 0.38 per cent in 1995 - (see tables in Section 3 of this Chapter). This steep decrease can be partially explained by the fact that Canada's annual contribution to IDA fell outside the 1996 calendar year.

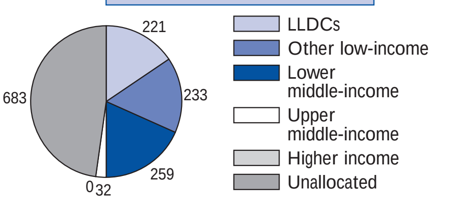
CANADA

Gross bilateral ODA, 1995-96 average, unless otherwise shown

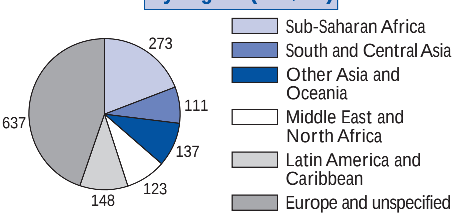
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	2 067	1 795	-13.1%
Constant (1995 US$ m)	2 067	1 761	-14.8%
In Canadian Dollars (million)	2 837	2 449	-13.7%
ODA/GNP	0.38%	0.32%	
Bilateral share	67%	76%	
Net Official Aid (OA)			
Current (US$ m)	250	181	-27.6%

Top ten recipients	(US$ m)
1 Poland (OA)	145
2 Egypt	90
3 China	46
4 Bangladesh	38
5 India	36
6 Peru	26
7 Ukraine (OA)	22
8 Ghana	22
9 Haiti	21
10 Côte d'Ivoire	21

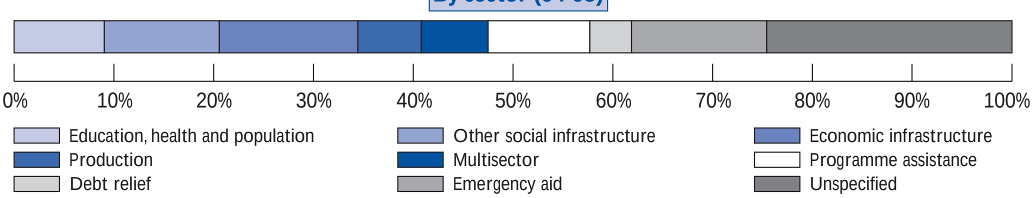
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

DENMARK

The new five-year plan (1996-2000) maintains broadly equal shares of the aid budget for multilateral and bilateral co-operation. Under the plan, bilateral assistance is to be concentrated on 20 countries (excluding ODA channelled through NGOs), with country strategies for each of them. This assistance is focused on institution-building, policy reform and selected sectors, such as agriculture, health, water and agriculture.

In 1996, two-thirds of Danish bilateral ODA was taken up by the 20 concentration countries, with just five of them receiving half of this amount (Tanzania, Uganda, Mozambique, Ghana and India). In 1995 and 1996, independent assessments of the effectiveness of Danish country programmes in combating poverty revealed that this goal, although clearly stated in the country strategies, has not had any significant impact on Danish aid operations.

UNDP remains the largest single recipient of Danish multilateral ODA (18 per cent in 1996), followed by IDA (16 per cent).

Denmark is one of the few DAC Members whose ODA disbursements increased in 1996: net disbursements rose by almost 11 per cent in real terms over the 1995 amounts, resulting in an ODA/GNP ratio of 1.04 per cent (after 0.96 per cent in 1995), the highest of all DAC Members.

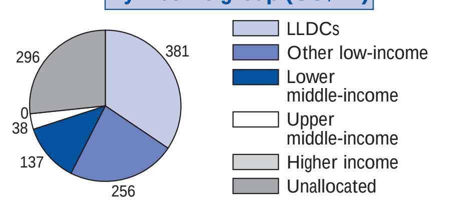
DENMARK

Gross bilateral ODA, 1995-96 average, unless otherwise shown

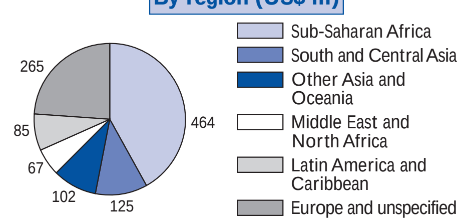
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	1 623	1 772	9.2%
Constant (1995 US$ m)	1 623	1 793	10.5%
In Danish Kroner (million)	9 093	10 277	13.0%
ODA/GNP	0.96%	1.04%	
Bilateral share	55%	60%	
Net Official Aid (OA)			
Current (US$ m)	152	120	-21.3%

Top ten recipients	(US$ m)
1 Tanzania	75
2 Uganda	64
3 Egypt	63
4 Zimbabwe	49
5 Mozambique	46
6 Ghana	39
7 Nicaragua	39
8 India	39
9 Bangladesh	35
10 South Africa	26

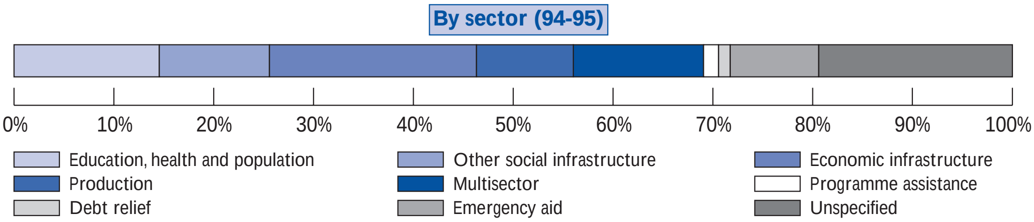
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

EUROPEAN COMMUNITY

The Member Countries of the European Union (EU) channelled 17 per cent of their ODA programmes through the European Commission (EC) development co-operation instruments in 1996. The Development Council places importance on improving operational co-ordination between the Community and Member States. The Commission has carried out a pilot exercise in operational co-ordination in six developing countries. New guidelines are being prepared by the Council in collaboration with the Commission so that co-ordination activities will be tailored to the specific situation in each developing country.

The Community is pledged to take account of its agreed development objectives in the full range of policies likely to affect developing countries. Work on improved coherence of EC's development co-operation with its other policies is also proceeding in accordance with a Council resolution, particularly in peace-building and conflict prevention, food security, fisheries and migration. Following a joint evaluation of Member States' and Community food aid, the Commission has restructured its food aid to make it more effective in support of food security. With humanitarian emergencies claiming about 15 per cent of the EC programme (some 700 million ECU annually), and in the wake of a Court of Auditors report, measures are being considered to strengthen cohesion and co-ordination, to improve independent evaluation (as recommended at the last DAC Aid Review in 1995), and to strengthen staff and field supervision.

The Lomé Convention IV is due to expire in February 2000. To stimulate discussion, the EC published in November 1996 a *Green Paper on relations between the European Union and the ACP countries on the eve of the 21st century*. Based on a policy document to be prepared in late 1997 on future relations with the ACP States, the Commission will submit a negotiating brief to the Development Council on post-Lomé negotiations due to start in November 1998.

EC net ODA rose by 3 per cent in real terms in 1996 to $5.5 billion, ranking fourth in the DAC in terms of volume of disbursements.

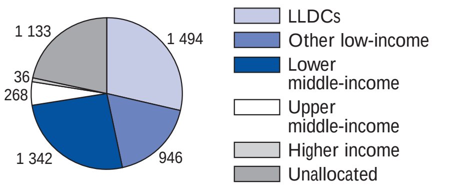
CEC

Gross bilateral ODA, 1995-96 average, unless otherwise shown

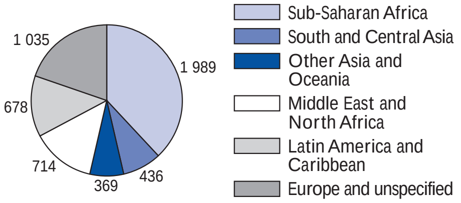
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	5 398	5 455	1.1%
Constant (1995 US$ m)	5 398	5 537	2.6%
In ECUs (million)	4 130	4 297	4.0%
ODA/GNP	n.a.	n.a.	
Bilateral share	n.a.	n.a.	
Net Official Aid (OA)			
Current (US$ m)	1 241	1 434	15.6%

Top ten recipients	(US$ m)
1 Poland (OA)	294
2 Morocco	162
3 Romania (OA)	153
4 Russia (OA)	142
5 Ex-Yugoslavia Unspecified	113
6 Bangladesh	112
7 Egypt	111
8 Bosnia and Herzegovina	108
9 Palestinian Adm. Areas	104
10 Hungary (OA)	103

By income group (US$ m)



By region (US$ m)



Source: OECD.

FINLAND

The Finnish Government's Decision-in-Principle of September 1996 updates Finland's Development Co-operation Strategy issued in 1993. According to this new policy Finland will have an ODA target of 0.4 per cent of GNP by the year 2000 while retaining a long-term commitment to attain the UN recommendation of 0.7 per cent.

Finland's development co-operation programme is back into a growth mode with new policies. Following the strategy of 1993, the new Decision-in-Principle details and clarifies the principles and means for Finnish development co-operation based on current strategic objectives and recent adjustments in international development policy. The goals of reducing widespread poverty, combating global environmental threats by assisting developing countries in solving their environmental problems, and promoting equality, democracy and human rights, remain the central pillars of Finnish development co-operation policy. These goals are also directly in support of the DAC 21st Century Strategy which was one of the bases for the Cabinet's Decision-in-Principle.

The Decision-in-Principle sets forth Finland's position on mixed credits, which it characterises as an unsound form of support, distorting free trade and competition. Finland will seek to put an end to mixed credits by agreement within the OECD and during a transition period will strive to decrease the share of mixed credits in the development co-operation budget and restrict them mainly to the transfer of environmental technology and the social sectors.

In 1996 Finland's net ODA grew 9 per cent in real terms to $408 million and its ODA/GNP ratio rose from 0.32 per cent in 1995 to 0.34 per cent in 1996.

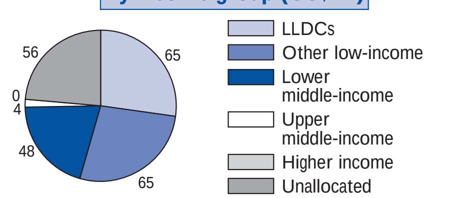
FINLAND

Gross bilateral ODA, 1995-96 average, unless otherwise shown

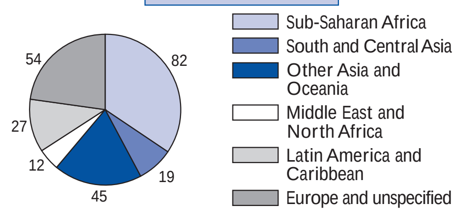
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	388	408	5.1%
Constant (1995 US$ m)	388	424	9.1%
In Markka (million)	1 696	1 874	10.5%
ODA/GNP	0.32%	0.34%	
Bilateral share	57%	53%	
Net Official Aid (OA)			
Current (US$ m)	76	57	-25.9%

Top ten recipients	(US$ m)
1 China	16
2 Russia (OA)	16
3 Peru	14
4 Zambia	12
5 Mozambique	11
6 Viet Nam	10
7 Tanzania	9
8 Zimbabwe	9
9 Estonia (OA)	9
10 Bosnia and Herzegovina	9

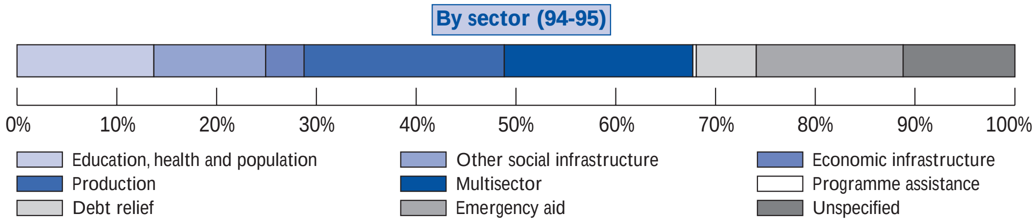
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

GERMANY

The German aid authorities have decided to support the concept of sector investment programmes (SIPs) developed by the World Bank. Germany is supporting the two main objectives of SIPs: strengthening "ownership" of recipient countries of their development efforts, and reducing gradually the provision of fragmented project assistance.

From 1997 onward, Germany – together with other donors – will co-finance SIPs in selected countries and sectors, provided the local authorities themselves have designed the programmes in consultation with the "stakeholders" (including NGOs). Another important initiative of German development co-operation is a pilot programme "Institutional development for managing the environment". This technical co-operation programme aims at changing the approach of donors and recipients towards protection of the environment from merely creating administrative structures to a pluralistic discussion of environmental problems with a view to balance private and public interests.

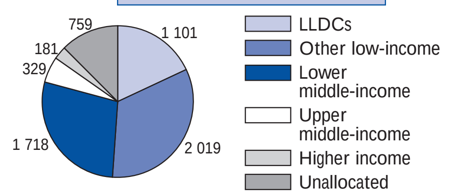
In 1996, Germany's ODA grew by 5 per cent in real terms to $7.6 billion, corresponding to 0.33 per cent of GNP (after 0.31 per cent the previous year).

GERMANY

Gross bilateral ODA, 1995-96 average, unless otherwise shown

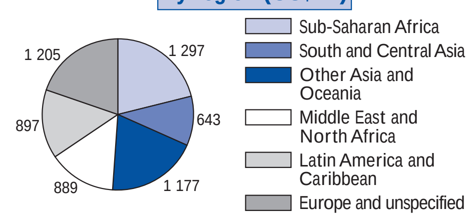
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	7 524	7 601	1.0%
Constant (1995 US$ m)	7 524	7 895	4.9%
In Deutschmarks (million)	10 787	11 437	6.0%
ODA/GNP	0.31%	0.33%	
Bilateral share	64%	60%	
Net Official Aid (OA)			
Current (US$ m)	4 514	1 329	-70.6%

By income group (US$ m)

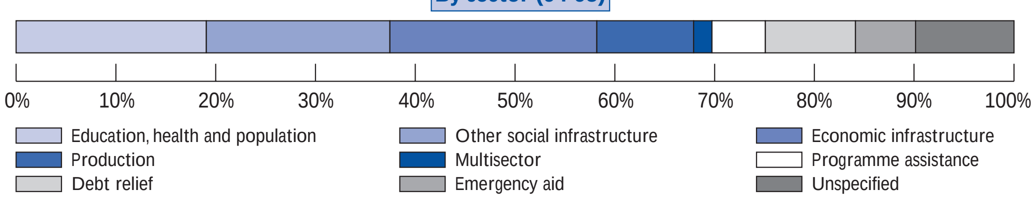


Top ten recipients	(US$ m)
1 Poland (OA)	1 387
2 Russai (OA)	731
3 China	618
4 Egypt	329
5 Nicaragua	289
6 India	279
7 Turkey	232
8 Bosnia and Herzegovina	188
9 Indonesia	183
10 Israel	135

By region (US$ m)



By sector (94-95)



Source: OECD.

IRELAND

Ireland's rapidly growing aid programme requires efforts to strengthen aid management and improve its efficiency. The first ever White Paper on Foreign Policy "Challenges and Opportunities Abroad", issued by the Department of Foreign Affairs in 1996, can provide a basis for these additional reforms.

With an expanding bilateral programme, it is important for Irish Aid to work out approaches for national-level programming and policy dialogue, replicating projects on a much wider scale and within the context of country programmes, while safeguarding the critical element of community ownership and ensuring that the projects are sustainable without the continued presence of Irish experts.

Irish aid is focused on six priority countries: Ethiopia, Lesotho, Mozambique, Tanzania, Uganda and Zambia, which receive about 40 per cent of bilateral ODA. About half of bilateral Irish ODA is technical co-operation.

In 1996, Irish net ODA reached $179 million, an increase of over 15 per cent (in real terms) over the 1995 figure. Ireland's ODA/GNP ratio improved further to 0.31 per cent (0.29 per cent in 1995).

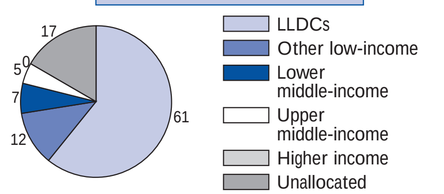
IRELAND

Gross bilateral ODA, 1995-96 average, unless other wise shown

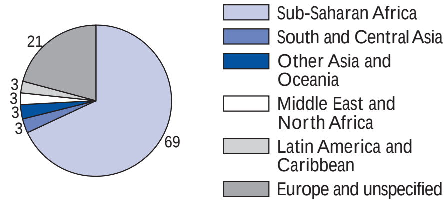
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	153	179	16.4%
Constant (1995 US$ m)	153	177	15.5%
In Irish Pounds (million)	96	112	16.6%
ODA/GNP	0.29%	0.31%	
Bilateral share	57%	64%	
Net Official Aid (OA)			
Current (US$ m)	21	1	-94.2%

Top ten recipients	(US$ m)
1 Ethiopia	11
2 Tanzania	9
3 Zambia	9
4 Lesotho	8
5 Rwanda	6
6 Uganda	5
7 South Africa	4
8 Bosnia and Herzegovina	3
9 Mozambique	2
10 Kenya	2

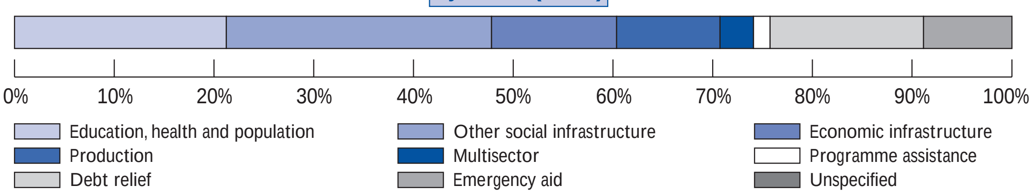
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

ITALY

Italy's development co-operation is strong in relief, rehabilitation and peace-building activities. Efforts to relieve suffering and assist the reconstitution of a multi-ethnic society are underway in Bosnia.

Major reforms of aid management are presently being implemented: country programmes are being developed for major recipients; project proposals subjected to rigorous expert appraisal; and competitive bidding introduced to improve transparency in procurement. Regions, municipalities and non-government organisations (NGOs) make a major contribution to Italy's overall aid effort. Their activities enhance the "people-to-people" aspect of Italian co-operation, and mechanisms have been established to ensure that they are well co-ordinated with the official programme.

The reforms already underway need to be backed up by additional measures, especially by reinforcing inter-departmental co-ordination, improving staffing levels and structure, and enhancing consultation with Italy's regions, municipalities and NGOs.

Italy's aid volume performance improved considerably in 1996: net ODA increased by 35 per cent in real terms to reach $2.4 billion. This amount corresponded to 0.20 per cent of GNP (after 0.15 per cent in 1995).

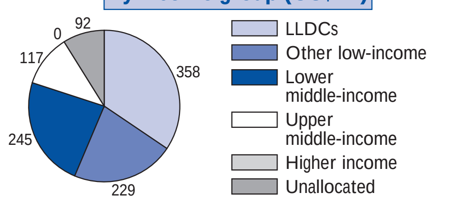
ITALY

Gross bilateral ODA, 1995-96 average, unless otherwise shown

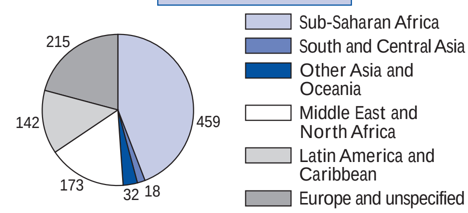
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	1 623	2 416	48.9%
Constant (1995 US$ m)	1 623	2 190	35.0%
In Lire (billion)	2 643	3 727	41.0%
ODA/GNP	0.15%	0.20%	
Bilateral share	50%	34%	
Net Official Aid (OA)			
Current (US$ m)	286	294	2.8%

Top ten recipients	(US$ m)
1 Mozambique	113
2 Ethiopia	100
3 Bosnia and Herzegovina	56
4 Morocco	52
5 Malta	38
6 Jordan	36
7 Argentina	32
8 Congo	25
9 Egypt	24
10 Algeria	22

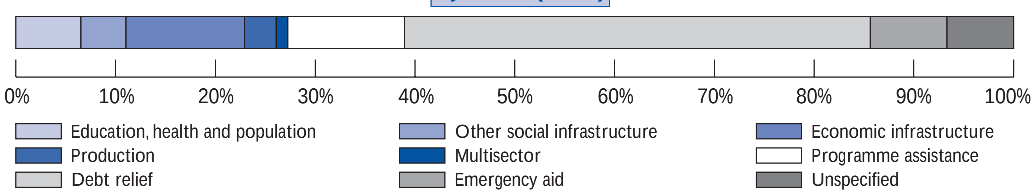
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

JAPAN

In June 1997 the Government announced that within the framework of fiscal reform the ODA budget will be reduced for each fiscal year during a three-year intensive reform period, beginning in 1998 with a cut in the budget ceiling of no less than 10 per cent.

This announcement constitutes an important change in the basic framework of Japan's ODA efforts. Under the current five-year medium-term target, now implicitly abandoned, Japan had aimed to disburse some $70-75 billion in the period 1993-97, implying annual disbursements in 1997 of more than $16 billion. This target already became out of reach by 1996 and in that year Japan's net ODA dropped 25 per cent in real terms to $9.4 billion, with the ODA/GNP ratio declining from 0.28 per cent in 1995 to 0.20 per cent in 1996. The 1996 fall already reflected some increase in budget stringency but mainly a temporary drop (of 65 per cent) in multilateral disbursements.

Japan's aid remains founded on the 1992 ODA Charter approved by the Cabinet (the "Four Principles" – environmental sustainability, political and economic liberalisation, avoidance of military uses of aid, and the reduction of conflict and military expenditures), and on the DAC's strategy document *Shaping the 21st Century* to which Japan was a particularly active contributor. Japan is leading efforts to create partnerships between donors and developing countries to implement the goals and aid management styles embodied in the strategy document. Japan's commitment to facilitating Asia-Africa co-operation will be carried forward in 1998 with a second Tokyo International Conference on African Development (TICAD I was held in 1993).

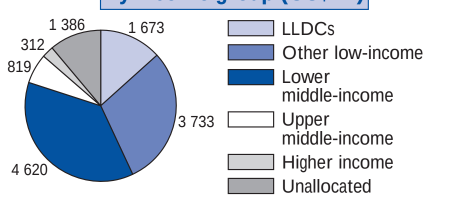
JAPAN

Gross bilateral ODA, 1995-96 average, unless other wise shown

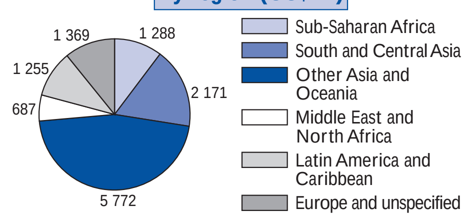
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	14 489	9 439	-34.9%
Constant (1995 US$ m)	14 489	10 914	-24.7%
In Yen (billion)	1 363	1 027	-24.7%
ODA/GNP	0.28%	0.20%	
Bilateral share	72%	87%	
Net Official Aid (OA)			
Current (US$ m)	250	184	-26.7%

Top ten recipients	(US$ m)
1 Indonesia	1 444
2 China	1 353
3 Thailand	884
4 Philippines	798
5 India	756
6 Pakistan	409
7 Bangladesh	366
8 Korea, Rep.	297
9 Sri Lanka	276
10 Mexico	273

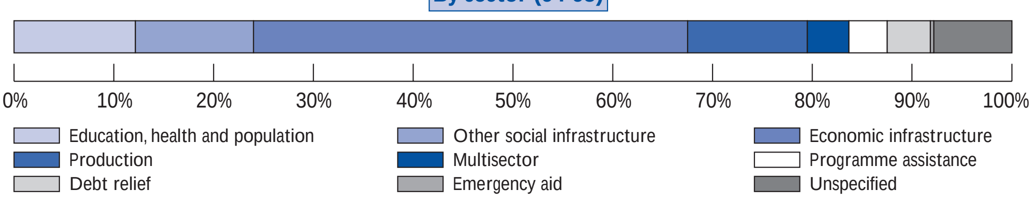
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

LUXEMBOURG

Luxembourg continued to expand its aid programme with a view to reaching the 0.7 per cent of GNP target for its net aid by the year 2000 and to strengthen its legal and administrative capacity. In order to increase the coherence of its aid activities an interministerial development co-operation committee was established, beginning its work in August 1996.

The priorities defined in Luxembourg's new development co-operation law, which entered into force in January 1996 correspond to a large extent to the orientations of the DAC's new strategy for the 21st Century and other recommendations of the DAC. They include social development, with particular emphasis on health, education and training, and gender equality, including reproductive health, the protection of the environment and the promotion of the private sector, in particular with respect to small and micro-enterprises. Emphasis is also laid on participatory development, democracy and human rights, development education and regional co-operation.

Three regulations, which had been under discussion for some time entered into force in 1996. The first one concerns the composition and the functioning of the interministerial development co-operation committee. The second determines the thresholds of co-financing with NGOs and the ceilings of block grants to NGOs, in the framework of the Fund for development co-operation, and the third is related to the status of technical assistance experts.

In 1996 Luxembourg's net ODA increased by 29 per cent in real terms, rising from $65 million in 1995 to $82 million. As a percentage of GNP net ODA disbursements reached 0.44 per cent in 1996 as compared to 0.36 per cent the year before, ranking Luxembourg sixth among DAC Members on this measure.

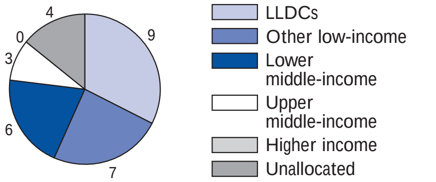
LUXEMBOURG

Net ODA	1995	1996	Change 1996/95
Current (US$ m)	65	82	25.7%
Constant (1995 US$ m)	65	85	29.1%
In Lux. Francs (million)	1 932	2 549	32.0%
ODA/GNP	0.36%	0.44%	
Bilateral share	66%	69%	
Net Official Aid (OA)			
Current (US$ m)	. .	2	. .

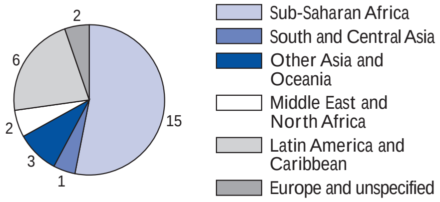
Top ten recipients	(US$ m)
1 Cape Verde	3.0
2 Nicaragua	1.6
3 Senegal	1.3
4 Viet Nam	1.3
5 Mauritius	1.2
6 Namibia	1.2
7 Tunisia	1.0
8 Rwanda	0.9
9 Chile	0.8
10 Congo, Dem. Rep.	0.8

Gross bilateral ODA, 1995-96 average, unless otherwise shown

By income group (US$ m)



By region (US$ m)



Source: OECD.

NEW ZEALAND

New Zealand's programme for official development assistance (NZODA) recognises that aid is a major instrument of foreign policy, helping to secure stability and harmony in the international community and in particular in the South Pacific region. A "Policy Framework for the New Zealand Official Development Assistance Programme" was approved in March 1996. It describes the rationale for the programme as the desire to contribute to peace, security and development, in short, as "an investment in a common future".

The quality of New Zealand's aid programme has improved in three major areas: aid management has been strengthened by the setting-up of a unit to assess the results of aid activities and to provide professional support for appraisal and design of projects; country programmes have been introduced, based on strategy papers and three-year rolling forward programming; and the policy base for development assistance has been broadened, through a series of policy statements and the development of a regional policy dialogue with recipients, notably in the South Pacific region. The 1996 policy framework stresses the primary responsibility of developing countries for their own development.

In 1996, New Zealand's ODA was down by 8 per cent in real terms from the 1995 volume, corresponding to 0.21 per cent of New Zealand's GNP after 0.23 in 1995. The decline on a calendar-year basis is due to low bilateral expenditure during the first six months of the New Zealand fiscal year and the timing of the lodgement of IFI promissory notes. Judged in New Zealand fiscal years, NZODA appropriations continue to grow in real terms and in the 1996-97 fiscal year amounted to 0.24 per cent of GNP.

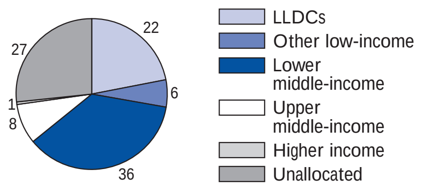
NEW ZEALAND

Net ODA	1995	1996	Change 1996/95
Current (US$ m)	123	122	-1.1%
Constant (1995 US$ m)	123	114	-7.6%
In NZL Dollars (million)	188	177	-5.7%
ODA/GNP	0.23%	0.21%	
Bilateral share	79%	84%	
Net Official Aid (OA)			
Current (US$ m)	. .	0.01	. .

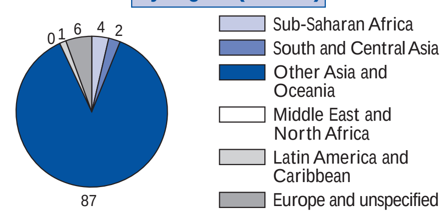
Top ten recipients	(US$ m)
1 Cook Islands	7
2 Fiji	7
3 Niue	7
4 Samoa	7
5 Papua New Guinea	5
6 Tonga	5
7 Solomon Islands	4
8 Tokelau	4
9 Vanuatu	4
10 Indonesia	3

Gross bilateral ODA, 1995-96 average, unless otherwise shown

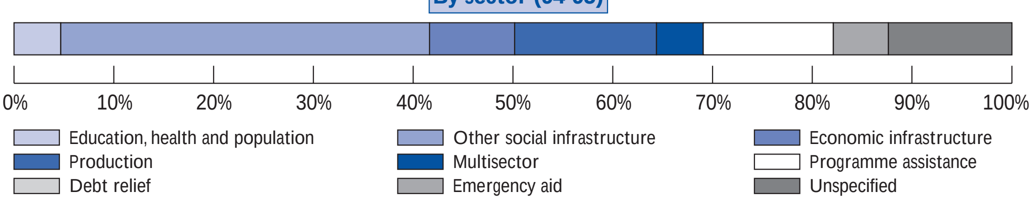
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

NORWAY

Norway's strong commitment to the reduction of poverty in Third World countries is reflected in the large size of its aid effort, as well as in the general orientation and quality of its develop ment co-operation programme. As in other countries, however, there is now a more critical and demanding climate around development co-operation in Norway, and a concern with uneven "burden-sharing".

Aid has become a more active part of Norway's foreign policy. While Norway's aid programme has traditionally been concentrated on poorer countries, the commitment and the focus of Norwegian assistance are now becoming more nuanced. Increased emphasis is placed on environmental and social issues; conflict resolution and democratic development; and interaction with emerging trade and investment partners.

The focus of Norwegian aid on poor countries is still strong by DAC standards, but has been declining. Norway plays an active role in international diplomacy and the articulation of global development issues. It organises rapid and effective responses to human emergencies in developing countries. The expansion of aid for emergency and humanitarian purposes and peace building has changed the pattern of Norwegian aid: Bosnia has become Norway's single largest aid recipient.

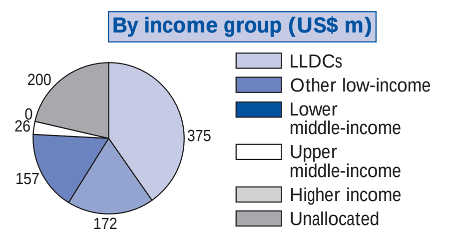
Net ODA from Norway amounted to $1.3 billion, up by 3 per cent in real terms from 1995. Nevertheless, Norway's ODA/GNP ratio declined somewhat to 0.85 per cent (from 0.87 per cent in 1995).

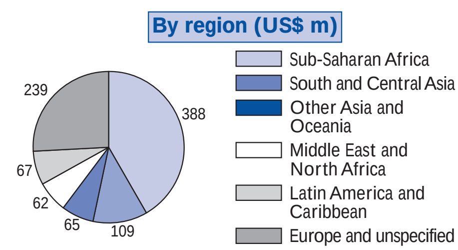
NORWAY

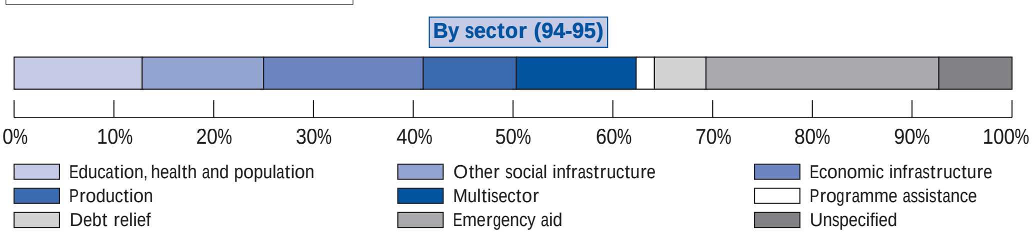
Gross bilateral ODA, 1995-96 average, unless otherwise shown

Net ODA	1995	1996	Change 1996/95
Current (US$ m)	1 244	1 311	5.4%
Constant (1995 US$ m)	1 244	1 283	3.1%
In Norwegian Kroner (million)	7 886	8 467	7.4%
ODA/GNP	0.87%	0.85%	
Bilateral share	73%	72%	
Net Official Aid (OA)			
Current (US$ m)	90	50	-44.3%

Top ten recipients	(US$ m)
1 Tanzania	53
2 Mozambique	52
3 Palestinian Adm. Areas	45
4 Bangladesh	40
5 Bosnia and Herzegovina	40
6 Zambia	33
7 Russia (OA)	32
8 Angola	27
9 Nicaragua	26
10 Sri Lanka	23







Source: OECD.

SPAIN

Official development assistance declined again from $1 348 million in 1995 to $1 251 million in 1996, a reduction of 9 per cent in real terms. As a ratio of GNP, ODA fell from 0.24 per cent to 0.22 per cent. Regional and local authorities contribute increasingly to aid programmes. These programmes are an interesting and very positive feature of Spanish ODA. Spain aims to improve the implementation and quality of its aid.

The administration of Spanish aid continued to be decentralised over several ministries, but two ministries, *i.e.* the Ministry of Foreign Affairs and the Ministry of Economy and Finance administer most of the aid. The Government intends to work out a guiding plan for its development co-operation which will contain the objectives and priorities as well as indicative medium-term budget resources. A law on development co-operation is now before Parliament. This law and the creation of the Advisory Council for Development Co-operation in 1995 should improve the quality of Spanish aid and help reverse the decline in the volume of aid.

The new DAC Strategy for the 21st Century as well as other DAC recommendations have contributed to the recent debate on how to reshape Spain's development co-operation policies. Membership in the European Union heavily influences Spain's multilateral contributions and facilitates some co-ordination of Spanish aid activities with those of its European partners. Co-financing with NGOs has been increasing significantly in recent years, and accounted for 20 per cent of grant aid allocation in 1997 (*i.e.* $80 million).

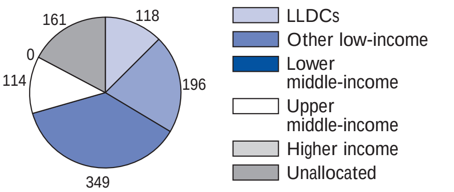
SPAIN

Gross bilateral ODA, 1995-96 average, unless otherwise shown

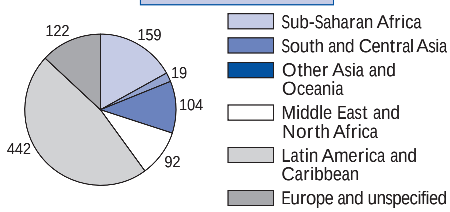
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	1 348	1 251	-7.2%
Constant (1995 US$ m)	1 348	1 225	-9.1%
In Pesetas (million)	168 102	158 545	-5.7%
ODA/GNP	0.24%	0.22%	
Bilateral share	61%	71%	
Net Official Aid (OA)			
Current (US$ m)	. .	2	. .

Top ten recipients	(US$ m)
1 Argentina	71
2 Congo	53
3 China	48
4 Ecuador	48
5 Indonesia	44
6 Nicaragua	33
7 Colombia	31
8 Angola	29
9 Bolivia	28
10 Morocco	28

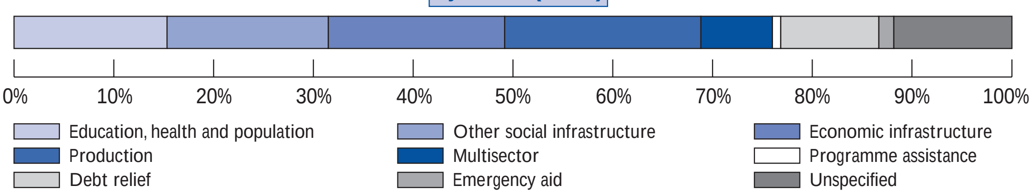
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

SWEDEN

Following the merger of four Swedish development co-operation agencies into the new Swedish International Development Agency (Sida) on 1 July 1995, Sweden's development co-operation programme has been consolidated behind the overall objectives of contributing to poverty reduction, democracy and sustainable development. Sweden supports the consensus that produced the DAC Shaping the 21st Century Strategy which is parallel to Sweden's development co-operation goals. As a new member of the European Union, Sweden is working to improve the co-ordination, coherence and quality of EC and Member programmes.

The Board of Directors of Sida has approved action plans for: *a)* poverty reduction; *b)* sustainable development; *c)* gender equality; and *d)* democracy, human rights and conflict resolution. A major effort to look into the future of development co-operation through a series of thematic studies called "Project 2015" provided the basis for Sida's 1998 budget proposals.

In addition to its programmes in traditional developing countries, Sida has also worked on ways of co-operating with more advanced economies, and this was the subject of a report to the Government. Another report suggests ways to promote the development of capital markets and financial institutions. This work builds on Sida's strengths in developing trade and industry directed towards small and medium-size companies in the private and public sectors. One objective is to create strong alliances between companies in developing countries and in Sweden using a small-scale approach and cost sharing.

Sweden's net ODA grew 9 per cent in 1996 compared to 1995 and the ODA/GNP ratio rose from 0.77 per cent to 0.84 per cent.

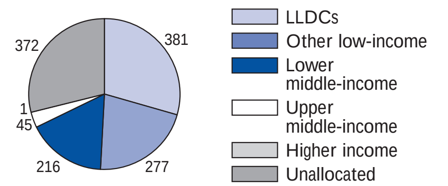
SWEDEN

Gross bilateral ODA, 1995-96 average, unless otherwise shown

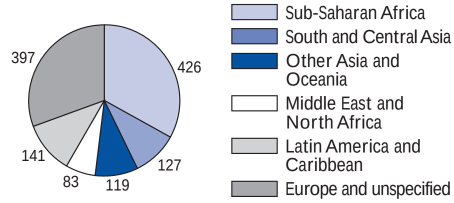
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	1 704	1 999	17.3%
Constant (1995 US$ m)	1 704	1 862	9.3%
In Swedish Kroner (million)	12 155	13 407	10.3%
ODA/GNP	0.77%	0.84%	
Bilateral share	70%	70%	
Net Official Aid (OA)			
Current (US$ m)	105	178	69.5%

Top ten recipients	(US$ m)
1 Mozambique	58
2 Tanzania	55
3 India	52
4 Nicaragua	41
5 Viet Nam	40
6 Ethiopia	39
7 Bosnia and Herzegovina	34
8 Zimbabwe	33
9 Zambia	32
10 Iraq	31

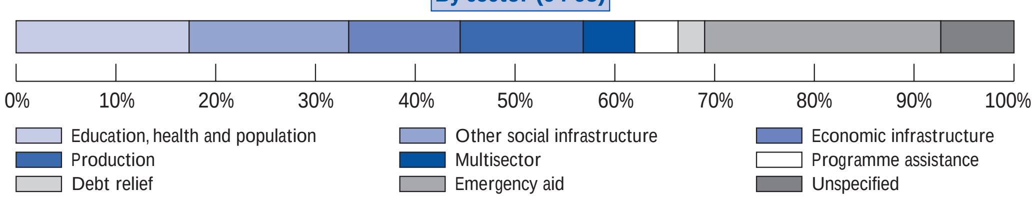
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

UNITED STATES

Reforms in the United States Agency for International Development (USAID) have resulted in a redefined mission statement and a re-engineered agency. ODA volume grew 25 per cent in real terms in 1996 bringing the United States into second place after Japan among DAC Members. The United States ODA/GNP ratio rose from 0.10 in 1995 to 0.12 in 1996.

During the past four years USAID, which administers the US bilateral foreign assistance programmes, has been intensively reformed through a "re-engineering" exercise. Reorganisation, downsizing and realignment has cut management layers, reduced staff, closed some 26 overseas missions (with three more to close during FY 1997) and streamlined procedures. The USAID mission statement was redefined to promote sustainable development and to focus resources on five core goals: broad-based economic growth; sustainable democracies; human capacity, stabilizing populations and protecting human health managing the environment and reducing suffering and reinforcing development potential following crisis situations.

USAID has introduced a "New Partnerships Initiative", aiming to strengthen the collaborative process by which activities are defined and implemented with local civil society. USAID is emphasizing partnerships in the donor community to carry out the goals of Shaping the 21st Century. The US-Japan Common Agenda works in areas of global importance like HIV/AIDS, polio eradication, health, environment, civil society and democracy. Under the New Transatlantic Agenda, launched by President Clinton and President Santer in 1995, USAID and the European Commission hold high-level consultations and jointly support programmes in democracy and governance, civil society, health and population, environment and humanitarian assistance.

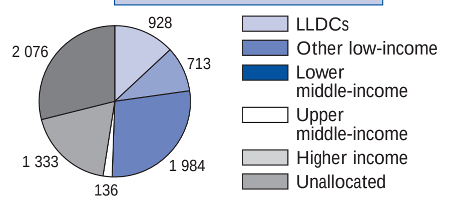
UNITED STATES

Gross bilateral ODA, 1995-96 average, unless otherwise shown

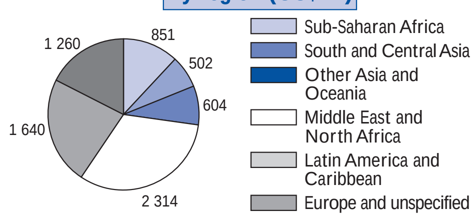
Net ODA	1995	1996	Change 1996/95
Current (US$ m)	7 367	9 377	27.3%
Constant (1995 US$ m)	7 367	9 198	24.8%
ODA/GNP	0.10%	0.12%	
Bilateral share	76%	74%	
Net Official Aid (OA)			
Current (US$ m)	1 280	1 694	32.3%

Top ten recipients	(US$ m)
1 Israel	1 328
2 Egypt	706
3 Russia (OA)	325
4 Haiti	227
5 Ukraine (OA)	151
6 India	139
7 Iraq	121
8 Philippines	114
9 Bosnia and Herzegovina	101
10 Jordan	101

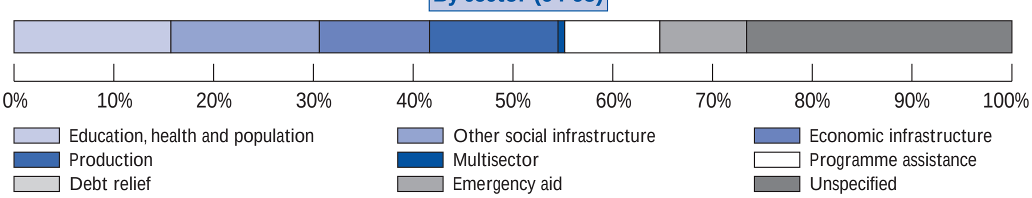
By income group (US$ m)



By region (US$ m)



By sector (94-95)



Source: OECD.

Glossary of Key Terms and Concepts

(Cross-references are given in CAPITALS)

AID: The words "aid" and "assistance" in this publication refer only to flows which qualify as OFFICIAL DEVELOPMENT ASSISTANCE (ODA) or OFFICIAL AID.

AMORTIZATION: Repayments of principal on a loan. Does not include interest payments.

ASSOCIATED FINANCING: The combination of Official Development Assistance, whether grants or loans, with any other funding to form finance packages. Associated Financing packages are subject to the same criteria of concessionality, developmental relevance and recipient country eligibility as TIED AID CREDITS.

BILATERAL: See TOTAL RECEIPTS.

CLAIM: The entitlement of a creditor to repayment of a LOAN; by extension, the loan itself or the outstanding amount thereof.

COMMITMENT: A firm obligation, expressed in writing and backed by the necessary funds, undertaken by an official donor to provide specified assistance to a recipient country or a multilateral organisation. Bilateral commitments are recorded in the full amount of expected transfer, irrespective of the time required for the completion of disbursements. Commitments to multilateral organisations are reported as the sum of *i)* any disbursements in the year in question which have not previously been notified as commitments and *ii)* expected disbursements in the following year.

CONCESSIONALITY LEVEL: A measure of the "softness" of a credit reflecting the benefit to the borrower compared to a loan at market rate (*cf*. GRANT ELEMENT). Technically, it is calculated as the difference between the nominal value of a TIED AID CREDIT and the present value of the debt service as of the date of disbursement, calculated at a discount rate applicable to the currency of the transaction and expressed as a percentage of the nominal value.

DAC (DEVELOPMENT ASSISTANCE COMMITTEE): The committee of the OECD which deals with development co-operation matters. A description of its aims and a list of its Members are given at the front of this volume.

DAC LIST: See RECIPIENT COUNTRIES AND TERRITORIES.

DEBT REORGANISATION (also: **RESTRUCTURING**): Any action officially agreed between creditor and debtor that alters the terms previously established for repayment. This may include **forgiveness** (extinction of the loan), or **rescheduling** which can be implemented either by revising the repayment schedule or extending a new **refinancing** loan. See also "Notes on Definitions and Measurement" below.

DISBURSEMENT: The release of funds to, or the purchase of goods or services for a recipient; by extension, the amount thus spent. Disbursements record the actual international transfer of financial resources, or of goods or services valued at the cost to the donor. In the case of activities carried out in donor countries, such as training, administration or public awareness programmes, disbursement is taken to have occurred when the funds have been transferred to the service provider or the recipient. They may be recorded **gross** (the total amount disbursed over a given accounting period) or **net** (less any repayments of loan principal during the same period).

EXPORT CREDITS: Loans for the purpose of trade and which are not represented by a negotiable instrument. They may be extended by the official or the private sector. If extended by the private sector, they may be supported by official guarantees.

GRACE PERIOD: See GRANT ELEMENT.

GRANTS: Transfers made in cash, goods or services for which no repayment is required.

GRANT ELEMENT: Reflects the **financial terms** of a commitment: interest rate, MATURITY and grace period (interval to first repayment of capital). It measures the concessionality of a loan, in the form of the present value of an interest rate below an agreed reference rate over the life of a loan. The reference rate is 10 per cent in DAC statistics. Thus, the grant element is nil for a loan carrying an interest rate of 10 per cent; it is 100 per cent for a grant; and it lies between these two limits for a loan at less than 10 per cent interest. If the face value of a loan is multiplied by its grant element, the result is referred to as the **grant equivalent** of that loan (*cf.* CONCESSIONALITY LEVEL). (Note: the grant element concept is not applied to the market-based non-concessional operations of the multilateral development banks.)

GRANT-LIKE FLOW: A transaction in which the donor country retains formal title to repayment but has expressed its intention in the commitment to hold the proceeds of repayment in the borrowing country.

LOANS: Transfers for which repayment is required. Only loans with maturities of over one year are included in DAC statistics. Data on net loans include deductions for repayments of principal (but not payment of interest) on earlier loans. This means that when a loan has been fully repaid, its effect on total net flows over the life of the loan is zero.

LONG-TERM: Used of loans with an original or extended maturity of more than one year.

MATURITY: The date at which the final repayment of a loan is due; by extension, a measure of the scheduled life of the loan.

MULTILATERAL AGENCIES: In DAC statistics, those international institutions with governmental membership which conduct all or a significant part of their activities in favour of development and aid recipient countries. They include multilateral development banks (*e.g.* World Bank, regional development banks), United Nations agencies, and regional groupings (*e.g.* certain European Union and Arab agencies). A contribution by a DAC Member to such an agency is deemed to be multilateral if it is pooled with other contributions and disbursed at the discretion of the agency. Unless otherwise indicated, capital subscriptions to multilateral development banks are recorded on a **deposit** basis, *i.e.* in the amount and as at the date of lodgment of the relevant letter of credit or other negotiable instrument. Limited data are available on an encashment basis, *i.e.* at the date and in the amount of each drawing made by the agency on letters or other instruments.

NET DISBURSEMENTS (also **NET FLOW(S)**, whence **NET INFLOW, NET OUTFLOW**): See **DISBURSEMENTS**.

OFFICIAL AID: Flows which meet the conditions of eligibility for inclusion in OFFICIAL DEVELOPMENT ASSISTANCE, except that the recipients are on Part II of the DAC List of Aid Recipients (see RECIPIENT COUNTRIES AND TERRITORIES). References to Official Development Assistance in this publication may be taken, *mutatis mutandis*, to apply to Official Aid.

OFFICIAL DEVELOPMENT ASSISTANCE: Grants or loans to countries and territories on Part I of the DAC List of Aid Recipients (developing countries) which are provided:

- by the official sector;
- with promotion of economic development and welfare as the main objective;
- at concessional financial terms (if a loan, having a GRANT ELEMENT of at least 25 per cent).

In addition to financial flows, TECHNICAL CO-OPERATION is included in aid. Grants, loans and credits for military purposes are excluded. For the treatment of the forgiveness of loans originally extended for military purposes, see Notes on Definitions and Measurement below.

OFFICIAL DEVELOPMENT FINANCE (ODF): Used in measuring the inflow of resources to recipient countries: includes *a)* bilateral ODA, *b)* grants and concessional and non-concessional development lending by multilateral financial institutions, and *c)* Other Official Flows which are considered developmental (including refinancing loans) which have too low a GRANT ELEMENT to qualify as ODA.

OFFSHORE BANKING CENTRES: Countries or territories whose financial institutions deal primarily with non-residents.

OTHER OFFICIAL FLOWS (OOF): Transactions by the official sector with countries on the List of Aid Recipients which do not meet the conditions for eligibility as Official Development Assistance or Official Aid, either because they are not primarily aimed at development, or because they have a grant element of less than 25 per cent.

PARTIALLY UNTIED AID: Official Development Assistance (or Official Aid) for which the associated goods and services must be procured in the donor country or among a restricted group of other countries, which must however include substantially all recipient countries. Partially untied aid is subject to the same disciplines as TIED AID CREDITS and ASSOCIATED FINANCING.

PRIVATE FLOWS: Consist of flows at market terms financed out of private sector resources (*i.e.* changes in holdings of private long-term assets held by residents of the reporting country) and private grants (*i.e.* grants by **non-government organisations**, net of subsidies received from the official sector). In presentations focusing on the receipts of recipient countries, flows at market terms are shown as follows:

Direct investment: Investment made to acquire or add to a lasting interest in an enterprise in a country on the DAC List of Aid Recipients (see RECIPIENT COUNTRIES AND TERRITORIES). In practice it is recorded as the change in the net worth of a subsidiary in a recipient country to the parent company, as shown in the books of the latter.

International Bank Lending: Net lending to countries on the List of Aid Recipients by commercial banks in the Bank of International Settlements reporting area, *i.e.* most OECD countries and most offshore financial centres (Bahamas, Bahrain, Cayman Islands, Hong Kong, Netherlands Antilles and Singapore), net of lending to banks in the same offshore financial centres. Loans from central monetary authorities are excluded. Guaranteed bank loans and bonds are included under OTHER PRIVATE or BOND LENDING (see below) in these presentations.

Bond Lending: Net completed international bonds issued by countries on the DAC List of Aid Recipients.

Other private: Mainly reported holdings of equities issued by aid recipient countries, and bank loans which in this context are included with guaranteed export credits.

In data presentations which focus on the outflow of funds from donors, private flows other than direct investment are usually divided into:

Private export credits: See EXPORT CREDITS.

Multilateral portfolio investment: This covers the transactions of the private non-bank and bank sector in the securities issued by multilateral institutions.

Bilateral portfolio investment and other: Includes bank lending, and the purchase of shares, bonds and real estate.

RECIPIENT COUNTRIES AND TERRITORIES: The current DAC List of Aid Recipients is shown separately at the end of this publication. Some details about recent changes in the List are given in the Notes on Definitions and Measurement below. Part I of the List is presented in the following categories (the word "countries" includes territories):

- ***LLDCs***: Least Developed Countries. Group established by the United Nations. To be classified as an LLDC, countries must fall below thresholds established for income, economic diversification and social development. The DAC List is updated immediately to reflect any change in the LLDC group.

- ***Other LICs***: Other Low-Income Countries. Includes all non-LLDC countries with per capita GNP less than $675 in 1992 (World Bank Atlas basis).

- ***LMICs***: Lower Middle-Income Countries, *i.e.* with GNP per capita (Atlas basis) between $676 and $2 695 in 1992. LLDCs which are also LMICs are not included.

- ***UMICs***: Upper Middle-Income Countries, *i.e.* with GNP per capita (Atlas basis) between $2 696 and $8 355 in 1992.

- ***HICs***: High-Income Countries, *i.e.* with GNP per capita (Atlas basis) more than $8 355 in 1992.

Part II of the List comprises "Countries in Transition". These comprise *i)* more advanced Central and Eastern European Countries and New Independent States of the former Soviet Union; and *ii)* more advanced developing countries. See also OFFICIAL AID.

SHORT-TERM: Used of loans with a maturity of one year or less.

TECHNICAL CO-OPERATION: Includes both *a)* grants to nationals of aid recipient countries receiving education or training at home or abroad, and *b)* payments to consultants, advisers and similar personnel as well as teachers and administrators serving in recipient countries, (including the cost of associated equipment). Assistance of this kind provided specifically to facilitate the implementation of a capital project is included indistinguishably among bilateral project and programme expenditures, and is omitted from technical co-operation in statistics of aggregate flows.

TIED AID CREDITS: Official or officially supported LOANS, credits or ASSOCIATED FINANCING packages where procurement of the goods or services involved is limited to the donor country or to a group of countries which does not include substantially all developing countries (or CEEC/NIS countries in transition, *cf*. PARTIALLY UNTIED AID). Tied aid credits are subject to certain disciplines concerning their concessionality levels, the countries to which they may be directed, and their developmental relevance so as to avoid using aid funds on projects that would be commercially viable with market finance, and to ensure that recipient countries receive good value. Details are given the **Development Co-operation Reports** for 1987 (pp. 177-181) and 1992 (pp. 10-11).

TOTAL RECEIPTS: The inflow of resources to aid recipient countries (see Table 1 of the Statistical Annex) includes, in addition to ODF, official and private EXPORT CREDITS, and long- and short-term private transactions (see PRIVATE FLOWS). Total receipts are measured net of amortization payments and repatriation of capital by private investors. **Bilateral** flows are provided directly by a donor country to an aid recipient country. **Multilateral** flows are channelled *via* an international organisation active in development (*e.g.* World Bank, UNDP). In tables showing total receipts of recipient countries, the outflows of multilateral agencies to those countries is shown, not the contributions which the agencies received from donors.

UNDISBURSED: Describes amounts committed but not yet spent. See also COMMITMENT, DISBURSEMENT.

UNTIED AID: Official Development Assistance for which the associated goods and services may be fully and freely procured in substantially all countries.

VOLUME (real terms): The flow data in this publication are expressed in US dollars. To give a truer idea of the volume of flows over time, some data are presented in constant prices and exchange rates, with a reference year specified. This means that adjustment has been made to cover both inflation between the year in question and the reference year, and changes in the exchange rate between the currency concerned and the United States dollar over the same period. A table of combined conversion factors (deflators) is provided in the Statistical Annex (Table 47) which allows any figure in the Report in current United States dollars to be converted to dollars of the reference year ("constant prices").

Notes on Definitions and Measurement

The coverage of the data presented in this Report has changed in recent years. The main points are:

Changes in the ODA concept and the coverage of GNP

While the definition of Official Development Assistance has not changed for over 25 years, some changes in interpretation have tended to broaden the scope of the concept. The main ones are the recording of administrative costs as ODA (from 1979), the imputation as ODA of the share of subsidies to educational systems representing the cost of educating students from aid recipient countries (first specifically identified in 1984), and the inclusion of assistance provided by donor countries in the first year after the arrival of a refugee from an aid recipient country (eligible to be reported from the early 1980s but widely used only since 1991).

Precise quantification of the effects of these changes is difficult because changes in data collection methodology and coverage are often not directly apparent from Members' statistical returns. The amounts involved can, however, be substantial. For example, reporting by Canada in 1993 included for the first time a figure for in-Canada refugee support. The amount involved ($184 m.) represented almost 8 per cent of total Canadian ODA. Aid flows reported by Australia in the late 1980s, it has been estimated, were some 12 per cent higher than had they been calculated according to the rules and procedures applying fifteen years earlier.[1]

The coverage of the GNP concept has also been expanding through the inclusion of new areas of economic activity and the improvement of collection methods. To avoid excessive revisions, ODA/GNP ratios used in this Report are generally only revised if there is a significant change in the GNP estimate for the current or immediately preceding year.

The new System of National Accounts (SNA) co-sponsored by the OECD and other major international organisations will include for the first time estimates of the output from domestic work and food grown for own consumption. This may have an effect on ODA/GNP ratios.

Recipient country coverage

In the past ten years the following have been added to the list of ODA recipients at the dates shown: Albania (1989); the Black Communities of South Africa (1991 – now simply South Africa); Kazakstan, Kyrgyzstan (now the Kyrgyz Republic), Tajikistan, Turkmenistan and Uzbekistan (1992); Armenia, Georgia and Azerbaijan (1993); Palestinian Administered Areas (1994). Eritrea, formerly part of Ethiopia, has been recorded as a separate country from 1993. The former United States Trust Territory of the Pacific Islands has been progressively replaced by its independent successor states, *viz.* Federated States of Micronesia and Marshall Islands (1992); Northern Marianas and Palau Islands (1994).

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

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

From 1996, the following High-Income Countries have been transferred from Part I to Part II of the List: Bahamas, Brunei, Kuwait, Qatar, Singapore and United Arab Emirates.

From 1997, seven further High-Income Countries are transferred to Part II: Bermuda, Cayman Islands, Chinese Taipei, Cyprus, Falkland Islands, Hong Kong (China), and Israel.

When a country is added to or removed from a country list, totals for the groups and subgroups into which it falls are adjusted retroactively to maximise comparability over time with reference to the current list. Accordingly, geographical data in this Report may differ from apparently comparable figures presented in an earlier edition.

Donor country coverage

Spain and Portugal joined the DAC in 1991 and Luxembourg in 1992. Their assistance is now counted within the DAC total. ODA flows from these countries before they joined the DAC have been added to earlier years' data where available. The accession of new Members has added to total DAC ODA, but has usually reduced the overall ODA/GNP ratio, since their programmes are smaller in relation to GNP than the average of the longer-established donors.

Treatment of debt forgiveness

The treatment of the **forgiveness of loans not originally reported as ODA** has varied over recent years. Up to and including 1992, where forgiveness of non-ODA debt met the tests of ODA it was reportable as ODA. From 1990 to 1992 inclusive it remained reportable as part of a country's ODA, but was excluded from the DAC total. From 1993, forgiveness of debt originally intended for **military** purposes has been reportable as "Other Official Flows", whereas forgiveness of other non-ODA loans (mainly **export credits**) recorded as ODA is included both in country data and in total DAC ODA in the same way as it was until 1989.

The effect of these decisions on ODA figures can be summarised as follows:

a) **Countries' ODA:** Forgiveness of all non-ODA debt reportable as ODA through 1992.

b) **DAC total:** Forgiveness of non-ODA debt excluded from total DAC ODA:

1990: $1.2 billion of forgiven United States military debt and $334 million of various countries' forgiven claims in respect of export credit and structural adjustment lending.

1991: $1.9 billion of forgiven United States military debt and $28 million of various countries' forgiven export credit debt.

1992: $894 million of forgiven United States military debt and $975 million of various countries' forgiven export credit debt.

The **forgiveness of a loan originally reported as ODA** does not give rise to a new net disbursement of ODA. Statistically, the benefit is reflected in the fact that because the cancelled repayments will not take place, net ODA disbursements will not be reduced.

All data in this publication refer to calendar years, unless otherwise stated.

Note

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

Statistical Annex

Basic Resource Flows

Aid Performance by DAC Members

Detailed Data on Financial Flows from DAC Countries

Multilateral Aid

Sectoral Allocation of ODA

Terms and Conditions

Geographical Distribution of ODA

Aid by Non-DAC Donors

Key Reference Indicators for Developing Countries

Key Reference Indicators for DAC Countries

Aid and Other Resource Flows to Part II Countries

For more information on DAC statistics, please refer to our

WORLD WIDE WEB SITE

http://www.oecd.org/dac
See "Statistics"

This report incorporates data submitted up to November 20th 1997. All data in this publication refer to calendar years, unless otherwise stated.

Signs Used

( )	Secretariat estimate in whole or in part
0 or 0.00	Nil or negligible
– or . .	Not available
n.a.	Not applicable
p	Provisional

Slight discrepencies in totals are due to rounding

More detailed information on the source and destination of aid and resource flows, including firm data received after this annex was prepared, is contained in the statistical report on the *Geographical Distribution of Financial Flows to Aid Recipients 1992-1996*, to be published shortly.

	1988
I. OFFICIAL DEVELOPMENT FINANCE (ODF)	61.2
1. Official development assistance (ODA)[a]	47.6
of which: Bilateral disbursements	36.5
Multilateral disbursements	11.1
2. Other ODF	13.6
of which: Bilateral disbursements	7.0
Multilateral disbursements	6.6
II. TOTAL EXPORT CREDITS	–2.1
of which: Short-term	2.0
III. PRIVATE FLOWS	36.4
1. Direct investment (DAC)	18.7
of which: to offshore centres	6.1
2. International bank lending[b]	7.8
of which: Short-term	4.0
3. Total bond lending	2.0
4. Other private[c]	3.7
5. Grants by non-governmental organisations	4.2
TOTAL NET RESOURCE FLOWS (I + II + III)	**95.5**
Memorandum items:	
Total net credits from IMF	–3.5
Recorded asset transactions by LDCs, net	–19.6
Interest and dividends paid by LDCs, gross	–90.7
Total official grants	33.5
Total intra-LDC flows (ODA)[d]	2.2
At 1995 prices and exchange rates:	
Total net resource flows	130.4
Total official development finance	83.6
Total ODA receipts	65.0
Total DAC ODA (bilateral and multilateral)	58.2

Table 1

Total Net Resource Flows to Developing Countries

Current $ billion								Per cent of total		
1989	1990	1991	1992	1993	1994	1995	1996	1988	1992	1996
60.8	69.5	69.7	70.4	70.2	71.9	72.1	66.4	64.1	53.2	21.8
48.6	52.8	58.6	59.0	56.4	60.5	59.7	58.2	49.8	44.6	19.2
36.2	39.3	42.4	41.4	39.6	41.3	40.5	39.1	38.2	31.3	12.9
12.4	13.5	16.2	17.6	16.8	19.2	19.2	19.1	11.6	13.3	6.3
12.2	16.7	11.1	11.4	13.8	11.4	12.4	8.2	14.3	8.6	2.7
5.3	6.5	4.3	7.7	6.4	7.7	8.2	3.0p	7.3	5.8	1.0p
6.9	10.2	6.8	3.7	7.4	3.7	4.2	5.2	6.9	2.8	1.7
9.9	5.0	1.4	0.5	–1.5	6.1	4.8	3.5	–2.2	0.4	1.2
4.8	4.5	-0.8	0.5	–1.5	0.2	0.8	0.5	2.1	0.4	0.1
40.8	48.5	47.6	61.4	64.7	133.5	160.9	234.0	38.1	46.4	77.0
23.0	23.5	21.0	23.8	34.5	44.9	54.9	60.0	19.6	18.0	19.7
3.1	4.1	5.0	6.2	6.8	6.6	4.0	5.0	6.4	4.7	1.6
10.5	15.0	11.0	31.0	9.0	42.6	60.0	70.0	8.2	23.4	23.0
8.0	7.0	12.0	25.0	7.0	44.0	55.0	60.0	4.2	18.9	19.7
1.0	0.5	4.9	-0.8	11.4	32.0	30.0	86.0	2.1	–0.6	28.3
2.3	4.4	5.3	1.4	4.0	8.0	10.0	12.0	3.9	1.1	3.9
4.0	5.1	5.4	6.0	5.8	6.0	6.0	6.0	4.4	4.5	2.0
111.5	**123.0**	**118.7**	**132.3**	**133.4**	**211.5**	**237.8**	**303.9**	**100.0**	**100.0**	**100.0**
–1.5	–1.9	1.1	–0.2	0.0	-0.4	13.2	0.2			
–18.2	–23.6	47.2	6.9	–26.2	–20.1	. .	. .			
–96.1	–90.9	–86.3	–88.7	–93.2	–91.5	. .	. .			
34.3	45.4	48.2	45.8	44.4	46.1	47.0	. .			
1.7	6.0	2.7	1.1	1.1	0.9	0.7	1.2			
154.4	152.8	142.4	149.6	153.3	232.4	237.8	313.8			
84.2	86.3	83.6	79.6	80.7	79.0	72.1	68.5			
67.3	65.6	70.3	66.7	64.8	66.5	59.7	59.6			
57.1	59.3	61.3	62.1	58.9	59.2	53.6	56.4			

p. Provisional.
a) Excluding forgiveness of non-ODA debt for the years 1990 to 1992.
b) Excluding bond lending by banks (item III.3.), and guaranteed financial credits (included in II).
c) No reporting has been received from DAC Members on portfolio investment.
d) Not included in total net resource flows.

The Total Net Flow of Financial

	1980
I. Official Development Assistance	26 195
1. Bilateral grants and grant-like flows	12 968
of which: Technical co-operation	4 804
Food Aid	680
Emergency and distress relief[a]	353
Debt forgiveness	1 156
Administrative costs	808
2. Bilateral loans	4 015
3. Contributions to multilateral institutions	9 212
of which: UN	2 176
CEC	1 587
IDA	3 106
Regional development banks	1 641
II. Other Official Flows	5 037
1. Bilateral	5 144
2. Multilateral	–106
III. Private Flows at market terms	40 316
1. Direct investment	10 127
2. Bilateral portfolio investment	8 659
3. Multilateral portfolio investment	1 469
4. Export credits	20 061
IV. Net grants by NGOs	2 386
TOTAL NET FLOWS	**73 935**
Total net flows at 1995 prices and exchanges rates[b]	**143 702**

Table 2

Resources from DAC Countries to Developing Countries and Multilateral Organisations by Type of Flow

Net disbursements at current prices and exchange rates

$ million					Per cent of total					
1986	1993	1994	1995	1996	1980	1986	1993	1994	1995	1996
35 836	56 486	59 152	58 926	55 485	35	54	42	36	36	28
20 042	33 416	35 185	36 184	36 553	18	30	25	21	22	19
7 091	12 973	12 850	14 298	14 147	6	11	10	8	9	7
1 356	1 663	1 802	1 346	813	1	2	1	1	1	0
654	3 250	3 468	3 062	2 716	0	1	2	2	2	1
303	2 701	3 452	3 724	3 398	2	0	2	2	2	2
1 215	2 543	2 600	2 889	2 856	1	2	2	2	2	1
5 174	5 943	6 115	4 444	2 585	5	8	4	4	3	1
10 621	17 127	17 852	18 299	16 347	12	16	13	11	11	8
2 715	4 119	4 291	4 267	4 372	3	4	3	3	3	2
1 706	4 089	4 709	5 370	4 600	2	3	3	3	3	2
3 564	4 970	4 607	5 405	3 986	4	5	4	3	3	2
1 670	2 497	2 598	1 301	1 578	2	2	2	2	1	1
1 894	7 918	10 456	9 872	5 562	7	3	6	6	6	3
2 042	7 275	8 613	9 084	6 089	7	3	5	5	6	3
–147	643	1 843	788	–527	0	0	0	1	0	0
25 914	65 316	90 231	87 779	130 360	55	39	48	54	54	66
10 696	38 432	48 459	49 780	61 051	14	16	28	29	31	31
14 263	30 228	37 384	33 217	68 963	12	21	22	23	20	35
4 040	–1 326	–3 018	–790	–948	2	6	–1	–2	0	0
–3 085	–2 017	7 406	5 572	1 295	27	–5	–1	4	3	1
3 335	5 692	6 046	5 973	5 577	3	5	4	4	4	3
66 979	**135 413**	**165 886**	**162 551**	**196 984**	**100**	**100**	**100**	**100**	**100**	**100**
114 631	**155 557**	**182 312**	**162 551**	**203 412**						

a) Except emergency food aid.
b) Deflated by the total DAC deflator.

The Total Net Flow

	1985-86 Average	1991[a]	1992[a]
Australia	1 143	–2 141	4 164
Austria	148	695	817
Belgium	253	1 542	2 183
Canada	1 623	4 009	4 157
Denmark	460	1 080	1 605
Finland	356	1 037	770
France	7 770	6 478	10 831
Germany	6 819	13 098	8 921
Ireland	107	97	155
Italy	2 380	7 514	6 221
Japan	12 860	24 490	16 154
Luxembourg	0	46	41
Netherlands	2 722	4 415	3 382
New Zealand	98	113	109
Norway	664	1 385	1 434
Portugal	16	177	408
Spain	104	1 348	1 589
Sweden	1 558	1 824	3 030
Switzerland	1 945	3 132	3 136
United Kingdom	4 574	5 623	9 308
United States	10 023	20 756	33 492
TOTAL DAC	**55 624**	**94 662**	**109 994**
of which :			
EU Members	27 266	44 976	49 260

Table 3

of Financial Resources from DAC Countries to Developing Countries and Multilateral Organisations

Net disbursements at current prices and exchange rates

$ million					Per cent of GNP					
1993	1994	1995	1996	1985-86 Average	1991[a]	1992[a]	1993	1994	1995	1996
2 082	2 136	2 536	1 417	0.72	–0.77	1.50	0.76	0.67	0.76	0.38
714	1 029	906	1 878	0.19	0.43	0.45	0.39	0.52	0.39	0.82
736	2 177	–234	5 595	0.26	0.77	0.98	0.35	0.95	–0.09	2.10
5 283	5 637	4 732	4 446	0.47	0.70	0.76	0.99	1.07	0.86	0.79
1 397	1 319	1 799	1 949	0.69	0.87	1.18	1.08	0.94	1.07	1.15
336	552	604	1 124	0.59	0.89	0.76	0.43	0.59	0.50	0.94
10 902	12 717	12 477	18 283	1.26	0.54	0.82	0.87	0.96	0.81	1.19
15 366	23 941	21 204	21 175	0.90	0.77	0.45	0.81	1.18	0.88	0.91
128	198	247	371	0.56	0.25	0.36	0.32	0.46	0.46	0.64
2 377	3 421	2 800	4 713	0.47	0.66	0.52	0.24	0.34	0.26	0.39
15 877	28 487	42 295	38 088	0.78	0.72	0.44	0.38	0.62	0.82	0.82
54	64	72	99	0.00	0.36	0.29	0.39	0.43	0.40	0.52
5 563	4 654	6 795	9 514	1.83	1.54	1.05	1.80	1.41	1.71	2.38
112	126	166	147	0.42	0.28	0.29	0.28	0.27	0.31	0.25
1 221	1 479	1 670	1 685	1.06	1.33	1.31	1.22	1.37	1.16	1.09
242	269	395	944	0.06	0.26	0.48	0.28	0.31	0.38	0.89
1 374	3 532	1 591	4 239	0.05	0.26	0.28	0.29	0.75	0.29	0.74
2 486	2 369	2 224	2 003	1.38	0.77	1.27	1.38	1.26	1.00	0.84
3 589	77	1 118	1 604	1.63	1.30	1.25	1.48	0.03	0.35	0.53
7 337	11 964	12 170	21 859	0.90	0.56	0.89	0.78	1.15	1.09	1.87
58 235	59 738	46 984	55 853	0.24	0.37	0.56	0.89	0.86	0.65	0.74
135 413	**165 886**	**162 551**	**196 984**	**0.58**	**0.55**	**0.60**	**0.72**	**0.83**	**0.74**	**0.89**
49 014	68 206	63 049	93 745	0.85	0.66	0.66	0.72	0.95	0.76	1.11

a) Including debt forgiveness of non-ODA claims, except for total DAC. See Table 6*b*.

Net Official

	1985-86 Average	1991[a]	1992[a]
Australia	751	1 050	1 015
Austria	223	547	556
Belgium	493	831	870
Canada	1 663	2 604	2 515
Denmark	567	1 200	1 392
Finland	262	930	644
France	3 588	7 386	8 270
Germany	3 387	6 890	7 583
Ireland	51	72	70
Italy	1 751	3 347	4 122
Japan	4 716	10 952	11 151
Luxembourg	10	42	38
Netherlands	1 438	2 517	2 753
New Zealand	65	100	97
Norway	686	1 178	1 273
Portugal	16	205	293
Spain	186	1 262	1 518
Sweden	965	2 116	2 460
Switzerland	362	863	1 139
United Kingdom	1 633	3 201	3 243
United States	9 483	11 262	11 709
TOTAL DAC	**32 296**	**56 678**	**60 850**
of which:			
EU Members	14 570	30 546	33 811
Memo:			
Average country effort			

Table 4

Development Assistance from DAC Countries to Developing Countries and Multilateral Organisations

Net disbursements at current prices and exchange rates

$ million				Per cent of GNP						
1993	1994	1995	1996	1985-86 Average	1991[a]	1992[a]	1993	1994	1995	1996
953	1 091	1 194	1 121	0.47	0.38	0.37	0.35	0.34	0.36	0.30
544	655	767	557	0.28	0.34	0.30	0.30	0.33	0.33	0.24
810	727	1 034	913	0.51	0.41	0.39	0.39	0.32	0.38	0.34
2 400	2 250	2 067	1 795	0.49	0.45	0.46	0.45	0.43	0.38	0.32
1 340	1 446	1 623	1 772	0.85	0.96	1.02	1.03	1.03	0.96	1.04
355	290	388	408	0.43	0.80	0.64	0.45	0.31	0.32	0.34
7 915	8 466	8 443	7 451	0.58	0.62	0.63	0.63	0.64	0.55	0.48
6 954	6 818	7 524	7601	0.45	0.40	0.38	0.36	0.34	0.31	0.33
81	109	153	179	0.27	0.19	0.16	0.20	0.25	0.29	0.31
3 043	2 705	1 623	2 416	0.34	0.30	0.34	0.31	0.27	0.15	0.20
11 259	13 239	14 489	9 439	0.29	0.32	0.30	0.27	0.29	0.28	0.20
50	59	65	82	0.17	0.33	0.26	0.35	0.40	0.36	0.44
2 525	2 517	3 226	3 246	0.97	0.88	0.86	0.82	0.76	0.81	0.81
98	110	123	122	0.28	0.25	0.26	0.25	0.24	0.23	0.21
1 014	1 137	1 244	1 311	1.10	1.13	1.16	1.01	1.05	0.87	0.85
235	303	258	218	0.06	0.30	0.35	0.28	0.34	0.25	0.21
1 304	1 305	1 348	1 251	0.09	0.24	0.27	0.28	0.28	0.24	0.22
1 769	1 819	1 704	1 999	0.85	0.90	1.03	0.99	0.96	0.77	0.84
793	982	1 084	1 026	0.30	0.36	0.45	0.33	0.36	0.34	0.34
2 920	3 197	3 202	3 199	0.32	0.32	0.31	0.31	0.31	0.29	0.27
10 123	9 927	7 367	9 377	0.23	0.20	0.20	0.15	0.14	0.10	0.12
56 486	**59 152**	**58 926**	**55 485**	**0.33**	**0.33**	**0.33**	**0.30**	**0.30**	**0.27**	**0.25**
29 845	30 416	31 358	31 293	0.45	0.45	0.45	0.44	0.42	0.38	0.37
				0.44	0.48	0.48	0.45	0.45	0.41	0.40

a) Including debt forgiveness of non-ODA claims, except for total DAC. See Table 6*b*.

The Net Flow of Private

	1985-86 Average	1991	1992
Australia	319	–3 499	2 694
Austria	–130	–57	13
Belgium	–328	516	794
Canada	–46	606	864
Denmark	–93	–172	260
Finland	51	93	–79
France	3 351	–1 918	1 701
Germany	1 922	3 578	18
Ireland	35	. .	58
Italy	–150	3 299	772
Japan	8 566	10 788	1 547
Luxembourg	. .	. .	. .
Netherlands	1 154	1 629	277
New Zealand	25	. .	. .
Norway	–86	61	32
Portugal	. .	–60	81
Spain	–128	. .	. .
Sweden	214	–430	436
Switzerland	1 529	2 142	1 830
United Kingdom	2 406	1 527	5 328
United States	–902	7 599	17 666
TOTAL DAC	**17 710**	**25 701**	**34 291**
of which:			
EU Members	8 305	8 004	9 658

Table 5

Capital[a] from DAC Countries to Developing Countries and Multilateral Organisations

Net disbursements at current prices and exchange rates

$ million					Per cent of GNP					
1993	1994	1995	1996	1985-86 Average	1991	1992	1993	1994	1995	1996
874	800	1 281	..	0.20	–1.25	0.97	0.32	0.25	0.38	..
111	273	6	938	–0.16	–0.04	0.01	0.06	0.14	0.00	0.41
–286	665	–1 554	4 528	–0.34	0.26	0.36	–0.14	0.29	–0.58	1.70
2 273	2 373	2 074	1 859	–0.01	0.11	0.16	0.43	0.45	0.38	0.33
24	–92	–7	188	–0.14	–0.14	0.19	0.02	–0.07	0.00	0.11
–27	192	8	472	0.08	0.08	–0.08	–0.03	0.20	0.01	0.40
2 455	3 837	3 710	11 115	0.54	–0.16	0.13	0.20	0.29	0.24	0.72
5 712	12 602	11 690	12 336	0.25	0.21	0.00	0.30	0.62	0.49	0.53
22	37	48	125	0.18	..	0.14	0.05	0.09	0.09	0.21
–1 660	–31	120	289	–0.03	0.29	0.06	–0.17	0.00	0.01	0.02
618	11 807	22 046	27 469	0.52	0.32	0.04	0.01	0.26	0.43	0.59
..	..	..	..	..	..	..	..	..	..	..
2 668	1 823	3 123	5 858	0.78	0.57	0.09	0.86	0.55	0.79	1.47
..	..	26	9	0.11	..	..	..	..	0.05	0.02
73	217	334	294	–0.14	0.06	0.03	0.07	0.20	0.23	0.19
–17	–462	126	593	..	–0.09	0.10	–0.02	–0.53	0.12	0.56
..	2 315	508	2 865	–0.07	..	..	..	0.49	0.09	0.50
584	419	480	–17	0.19	–0.18	0.18	0.33	0.22	0.22	–0.01
2 651	–1 072	–151	395	1.28	0.89	0.73	1.10	–0.40	–0.05	0.13
3 837	8 199	8 270	18 196	0.47	0.15	0.51	0.41	0.79	0.74	1.56
45 405	46 330	35 642	42 848	–0.02	0.13	0.30	0.69	0.67	0.49	0.57
65 316	**90 231**	**87 779**	**130 360**	**0.18**	**0.15**	**0.19**	**0.35**	**0.45**	**0.40**	**0.59**
13 422	29 777	26 527	57 485	0.26	0.12	0.13	0 .20	0.41	0.32	0.68

a) Excluding grants by NGOs.

Table 6a

ODA Performance of DAC Countries in 1996 and Recent Years

	$ million			Per cent of GNP					
	1996 actual[a]	1995 actual[a]	1996 volume[b]	1981/85 Average	1986/90 Average	1995/96 Average	1994	1995	1996
Australia	1 121	1 194	1 041	0.48	0.39	0.32	0.34	0.36	0.30
Austria	557	767	574	0.32	0.22	0.29	0.33	0.33	0.24
Belgium	913	1 034	943	0.58	0.45	0.36	0.32	0.38	0.34
Canada	1 795	2 067	1 761	0.46	0.46	0.35	0.43	0.38	0.32
Denmark	1 772	1 623	1 793	0.77	0.91	1.00	1.03	0.96	1.04
Finland	408	388	424	0.33	0.58	0.33	0.31	0.32	0.34
France	7 451	8443	7 510	0.57	0.59	0.52	0.64	0.55	0.48
Germany	7 601	7 524	7 895	0.47	0.41	0.32	0.34	0.31	0.33
Ireland	179	153	177	0.22	0.20	0.30	0.25	0.29	0.31
Italy	2 416	1 623	2 190	0.22	0.37	0.18	0.27	0.15	0.20
Japan	9 439	14 489	10 914	0.30	0.31	0.24	0.29	0.28	0.20
Luxembourg	82	65	85	0.13	0.19	0.40	0.40	0.36	0.44
Netherlands	3 246	3 226	3 366	1.00	0.96	0.81	0.76	0.81	0.81
New Zealand	122	123	114	0.27	0.25	0.22	0.24	0.23	0.21
Norway	1 311	1 244	1 283	1.00	1.12	0.86	1.05	0.87	0.85
Portugal	218	258	215	0.04	0.19	0.23	0.34	0.25	0.21
Spain	1 251	1 348	1 225	0.10	0.13	0.23	0.28	0.24	0.22
Sweden	1 999	1 704	1 862	0.87	0.90	0.80	0.96	0.77	0.84
Switzerland	1 026	1 084	1 072	0.28	0.31	0.34	0.36	0.34	0.34
United Kingdom	3 199	3 202	3 146	0.37	0.30	0.28	0.31	0.29	0.27
United States	9 377	7 367	9 198	0.24	0.20	0.11	0.14	0.10	0.12
TOTAL DAC	**55 485**	**58 926**	**56 785**	**0.34**	**0.33**	**0.26**	**0.30**	**0.27**	**0.25**
of which:									
EU Members	31 293	31 358	31 404	0.45	0.45	0.37	0.42	0.38	0.37

a) At current prices and exchange rates.
b) At 1995 exchange rates and prices.

	Per cent change 1996/95			
	In national currency	In $	In volume terms[b]	Annual average % change in volume[b] 1990/91-1995/96
	–11.2	–6.1	–12.9	1.7
	–23.8	–27.4	–25.1	1.5
	–7.2	–11.7	–8.7	–2.6
	–13.7	–13.1	–14.8	–3.3
	13.0	9.2	10.5	3.5
	10.5	5.1	9.1	–14.2
	–9.5	–11.8	–11.1	–2.2
	6.0	1.0	4.9	–2.2
	16.6	16.4	15.5	18.8
	41.0	48.9	35.0	–9.4
	–24.7	–34.9	–24.7	–3.6
	32.0	25.7	29.1	9.2
	5.7	0.6	4.3	0.5
	–5.7	–1.1	–7.6	0.5
	7.4	5.4	3.1	–0.2
	–13.0	–15.4	–16.6	–0.2
	–5.7	–7.2	–9.1	2.3
	10.3	17.3	9.3	–2.2
	–1.0	–5.3	–1.1	0.3
	1.0	–0.1	–1.8	1.1
	27.3	27.3	24.8	–8.0
	n.a.	**–5.8**	**–3.6**	**–3.2**
	n.a.	–0.2	0.1	–1.8

Table 6b

Debt Forgiveness of Non-ODA Claims[a]

$ million

	1990	1991	1992
Australia	–	–	4.2
Austria	–	4.2	25.3
Belgium	–	–	30.2
France	294.0	–	108.5
Germany	–	–	620.4
Japan	15.0	6.8	32.0
Netherlands	12.0	–	11.4
Norway	–	–	46.8
Sweden	5.0	–	7.1
United Kingdom	8.0	17.0	90.4
United States	1 200.0	1 855.0	894.0
TOTAL DAC	1 534.0	1 882.9	1 870.2

a) These data are included in the ODA figures of individual countries but are excluded from DAC total ODA in all tables showing performance by donor.

	Grant equivalent of total ODA[a] as % of GNP[e]	Multilateral ODA as % of GNP[b, e]	
Australia	0.32	0.07	. .
Austria	0.29	0.04	(0.08)
Belgium	0.38	0.09	(0.17)
Canada	0.36	0.10	. .
Denmark	1.08	0.37	(0.43)
Finland	0.35	0.11	(0.15)
France	0.54	0.06	(0.12)
Germany	0.34	0.06	(0.12)
Ireland	0.30	0.04	(0.12)
Italy	0.19	0.05	(0.11)
Japan	0.25	0.05	. .
Luxembourg	0.40	0.06	(0.13)
Netherlands	0.88	0.17	(0.25)
New Zealand	0.22	0.04	. .
Norway	0.85	0.24	. .
Portugal	0.21	0.02	(0.07)
Spain	0.23	0.03	(0.08)
Sweden	0.80	0.20	(0.24)
Switzerland	0.34	0.10	. .
United Kingdom	0.29	0.06	(0.13)
United States	0.13	0.03	. .
TOTAL DAC	0.27	0.06	(0.08)

Table 7

Burden Sharing Indicators 1995-96 average

Net disbursements

Aid to LICs[c]	*of which:* Aid to LLDCs[d]	ODA per capita of donor country 1995 dollars		Aid by NGOs as % of GNP	
As % of GNP[e]		1985/86	1995/96	1985/86	1995/96
0.11	0.06	73	62	0.03	0.02
0.13	0.04	72	83	0.02	0.02
0.15	0.09	115	98	0.02	0.02
0.14	0.07	85	64	0.05	0.05
0.49	0.31	232	325	0.02	0.02
0.17	0.09	96	79	0.03	0.00
0.22	0.10	132	137	0.01	0.01
0.17	0.07	99	94	0.06	0.05
0.16	0.13	24	46	0.11	0.10
0.08	0.04	52	33	0.00	0.00
0.12	0.04	89	101	0.01	0.00
0.11	0.06	136	185	0.00	0.06
0.40	0.23	201	213	0.08	0.09
0.06	0.05	38	33	0.03	0.03
0.51	0.33	274	289	0.09	0.06
0.16	0.15	9	24	0.00	0.00
0.08	0.03	21	33	0.00	0.02
0.40	0.23	204	201	0.07	0.01
0.18	0.10	130	152	0.05	0.06
0.13	0.07	51	54	0.04	0.04
0.03	0.02	53	31	0.04	0.03
0.12	0.06	79	71	0.03	0.03

a) Calculated on a gross disbursement basis.
b) In brackets, including CEC. Capital subscriptions are on a deposit basis.
c) Low-income countries (LICs) comprise LLDCs and all other countries with per capita income (World Bank Atlas basis) of $765 or less in 1995. Includes imputed multilateral ODA. Capital subscriptions to multilateral agencies are on a deposit basis.
d) Least developed countries (LLDCs) are countries in the current United Nations list. Includes imputed multilateral ODA. Capital subscriptions to multilateral agencies are on a deposit basis.
e) 1995-1996 average.

Table 8

ODA by Individual DAC Countries at 1995 prices and exchange rates

Net disbursements $ million

	1987	1988	1989	1990[a]	1991[a]	1992[a]	1993	1994	1995	1996
Australia	858	1 236	1 070	986	1 068	1 078	1 086	1 135	1 194	1 041
Austria	322	464	453	525	714	632	663	758	767	574
Belgium	1 106	936	1 120	1 166	1 085	997	993	841	1 034	943
Canada	2 218	2 448	2 220	2 260	2 276	2 290	2 308	2 276	2 067	1 761
Denmark	1 270	1 297	1 374	1 415	1 467	1 574	1 610	1 666	1 623	1 793
Finland	579	723	813	820	930	709	487	359	388	424
France	7 790	7 794	8 565	8 387	9 043	9 187	9 294	9 611	8 443	7 510
Germany	6 882	7 146	7 802	8 300	8 955	8 138	8 363	7 881	7 524	7 895
Ireland	66	69	60	61	78	71	91	118	153	177
Italy	3 252	3 738	4 200	3 201	3 036	3 554	3 210	2 825	1 623	2 190
Japan	12 274	13 488	13 979	14 501	15 971	15 056	13 272	14 319	14 489	10 914
Luxembourg	26	32	32	37	59	48	62	70	65	85
Netherlands	3 099	3 184	3 167	3 207	3 194	3 200	3 051	2 911	3 226	3 366
New Zealand	119	119	105	112	119	125	124	125	123	114
Norway	1 183	1 212	1 126	1 286	1 268	1 272	1 170	1 302	1 244	1 283
Portugal	81	157	202	217	278	325	280	355	258	215
Spain	362	346	717	1 025	1 276	1 416	1 448	1 468	1 348	1 225
Sweden	1 832	1 854	2 119	1 989	1 995	2 204	2 069	2 049	1 704	1 862
Switzerland	883	954	926	1 000	1 126	1 420	1 019	1 151	1 084	1 072
United Kingdom	2 614	3 205	3 178	2 790	3 209	3 060	3 209	3 375	3 202	3 146
United States	11 642	12 472	9 045	11 528	10 278	11 536	10 590	10 175	7 367	9 198
TOTAL DAC	**58 458**	**62 875**	**62 273**	**64 815**	**67 425**	**67 890**	**64 401**	**64 772**	**58 926**	**56 785**
Memo: **Total DAC at current prices and exchange rates**	**40 606**	**47 063**	**45 735**	**52 961**	**56 678**	**60 850**	**56 486**	**59 152**	**58 926**	**55 485**

a) Excluding non-ODA debt forgiveness. See Table 6*b*.

Table 9

Long-term Trends in DAC ODA

	Volume of net ODA ($ million at 1995 prices and exchange rates)			Share of total DAC (at current prices and exchange rates, per cent)			Two-year averages, net disbursements ODA as per cent GNP		
	1975-76	1985-86	1995-96	1975-76	1985-86	1995-96	1975-76	1985-86	1995-96
Australia	903	1 169	1 118	3.5	2.3	2.0	0.53	0.47	0.32
Austria	246	543	670	0.5	0.7	1.2	0.17	0.28	0.29
Belgium	1 033	1 137	989	2.7	1.5	1.7	0.55	0.51	0.36
Canada	1 611	2 154	1 914	6.7	5.1	3.4	0.49	0.49	0.35
Denmark	618	1 187	1 708	1.6	1.8	3.0	0.53	0.85	1.00
Finland	141	470	406	0.4	0.8	0.7	0.17	0.43	0.33
France	4 278	7 333	7 977	11.0	11.1	13.9	0.42	0.58	0.52
Germany	5 258	7 663	7 709	12.4	10.5	13.2	0.38	0.45	0.32
Ireland	25	84	165	0.1	0.2	0.3	0.10	0.27	0.30
Italy	659	2 971	1 906	1.5	5.4	3.5	0.11	0.34	0.18
Japan	5 452	10 817	12 702	8.5	14.6	20.9	0.21	0.29	0.24
Luxembourg	. .	26	75	. .	0.0	0.1	. .	0.17	0.40
Netherlands	1 888	2 916	3 296	5.0	4.5	5.7	0.77	0.97	0.81
New Zealand	188	124	118	0.4	0.2	0.2	0.47	0.28	0.22
Norway	486	1 138	1 263	1.5	2.1	2.2	0.68	1.10	0.86
Portugal	. .	42	236	. .	. .	0.4	. .	0.06	0.23
Spain	. .	404	1 287	. .	0.6	2.3	. .	0.09	0.23
Sweden	1 358	1 704	1 783	4.4	3.0	3.2	0.78	0.85	0.80
Switzerland	435	850	1078	0.8	1.1	1.8	0.19	0.30	0.34
United Kingdom	28 83	2 887	3 174	6.8	5.1	5.6	0.39	0.32	0.28
United States	10 551	12 642	8 282	32.2	29.4	14.6	0.26	0.23	0.11
TOTAL DAC	**38 013**	**58 262**	**57 856**	**100.0**	**100.0**	**100.0**	**0.32**	**0.33**	**0.26**
of which:									
EU Members	18 387	29 368	31 381	46.8	45.6	55.8	0.40	0.45	0.37

Table 10

Technical Co-operation Expenditure

Nets disbursements — $ million at current prices and exchange rates

	1980	1986	1992	1993	1994	1995	1996
Australia	54	176	253	239	292	366	434
Austria	31	39	82	88	102	162	148
Belgium	226	137	186	141	103	294	286
Canada	99	234	554	515	405	396	331
Denmark	105	70	162	163	185	101	104
Finland	33	70	87	37	31	51	47
France	1 157	1 542	2 266	2 093	2 238	2 526	2 502
Germany	991	1 230	1 990	1 941	2 126	2 479	2 396
Ireland	5	13	17	22	33	52	67
Italy	55	412	251	131	126	81	60
Japan	278	599	1 553	1 871	2 194	2 398	2 184
Luxembourg	..	..	1	1	2	2	2
Netherlands	328	386	1063	869	602	947	952
New Zealand	26	14	32	31	39	42	46
Norway	42	57	138	98	153	176	168
Portugal	..	..	63	72	61	61	64
Spain	..	38	119	73	89	169	88
Sweden	109	103	527	352	318	237	260
Switzerland	34	60	359	238	275	363	374
United Kingdom	507	405	802	687	680	782	849
United States	724	1 506	3 081	3 310	2 796	2 614	2 787
TOTAL DAC	**4 804**	**7 091**	**13 585**	**12 973**	**12 850**	**14 298**	**14 147**

Table 11

Non-ODA Financial Flows to Developing Countries 1995

Per cent of reporting country's GNP

	Memo: Total net flows	Total non-ODA flows	*of which:* Export credits	Bank lending	Non-bank portfolio	Direct invest-ment	OOF excl. export credits	NGOs net	*Memo:* Non-ODA debt claims[a] on LDCs
Australia	0.76	0.40	0.47	. .	. .	–0.08	. .	0.02	0.73
Austria	0.39	0.06	–0.01	. .	. .	0.04	0.01	0.02	4.93
Belgium	–0.09	–0.47	0.00	0.42	–0.92	0.05	0.07	0.02	0.47
Canada	0.86	0.49	0.05	–0.01	0.02	0.39	–0.01	0.05	1.29
Denmark	1.07	0.10	0.04	. .	. .	0.01	0.03	0.02	0.42
Finland	0.50	0.18	0.18	–0.03	. .	0.03	–0.01	0.01	1.23
France	0.81	0.26	0.07	0.09	0.04	0.08	–0.01	0.02	2.70
Germany	0.88	0.57	0.15	0.02	0.12	0.20	0.02	0.05	1.05
Ireland	0.46	0.17	0.09	. .	. .	. .	. .	0.09	. .
Italy	0.26	0.11	–0.02	. .	0.07	0.03	0.10	0.00	0.97
Japan	0.82	0.54	0.06	0.21	0.00	0.18	0.09	0.00	0.97
Luxembourg	0.40	0.04	. .	. .	. .	. .	. .	0.04	0.00
Netherlands	1.71	0.90	0.02	0.49	–0.15	0.46	0.02	0.09	1.36
New Zealand	0.31	0.08	. .	. .	. .	0.05	. .	0.03	. .
Norway	1.16	0.30	–0.03	. .	. .	0.26	0.00	0.06	0.38
Portugal	0.38	0.13	. .	. .	–0.06	0.13	0.06	. .	0.39
Spain	0.29	0.04	–0.07	. .	. .	0.09	. .	0.02	1.87
Sweden	1.00	0.23	0.10	. .	. .	0.12	0.00	0.02	3.29
Switzerland	0.35	0.01	–0.11	. .	. .	0.18	. .	0.06	0.22
United Kingdom	1.09	0.80	0.02	0.28	. .	0.45	0.02	0.04	1.40
United States	0.65	0.55	–0.02	. .	. .	0.32	0.03	0.03	0.85
TOTAL DAC	**0.74**	**0.47**	**0.04**	**0.08**	**0.01**	**0.23**	**0.04**	**0.03**	**1.15**
of which:									
EU Members	0.76	0.38	0.06	0.10	0.01	0.17	0.02	0.03	1.58

a) Official and officially supported credits outstanding.

Note: Totals may not sum exactly due to gaps in reporting.

	Total DAC Countries	Australia	Austria	Belgium	Canada	Denmark	Finland	France
NET DISBURSEMENTS								
I. Official Development Assistance (ODA) (A + B)	58 926	1 194	767	1 034	2 067	1 623	388	8 443
ODA as % of GNP	**0.27**	**0.36**	**0.33**	**0.38**	**0.38**	**0.96**	**0.32**	**0.55**
A. Bilateral Official Development Assistance (1 + 2)	40 628	927	560	514	1 385	895	220	6 429
1. Grants and grant-like contributions	36 184	927	377	533	1 427	1 076	243	5 890
of which: Technical co-operation	14 298	366	162	294	396	101	51	2 526
Food aid	1 346	22	4	17	83	–	4	63
Emergency and distress relief	3 062	36	115	16	165	71	23	138
Contributions to NGOs	1 053	9	4	4	175	8	5	24
Administrative costs	2 889	37	16	51	114	79	21	316
2. Development lending and capital	4 444	–	183	–19	–42	–182	–22	538
of which: New development lending	776	–	183	–14	–15	–28	–1	1 031
B. Contributions to Multilateral Institutions	18 299	267	207	520	682	728	168	2 015
Grants and capital subscriptions, total	18 328	267	207	521	682	728	168	2 015
of which: CEC	5 370	–	84	212	–	106	42	984
IDA	5 405	86	58	208	201	94	34	482
Regional Development Banks	1 301	65	0	10	76	28	14	156
II. Other Official Flows (OOF) net (C + D)	9 872	0	81	224	305	150	201	43
C. Bilateral Other Official Flows (1 + 2)	9 084	0	81	224	305	98	201	43
1. Official export credits[a]	1 448	0	57	32	379	92	210	212
2. Equities and other bilateral assets	7 636	–	24	192	–74	6	–8	–169
D. Multilateral Institutions	788	–	–	–	–	52	–	–
III. Grants by Private Voluntary Agencies	5 973	60	53	61	286	33	6	280
IV. Private Flows at Market Terms (long-term) (1 to 4)	87 779	1 281	6	–1 554	2 074	–7	8	3 710
1. Direct investment	49 780	–284	84	130	2 151	12	41	1 296
2. Private export credits	5 572	1 565	–79	–328	–89	–19	5	845
3. Securities of multilateral agencies	–790	–	–	–	–	–	–	–403
4. Bilateral portfolio investment	33 217	–	0	–1 356	13	0	–38	1 972
V. Total Resource Flows (long-term) (I to IV)	**162 551**	**2 536**	**906**	**–234**	**4 732**	**1 799**	**604**	**12 477**
Total Resource Flows as % of GNP	**0.74**	**0.76**	**0.39**	**–0.09**	**0.86**	**1.07**	**0.50**	**0.81**
For reference								
GROSS DISBURSEMENTS								
Official Development Assistance[b]	66 476	1 194	818	1 075	2 135	1 837	419	9 409
New development lending	4 072	–	232	19	26	3	6	1 387
ODA debt reorganisation	4 165	5	39	62	125	175	26	1 709
Food aid, total	2 261	22	114	17	194	71	11	63
Other Official Flows	25 206	0	102	331	1 543	270	395	1 023
of which: Official export credits	7 981	0	77	32	1 543	209	395	391
Private export credits	18 772	1 565	–	222	128	131	15	–
COMMITMENTS								
Official Development Assistance, Total[b]	75 571	1 646	792	1 075	2 240	1 577	417	8 817
Bilateral grants, Total	36 882	1 268	393	533	1 499	784	221	5 288
Debt forgiveness	2 721	–	67	62	125	–	27	1 082
Bilateral loans, Total	17 054	–	145	19	121	–	5	1 514
Memo items:								
Change in claims (long- and short-term)								
Banks: financial (export credits)	9 694	–	–	–272	–	–199	226	1 742
Banks: other portfolio	42 835	–	1 039	1 594	–138	–461	–238	–1 611
Non-bank export credits	2 468	73	–	–46	–81	–64	–5	2 303

a) Including funds in support of private export credits.
b) Including debt reorganisation.

Table 12

Comparison of Flows by Type in 1995

$ million

Germany	Ireland	Italy	Japan	Luxem-bourg	Nether-lands	New Zealand	Norway	Portugal	Spain	Sweden	Switzer-land	United Kingdom	United States
7 524	153	1 623	14 489	65	3 226	123	1 244	258	1 348	1 704	1 084	3 202	7 367
0.31	**0.29**	**0.15**	**0.28**	**0.36**	**0.81**	**0.23**	**0.87**	**0.25**	**0.24**	**0.77**	**0.34**	**0.29**	**0.10**
4 815	88	806	10 419	43	2 245	97	907	166	816	1 189	779	1 716	5 614
4 392	88	608	6 298	43	2 545	97	901	98	533	1 189	784	1 746	6 387
2 479	52	81	2 398	2	947	42	176	61	169	237	363	782	2 614
126	1	51	63	2	45	0	15	0	3	–	21	55	771
439	8	88	60	7	350	2	184	4	20	270	97	182	789
–	0	5	266	7	298	2	–	1	–	112	67	66	–
289	6	48	755	–	127	7	50	2	37	81	24	106	725
423	–	198	4 120	–	–300	–	6	67	283	–	–5	–31	–773
403	–	163	–	–	–300	–	6	–3	283	–	–	–99	–832
2 709	65	817	4 071	22	981	26	337	92	532	515	304	1 487	1 753
2 724	65	817	4 071	22	981	26	337	92	532	515	304	1 487	1 766
1 578	44	634	–	12	327	–	–	60	330	99	–	856	–
739	7	10	1 893	5	241	9	86	7	122	116	133	325	548
23	–	1	826	–	42	–	13	1	12	21	6	8	–
879	–	1 032	5 544	–	90	–	0	12	–380	4	–	213	1 473
1 159	–	1 037	4 522	–	90	–	0	12	–380	4	–	213	1 473
324	–	–5	981	–	–	–	–	–49	–380	–	–	15	–420
836	–	1 041	3 541	–	90	–	0	61	–	4	–	198	1 893
–280	–	–5	1 021	–	–	–	–	–	–	–	–	–	–
1 112	46	25	216	6	355	18	92	–	115	37	185	484	2 502
11 690	48	120	22 046	–	3 123	26	334	126	508	480	–151	8 270	35 642
4 701	–	333	9 398	–	1 825	26	381	133	508	260	558	5 000	23 228
3 213	48	–949	2 000	–	88	–	–47	51	–	222	–344	170	–780
296	–	–	50	–	–157	–	–	–	–	–2	–365	–	–210
3 479	–	736	10 598	–	1 368	–	–	–58	–	0	0	3 100	13 404
21 204	**247**	**2 800**	**42 295**	**72**	**6 795**	**166**	**1 670**	**395**	**1 591**	**2 224**	**1 118**	**12 170**	**46 984**
0.88	**0.46**	**0.26**	**0.82**	**0.40**	**1.71**	**0.31**	**1.16**	**0.38**	**0.29**	**1.00**	**0.35**	**1.09**	**0.65**
8 884	153	1 956	17 485	65	3 530	123	1 248	263	1 428	1 704	1 088	3 328	8 335
1 731	–	278	–	–	3	–	9	1	363	–	–	4	10
390	–	421	516	–	175	–	41	98	61	6	58	130	128
507	3	51	63	2	45	0	25	0	3	114	21	55	880
2 684	–	3 039	11 914	–	90	–	–	82	3	5	–	361	3 363
1 034	–	1 180	2 490	–	–	–	–	–	3	–	–	15	612
6 521	48	845	–	–	731	–	128	164	–	952	1 972	1 010	4 341
11 476	153	2 733	22 023	68	3 941	123	1 286	187	1 466	1 934	1 067	3 192	9 358
4 985	88	687	6 303	46	2 113	97	907	34	533	1 408	780	1 611	7 303
390	–	169	–	–	169	–	29	27	61	104	197	85	128
2 276	–	448	11 709	–	10	–	8	72	401	–	–	93	234
2 824	–	440	541	–3	257	–	–39	–39	100	306	–	379	3 432
5 049	191	–247	25 186	–681	3 390	–	–18	39	–615	68	324	330	9 633
263	–	–3 016	553	1	–157	–	8	–30	–4	1 737	–1 162	–65	2 159

	Total DAC Countries	Australia	Austria	Belgium	Canada	Denmark	Finland	France
NET DISBURSEMENTS								
I. Official Development Assistance (ODA) (A + B)	55 485	1 121	557	913	1 795	1 772	408	7 451
ODA as % of GNP	**0.25**	**0.30**	**0.24**	**0.34**	**0.32**	**1.04**	**0.34**	**0.48**
A. Bilateral Official Development Assistance (1 + 2)	39 138	899	412	530	1 356	1 058	215	5 754
1. Grants and grant-like contributions	36 553	899	353	528	1 392	1 074	218	5 634
of which: Technical co-operation	14 147	434	148	286	331	104	47	2 502
Food aid	813	23	1	17	83	–	–	70
Emergency and distress relief	2 716	56	92	24	174	54	39	96
Contributions to NGOs	1 010	4	3	2	153	9	0	22
Administrative costs	2 856	49	15	47	120	86	20	303
2. Development lending and capital	2 585	–	59	2	–35	–16	–4	120
of which: New development lending	–54	–	59	5	–27	–34	–6	638
B. Contributions to Multilateral Institutions	16 347	222	145	384	439	715	194	1 697
Grants and capital subscriptions, total	16 382	222	145	386	439	715	194	1 697
of which: CEC	4 600	–	94	187	–	84	48	845
IDA	3 986	90	–	104	–	56	33	471
Regional Development Banks	1 578	58	4	7	36	11	29	146
II. Other Official Flows (OOF) net (C + D)	5 562	220	335	94	489	–48	243	–284
C. Bilateral Other Official Flows (1 + 2)	6 089	220	142	94	489	–3	243	–284
1. Official export credits[a]	1 768	220	142	27	609	0	243	80
2. Equities and other bilateral assets	4 321	–	–	68	–119	–3	–	–364
D. Multilateral Institutions	–527	–	193	–	–	–45	–	–
III. Grants by Private Voluntary Agencies	5 577	76	47	60	302	36	0	–
IV. Private Flows at Market Terms (long-term) (1 to 4)	130 360	–	938	4 528	1 859	188	472	11 115
1. Direct investment	61 051	–	247	461	2 024	199	257	4 657
2. Private export credits	1 295	–	691	–127	–11	–11	53	1 106
3. Securities of multilateral agencies	–948	–	–	–	–	–	–	–
4. Bilateral portfolio investment	68 963	–	–	4 194	–154	–	162	5 352
V. Total Resource Flows (long-term) (I to IV)	**196 984**	**1 417**	**1 878**	**5 595**	**4 446**	**1 949**	**1 124**	**18 283**
Total Resource Flows as % of GNP	**0.89**	**0.38**	**0.82**	**2.10**	**0.79**	**1.15**	**0.94**	**1.19**
For reference								
GROSS DISBURSEMENTS								
Official Development Assistance[b]	63 366	1 121	611	953	1 844	1 820	419	8 588
New development lending	3 383	–	111	39	13	1	5	1 108
ODA debt reorganisation	3 834	7	–	62	128	27	–	1 611
Food aid, total	1 609	23	87	17	203	54	11	70
Other Official Flows	20 353	220	359	177	1 792	245	520	479
of which: Official export credits	7 159	220	167	27	1 792	155	520	249
Private export credits	18 084	–	781	59	177	–	98	–
COMMITMENTS								
Official Development Assistance, Total[b]	68 154	1 073	735	953	2 207	2 174	449	8 588
Bilateral grants, Total	37 754	850	500	528	1 547	1 290	215	5 634
Debt forgiveness	2 847	–	–	62	128	–	–	1 462
Bilateral loans, Total	15 517	–	42	39	–	129	12	1 257
Memo items:								
Change in claims (long- and short-term)								
Banks: financial (export credits)	6 101	–	–	–226	–	–199	254	1 405
Banks: other portfolio	56 383	–	1 785	1 597	–78	570	–239	477
Non-bank export credits	–1 457	52	–	91	–37	–63	4	251

a) Including funds in support of private export credits.
b) Including debt reorganisation.

Table 13

Comparison of Flows by Type in 1996

$ million

Germany	Ireland	Italy	Japan	Luxem-bourg	Nether-lands	New Zealand	Norway	Portugal	Spain	Sweden	Switzer-land	United Kingdom	United States
7 601	179	2 416	9 439	82	3 246	122	1 311	218	1 251	1 999	1 026	3 199	9 377
0.33	**0.31**	**0.20**	**0.20**	**0.44**	**0.81**	**0.21**	**0.85**	**0.21**	**0.22**	**0.84**	**0.34**	**0.27**	**0.12**
4 535	114	811	8 207	57	2 275	102	944	157	888	1 395	722	1 790	6 917
4 507	114	530	5 438	57	2 509	102	935	126	563	1 395	726	1 782	7 672
2 396	67	60	2 184	2	952	46	168	64	88	260	374	849	2 787
44	–	59	63	1	4	–	–	–	14	–	13	–	420
294	16	97	72	9	341	4	199	6	13	269	81	195	585
–	0	34	236	12	300	3	–	2	–	109	56	65	–
273	14	38	703	2	157	8	56	5	38	96	23	131	671
29	–	281	2 769	–	–234	–	9	31	325	–	–4	8	–755
93	–	99	–	–	–234	–	9	–1	325	–	–4	–79	–898
3 066	65	1 604	1 232	26	971	20	367	61	364	604	304	1 409	2 460
3 080	65	1 604	1 232	26	971	20	367	61	364	604	304	1 411	2 476
1 355	41	551	–	14	245	–	–	53	269	105	–	707	–
1 159	7	412	–	5	272	–	78	–	3	137	128	323	710
63	–	339	226	–	50	–	31	1	18	50	17	58	435
194	–	1 978	947	–	57	–	–1	135	–	0	–	81	1 119
527	–	1 978	1 290	–	57	–	–1	135	–	0	–	81	1 119
583	–	181	–282	–	–	–	–	–	–	–	–	22	–57
–57	–	1 798	1 572	–	57	–	–1	135	–	0	–	60	1 176
–332	–	–	–343	–	–	–	–	–	–	–	–	–	–
1 044	68	31	232	16	353	16	80	–1	122	22	182	382	2 509
12 336	125	289	27 469	–	5 858	9	294	593	2 865	–17	395	18 196	42 848
3 456	–	457	8 573	–	6 225	9	202	482	2 865	339	1 316	5 852	23 430
1 712	–	–1 810	–485	–	–499	–	92	111	–	–357	–338	224	943
187	–	–	–599	–	1 044	–	–	–	–	–	–583	–	–997
6 980	125	1 642	19 981	–	–912	–	0	–	–	0	0	12 120	19 472
21 175	**371**	**4 713**	**38 088**	**99**	**9 514**	**147**	**1 685**	**944**	**4 239**	**2 003**	**1 604**	**21 859**	**55 853**
0.91	**0.64**	**0.39**	**0.82**	**0.52**	**2.38**	**0.25**	**1.09**	**0.89**	**0.74**	**0.84**	**0.53**	**1.87**	**0.74**
9 133	179	2 547	12 903	82	3 481	122	1 314	220	1 344	1 999	1 030	3 311	10 344
1 451	–	207	–	–	1	–	12	0	418	–	–	8	9
822	–	205	422	–	218	–	44	69	120	17	–	81	–
217	4	61	63	1	75	–	9	–	14	114	13	–	572
2 693	–	2 043	8 203	–	57	–	–	157	–	2	–	257	3 148
1 205	–	181	1 701	–	–	–	–	–	–	–	–	22	922
5 856	–	1 940	–	–	339	–	143	163	–	889	–	904	6 735
10 747	179	2 604	16 529	88	2 228	122	1 231	115	1 314	1 996	1 004	3 311	10 505
5 092	114	639	5 629	54	2 188	102	847	54	563	1 417	695	1 782	8 014
774	–	–	–	–	181	–	30	48	–	81	–	81	–
2 257	–	248	10 900	–	–	–	11	33	388	–	–	118	82
1 922	–	–1 317	358	–1	–145	–	82	–56	89	59	–	298	3 577
4 803	1 422	1 145	8 727	795	882	–	98	56	2 381	151	1 796	19 886	10 130
200	–	375	–2 539	–1	–324	–	–38	–41	–9	–535	–873	–130	2 159

	Australia				
	1985/1986	1993	1994	1995	1996
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	751	953	1 091	1 194	1 121
ODA as % of GNP	**0.47**	**0.35**	**0.34**	**0.36**	**0.30**
A. Bilateral Official Development Assistance (1 + 2)	524	715	824	927	899
1. Grants and grant-like contributions	524	715	824	927	899
of which: Technical co-operation	183	239	292	366	434
Food aid	26	25	45	22	23
Emergency and distress relief	7	27	25	36	56
Contributions to NGOs	3	17	22	9	4
Administrative costs	16	28	30	37	49
2. Development lending and capital	0	–	–	–	–
of which: New development lending	0	–	–	–	–
B. Contributions to Multilateral Institutions	227	239	267	267	222
Grants and capital subscriptions, total	227	239	267	267	222
of which: CEC	–	–	–	–	–
IDA	89	79	85	86	90
Regional Development Banks	40	59	64	65	58
II. Other Official Flows (OOF) net (C + D)	27	163	170	0	220
C. Bilateral Other Official Flows (1 + 2)	–30	163	170	0	220
1. Official export credits[a]	–30	163	170	0	220
2. Equities and other bilateral assets	0	–	–	–	–
D. Multilateral Institutions	57	–	–	–	–
III. Grants by Private Voluntary Agencies	46	92	75	60	76
IV. Private Flows at Market Terms (long-term) (1 to 4)	319	874	800	1 281	–
1. Direct investment	211	1 040	1 283	–284	–
2. Private export credits	272	–	–	1 565	–
3. Securities of multilateral agencies	–	–	–	–	–
4. Bilateral portfolio investment	–164	–166	–484	–	–
V. Total Resource Flows (long-term) (I to IV)	**1 143**	**2 082**	**2 136**	**2 536**	**1 417**
Total Resource Flows as % of GNP	**0.72**	**0.76**	**0.67**	**0.76**	**0.38**
For reference					
GROSS DISBURSEMENTS					
Official Development Assistance[b]	775	953	1 091	1 194	1 121
New development lending	–	–	–	–	–
ODA debt reorganisation	–	5	4	5	7
Food aid, total	68	61	67	22	23
Other Official Flows	184	177	201	0	220
of which: Official export credits	33	177	201	0	220
Private export credits	784	–	–	1 565	–
COMMITMENTS					
Official Development Assistance, Total[b]	732	994	1 188	1 646	1 073
Bilateral grants, Total	532	791	965	1 268	850
Debt forgiveness	–	4	7	–	–
Bilateral loans, Total	–	–	–	–	–
Memo items:					
Change in claims (long- and short-term)					
Banks: financial (export credits)	–	–	–	–	–
Banks: other portfolio	–	–	–	–	–
Non-bank export credits	–	–16	–103	73	52
Aid appropriations as % of Budget	–	1.27	1.19	–	–

a) Including funds in support of private export credits.
b) Including debt reorganisation.

Table 14

The Flow of Financial Resources to Developing Countries and Multilateral Organisations

$ million

Austria					Belgium				
1985/1986	1993	1994	1995	1996	1985/1986	1993	1994	1995	1996
223	544	655	767	557	493	810	727	1 034	913
0.28	**0.30**	**0.33**	**0.33**	**0.24**	**0.51**	**0.39**	**0.32**	**0.38**	**0.34**
158	411	536	560	412	317	468	436	514	530
52	334	354	377	353	264	453	431	533	528
33	88	102	162	148	121	141	103	294	286
3	4	3	4	1	13	14	9	17	17
3	123	127	115	92	2	19	14	16	24
1	5	2	4	3	32	2	2	4	2
4	8	7	16	15	17	32	35	51	47
106	77	182	183	59	53	15	5	–19	2
106	202	222	183	59	52	29	33	–14	5
65	133	120	207	145	176	342	291	520	384
68	133	120	207	145	176	342	293	521	386
–	–	–	84	94	78	145	197	212	187
35	56	55	58	–	53	89	0	208	104
12	24	23	0	4	17	47	27	10	7
35	–9	65	81	335	66	183	733	224	94
35	–9	65	81	142	77	122	733	224	94
35	–9	65	57	142	–	17	25	32	27
–	–	–	24	–	154	235	1 454	192	68
–	–	–	–	193	–11	61	–	–	–
19	69	36	53	47	21	30	52	61	60
–130	111	273	6	938	–328	–286	665	–1 554	4 528
14	69	66	84	247	168	–198	–204	130	461
–144	42	206	–79	691	–450	644	–531	–328	–127
–	–	–	–	–	181	–	–	–	–
0	0	0	0	–	–227	–732	1 400	–1 356	4 194
148	**714**	**1 029**	**906**	**1 878**	**253**	**736**	**2 177**	**–234**	**5 595**
0.19	**0.39**	**0.52**	**0.39**	**0.82**	**0.26**	**0.35**	**0.95**	**–0.09**	**2.10**
239	669	696	818	611	503	831	760	1 075	953
115	202	222	232	111	59	29	33	19	39
0	20	25	39	–	–	5	77	62	62
5	122	126	114	87	33	34	35	17	17
47	76	77	102	359	118	208	770	331	177
47	76	77	77	167	–	17	25	32	27
21	117	312	–	781	758	1 822	987	222	59
164	710	873	792	735	402	831	760	1 075	953
49	402	586	393	500	183	453	431	533	528
–	20	258	67	–	–	5	76	62	62
44	176	166	145	42	42	33	34	19	39
–	–	–	–	–	–	194	196	–272	–226
–	268	183	1 039	1 785	–	574	410	1 594	1 597
–	–	–	–	–	–	–14	–82	–46	91
–	0.71	–	–	–	–	–	–	–	–

	1985/1986	1993	Canada 1994	1995	1996
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	1 663	2 400	2 250	2 067	1 795
ODA as % of GNP	**0.49**	**0.45**	**0.43**	**0.38**	**0.32**
A. Bilateral Official Development Assistance (1 + 2)	1 026	1 622	1 423	1 385	1 356
1. Grants and grant-like contributions	923	1 799	1 431	1 427	1 392
of which: Technical co-operation	243	515	405	396	331
Food aid	151	81	104	83	83
Emergency and distress relief	40	274	228	165	174
Contributions to NGOs	148	128	123	175	153
Administrative costs	77	137	127	114	120
2. Development lending and capital	103	–177	–9	–42	–35
of which: New development lending	101	50	37	–15	–27
B. Contributions to Multilateral Institutions	637	778	827	682	439
Grants and capital subscriptions, total	638	778	827	682	439
of which: CEC	–	–	–	–	–
IDA	218	214	202	201	–
Regional Development Banks	163	183	175	76	36
II. Other Official Flows (OOF) net (C + D)	–168	326	740	305	489
C. Bilateral Other Official Flows (1 + 2)	–172	326	740	305	489
1. Official export credits[a]	–175	326	740	379	609
2. Equities and other bilateral assets	7	–	–	–74	–119
D. Multilateral Institutions	4	–	–	–	–
III. Grants by Private Voluntary Agencies	173	284	273	286	302
IV. Private Flows at Market Terms (long-term) (1 to 4)	–46	2 273	2 373	2 074	1 859
1. Direct investment	94	2 591	2 720	2 151	2 024
2. Private export credits	2	164	–209	–89	–11
3. Securities of multilateral agencies	98	–	–	–	–
4. Bilateral portfolio investment	–241	–481	–137	13	–154
V. Total Resource Flows (long-term) (I to IV)	**1 623**	**5 283**	**5 637**	**4 732**	**4 446**
Total Resource Flows as % of GNP	**0.47**	**0.99**	**1.07**	**0.86**	**0.79**
For reference					
GROSS DISBURSEMENTS					
Official Development Assistance[b]	1 695	2 626	2 296	2 135	1 844
New development lending	133	50	37	26	13
ODA debt reorganisation	2	184	5	125	128
Food aid, total	263	402	399	194	203
Other Official Flows	542	899	1 933	1 543	1 792
of which: Official export credits	462	899	1 933	1 543	1 792
Private export credits	14	335	121	128	177
COMMITMENTS					
Official Development Assistance, Total[b]	1 770	2 463	2 110	2 240	2 207
Bilateral grants, Total	1 122	1 583	1 244	1 499	1 547
Debt forgiveness	–	184	5	125	128
Bilateral loans, Total	53	80	111	121	–
Memo items:					
Change in claims (long- and short-term)					
Banks: financial (export credits)	–	–	–	–	–
Banks: other portfolio	–	–730	14	–138	–78
Non-bank export credits	–	153	–115	–81	–37
Aid appropriations as % of Budget	–	1.59	1.36	–	–

a) Including funds in support of private export credits.
b) Including debt reorganisation.

Table 15

The Flow of Financial Resources to Developing Countries and Multilateral Organisations

$ million

Denmark					Finland				
1985/1986	1993	1994	1995	1996	1985/1986	1993	1994	1995	1996
567	1 340	1 446	1 623	1 772	262	355	290	388	408
0.85	**1.03**	**1.03**	**0.96**	**1.04**	**0.43**	**0.45**	**0.31**	**0.32**	**0.34**
295	755	803	895	1 058	158	242	214	220	215
278	769	881	1 076	1 074	142	227	213	243	218
59	163	185	101	104	62	37	31	51	47
–	–	–	–	–	2	3	2	4	–
–	77	79	71	54	7	22	27	23	39
3	6	7	8	9	4	5	4	5	0
10	53	68	79	86	7	27	15	21	20
17	–14	–78	–182	–16	16	15	0	–22	–4
17	7	1	–28	–34	15	36	5	–1	–6
272	585	643	728	715	104	113	76	168	194
272	585	643	728	715	104	113	76	168	194
38	93	95	106	84	–	–	–	42	48
33	82	83	94	56	22	37	2	34	33
17	31	52	28	11	14	18	18	14	29
–28	–12	–74	150	–48	23	3	67	201	243
–44	–1	–54	98	–3	–	3	67	201	243
–49	–	–54	92	0	–	121	58	210	243
10	–1	0	6	–3	–	–118	17	–8	–
16	–11	–20	52	–45	23	–	–	–	–
14	45	39	33	36	20	5	3	6	0
–93	24	–92	–7	188	51	–27	192	8	472
44	101	–4	12	199	32	55	49	41	257
–274	–127	–46	–19	–11	19	61	119	5	53
–	–	–	–	–	–	–	–	–	–
137	49	–42	0	–	–	–143	24	–38	162
460	**1 397**	**1 319**	**1 799**	**1 949**	**356**	**336**	**552**	**604**	**1 124**
0.69	**1.08**	**0.94**	**1.07**	**1.15**	**0.59**	**0.43**	**0.59**	**0.50**	**0.94**
644	1 364	1 525	1 837	1 820	262	376	296	419	419
94	7	1	3	1	15	36	5	6	5
70	5	57	175	27	–	19	–	26	–
26	87	102	71	54	17	24	16	11	11
198	5	39	270	245	23	121	130	395	520
129	–	35	209	155	–	121	122	395	520
193	157	93	131	–	33	124	164	15	98
676	1 608	1 418	1 577	2 174	379	298	314	417	449
266	995	746	784	1 290	235	235	168	221	215
–	–	–	–	–	–	19	–	27	–
144	7	8	–	129	19	7	4	5	12
–	–39	–84	–199	–199	–	125	248	226	254
–	–901	428	–461	570	–	–160	–286	–238	–239
–	–30	–17	–64	–63	–	0	–12	–5	4
–	2.46	2.34	–	–	–	1.21	0.96	–	–

	France				
	1985/1986	1993	1994	1995	1996
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	3 588	7 915	8 466	8 443	7 451
ODA as % of GNP	**0.58**	**0.63**	**0.64**	**0.55**	**0.48**
A. Bilateral Official Development Assistance (1 + 2)	2 750	6 154	6 611	6 429	5 754
1. Grants and grant-like contributions	1 880	4 565	5 991	5 890	5 634
of which: Technical co-operation	1 371	2 093	2 238	2 526	2 502
Food aid	40	42	73	63	70
Emergency and distress relief	–	125	122	138	96
Contributions to NGOs	9	21	20	24	22
Administrative costs	114	271	276	316	303
2. Development lending and capital	870	1 588	620	538	120
of which: New development lending	730	2 050	1 147	1 031	638
B. Contributions to Multilateral Institutions	838	1 761	1 855	2 015	1 697
Grants and capital subscriptions, total	838	1 761	1 855	2 015	1 697
of which: CEC	347	835	915	984	845
IDA	266	430	434	482	471
Regional Development Banks	96	212	241	156	146
II. Other Official Flows (OOF) net (C + D)	756	250	134	43	–284
C. Bilateral Other Official Flows (1 + 2)	756	250	134	43	–284
1. Official export credits[a]	–	246	100	212	80
2. Equities and other bilateral assets	1 464	7	69	–169	–364
D. Multilateral Institutions	–	–	–	–	–
III. Grants by Private Voluntary Agencies	74	283	280	280	–
IV. Private Flows at Market Terms (long-term) (1 to 4)	3 351	2 455	3 837	3 710	11 115
1. Direct investment	593	2 840	1 677	1 296	4 657
2. Private export credits	2 407	–2 304	712	845	1 106
3. Securities of multilateral agencies	706	–55	–62	–403	–
4. Bilateral portfolio investment	–355	1 973	1 511	1 972	5 352
V. Total Resource Flows (long-term) (I to IV)	**7 770**	**10 902**	**12 717**	**12 477**	**18 283**
Total Resource Flows as % of GNP	**1.26**	**0.87**	**0.96**	**0.81**	**1.19**
For reference					
GROSS DISBURSEMENTS					
Official Development Assistance[b]	3 726	8 519	9 451	9 409	8 588
New development lending	856	2 050	1 516	1 387	1 108
ODA debt reorganisation	157	988	2 152	1 709	1 611
Food aid, total	125	42	73	63	70
Other Official Flows	1 034	1 185	936	1 023	479
of which: Official export credits	–	335	249	391	249
Private export credits	6 583	–	1 272	–	–
COMMITMENTS					
Official Development Assistance, Total[b]	4 379	7 207	9 543	8 817	8 588
Bilateral grants, Total	2 019	3 636	5 345	5 288	5 634
Debt forgiveness	0	–	1 333	1 082	1 462
Bilateral loans, Total	1 436	1 810	2 343	1 514	1 257
Memo items:					
Change in claims (long- and short-term)					
Banks: financial (export credits)	–	–1 120	1 458	1 742	1 405
Banks: other portfolio	–	–648	893	–1 611	477
Non-bank export credits	–	767	918	2 303	251
Aid appropriations as % of Budget	–	–	–	–	–

a) Including funds in support of private export credits.
b) Including debt reorganisation.

Table 16

The Flow of Financial Resources to Developing Countries and Multilateral Organisations

$ million

Germany 1985/1986	Germany 1993	Germany 1994	Germany 1995	Germany 1996	Ireland 1985/1986	Ireland 1993	Ireland 1994	Ireland 1995	Ireland 1996
3 387	6 954	6 818	7 524	7 601	51	81	109	153	179
0.45	**0.36**	**0.34**	**0.31**	**0.33**	**0.27**	**0.20**	**0.25**	**0.29**	**0.31**
2 311	4 517	4 144	4 815	4 535	21	41	56	88	114
1 613	3 614	3 549	4 392	4 507	21	41	56	88	114
1 053	1 941	2 126	2 479	2 396	10	22	33	52	67
89	110	119	126	44	–	1	1	1	–
20	550	393	439	294	1	5	9	8	16
–	195	–	–	–	3	2	0	0	0
43	236	221	289	273	2	3	5	6	14
699	903	594	423	29	–	–	–	–	–
516	447	285	403	93	–	–	–	–	–
1 076	2 437	2 674	2 709	3 066	30	41	53	65	65
1 081	2 449	2 687	2 724	3 080	30	41	53	65	65
437	1 133	1 413	1 578	1 355	16	26	37	44	41
335	612	704	739	1 159	7	6	6	7	7
96	299	228	23	63	–	–	–	–	–
1 026	1 834	3 539	879	194	–	–	–	–	–
1 034	1 814	3 701	1 159	527	–	–	–	–	–
307	265	241	324	583	–	–	–	–	–
1 437	3 090	6 917	836	–57	–	–	–	–	–
–7	19	–161	–280	–332	–	–	–	–	–
484	867	981	1 112	1 044	21	25	52	46	68
1 922	5 712	12 602	11 690	12 336	35	22	37	48	125
134	1 313	2 944	4 701	3 456	–	–	–	–	–
707	2 028	2 977	3 213	1 712	35	22	37	48	–
426	843	182	296	187	–	–	–	–	–
656	1 527	6 500	3 479	6 980	–	–	–	–	125
6 819	**15 366**	**23 941**	**21 204**	**21 175**	**107**	**128**	**198**	**247**	**371**
0.90	**0.81**	**1.18**	**0.88**	**0.91**	**0.56**	**0.32**	**0.46**	**0.46**	**0.64**
3 999	8 211	7 981	8 884	9 133	51	81	109	153	179
1 111	1 611	1 343	1 731	1 451	–	–	–	–	–
253	608	561	390	822	–	–	–	–	–
216	792	688	507	217	9	1	2	3	4
1 932	4 625	6 183	2 684	2 693	–	–	–	–	–
763	916	897	1 034	1 205	–	–	–	–	–
2 455	4 474	6 785	6 521	5 856	35	22	37	48	–
4 160	8 523	9 250	11 476	10 747	51	..	109	153	179
1 812	3 848	4 051	4 985	5 092	21	..	56	88	114
104	80	193	390	774	–	–	–	–	–
1 070	2 109	2 233	2 276	2 257	–	–	–	–	–
–	2 031	3 071	2 824	1 922	–	–	–	–	–
–	–148	2 391	5 049	4 803	–	120	–152	191	1 422
–	–384	–920	263	200	–	–	–	–	–
–	–	1.93	–	–	–	–	0.64	–	–

	1985/1986	1993	Italy 1994	1995	1996
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	1 751	3 043	2 705	1 623	2 416
ODA as % of GNP	**0.34**	**0.31**	**0.27**	**0.15**	**0.20**
A. Bilateral Official Development Assistance (1 + 2)	1 134	1 930	1 834	806	811
1. Grants and grant-like contributions	916	1 368	665	608	530
of which: Technical co-operation	339	131	126	81	60
Food aid	143	93	71	51	59
Emergency and distress relief	140	342	105	88	97
Contributions to NGOs	41	–	25	5	34
Administrative costs	42	95	69	48	38
2. Development lending and capital	218	562	1 169	198	281
of which: New development lending	212	870	430	163	99
B. Contributions to Multilateral Institutions	617	1 113	870	817	1 604
Grants and capital subscriptions, total	617	1 113	870	817	1 604
of which: CEC	203	566	613	634	551
IDA	204	233	2	10	412
Regional Development Banks	62	4	3	1	339
II. Other Official Flows (OOF) net (C + D)	770	944	690	1 032	1 978
C. Bilateral Other Official Flows (1 + 2)	795	1 001	736	1 037	1 978
1. Official export credits[a]	23	909	–135	–5	181
2. Equities and other bilateral assets	1 516	263	2 380	1 041	1 798
D. Multilateral Institutions	–25	–57	–46	–5	–
III. Grants by Private Voluntary Agencies	9	50	57	25	31
IV. Private Flows at Market Terms (long-term) (1 to 4)	–150	–1 660	–31	120	289
1. Direct investment	331	108	143	333	457
2. Private export credits	–927	–4 350	–905	–949	–1 810
3. Securities of multilateral agencies	–	–	–	–	–
4. Bilateral portfolio investment	447	2 582	731	736	1 642
V. Total Resource Flows (long-term) (I to IV)	**2 380**	**2 377**	**3 421**	**2 800**	**4 713**
Total Resource Flows as % of GNP	**0.47**	**0.24**	**0.34**	**0.26**	**0.39**
For reference					
GROSS DISBURSEMENTS					
Official Development Assistance[b]	1 772	3 497	2 850	1 956	2 547
New development lending	233	870	430	278	207
ODA debt reorganisation	10	516	899	421	205
Food aid, total	212	259	166	51	61
Other Official Flows	1 001	1 677	2 440	3 039	2 043
of which: Official export credits	198	1 491	921	1 180	181
Private export credits	2 409	2 601	2 782	845	1 940
COMMITMENTS					
Official Development Assistance, Total[b]	3 171	3 602	2 935	2 733	2 604
Bilateral grants, Total	1 397	1 346	534	687	639
Debt forgiveness	4	370	14	169	–
Bilateral loans, Total	356	341	1 070	448	248
Memo items:					
Change in claims (long- and short-term)					
Banks: financial (export credits)	–	20	–184	440	–1 317
Banks: other portfolio	–	715	–1 682	–247	1 145
Non-bank export credits	–	–819	–188	–3 016	375
Aid appropriations as % of Budget	–	0.42	0.49	–	–

a) Including funds in support of private export credits.
b) Including debt reorganisation.

Table 17

The Flow of Financial Resources to Developing Countries and Multilateral Organisations

$ million

Japan 1985/1986	Japan 1993	Japan 1994	Japan 1995	Japan 1996	Luxembourg 1985/1986	Luxembourg 1993	Luxembourg 1994	Luxembourg 1995	Luxembourg 1996
4 716	11 259	13 239	14 489	9 439	10	50	59	65	82
0.29	**0.27**	**0.29**	**0.28**	**0.20**	**0.17**	**0.35**	**0.40**	**0.36**	**0.44**
3 202	8 044	9 558	10 419	8 207	2	31	40	43	57
1 444	4 499	5 299	6 298	5 438	2	31	40	43	57
511	1 871	2 194	2 398	2 184	–	1	2	2	2
61	43	55	63	63	–	1	1	2	1
4	40	31	60	72	–	8	5	7	9
67	132	152	266	236	0	0	–	7	12
121	564	636	755	703	–	–	–	–	2
1 758	3 545	4 259	4 120	2 769	–	–	–	–	–
1 709	7 588	6 607	–	–	–	–	–	–	–
1 514	3 215	3 681	4 071	1 232	8	18	19	22	26
1 516	3 215	3 681	4 071	1 232	–	18	19	22	26
–	–	–	–	–	–	11	10	12	14
694	1 414	1 537	1 893	–	–	3	5	5	5
484	892	1 116	826	226	–	–	–	–	–
–513	3 842	3 229	5 544	947	–	–	–	–	–
–340	3 211	1 158	4 522	1 290	–	–	–	–	–
–505	54	631	981	–282	–	–	–	–	–
259	6 313	528	3 541	1 572	–	–	–	–	–
–173	631	2 070	1 021	–343	–	–	–	–	–
92	159	213	216	232	–	5	4	6	16
8 566	618	11 807	22 046	27 469	–	–	–	–	–
1 665	2 356	7 358	9 398	8 573	–	–	–	–	–
–397	1 938	1 675	2 000	–485	–	–	–	–	–
2 073	–3 809	–2 870	50	–599	–	–	–	–	–
5 225	133	5 644	10 598	19 981	–	–	–	–	–
12 860	**15 877**	**28 487**	**42 295**	**38 088**	**–**	**54**	**64**	**72**	**99**
0.78	**0.38**	**0.62**	**0.82**	**0.82**	**–**	**0.39**	**0.43**	**0.40**	**0.52**
5 386	15 301	15 694	17 485	12 903	10	50	59	65	82
2 308	7 588	6 607	–	–	–	–	–	–	–
128	266	518	516	422	–	–	–	–	–
82	43	55	63	63	–	6	1	2	1
3 141	11 008	8 973	11 914	8 203	–	–	–	–	–
1 622	2 048	2 283	2 490	1 701	–	–	–	–	–
2 477	11 251	12 185	–	–	–	–	–	–	–
5 759	18 238	17 705	22 023	16 529	–	50	59	68	88
1 545	4 696	5 853	6 303	5 629	–	31	40	46	54
33	261	341	–	–	–	–	–	–	–
2 664	10 415	8 454	11 709	10 900	–	–	–	–	–
–	–93	215	541	358	–	–	–1	–3	–1
–	–4 803	–2 603	25 186	8 727	–	1 624	44	–681	795
–	1 142	2 037	553	–2 539	–	–	–1	1	–1
–	1.35	1.27	–	–	–	–	1.15	–	–

	1985/1986	1993	Netherlands 1994	1995	1996
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	1 438	2 525	2 517	3 226	3 246
ODA as % of GNP	**0.97**	**0.82**	**0.76**	**0.81**	**0.81**
A. Bilateral Official Development Assistance (1 + 2)	971	1 776	1 701	2 245	2 275
1. Grants and grant-like contributions	848	1 944	1 932	2 545	2 509
of which: Technical co-operation	326	869	602	947	952
Food aid	28	52	2	45	4
Emergency and distress relief	24	303	302	350	341
Contributions to NGOs	–	208	317	298	300
Administrative costs	48	105	113	127	157
2. Development lending and capital	123	–168	–232	–300	–234
of which: New development lending	117	30	7	–300	–234
B. Contributions to Multilateral Institutions	467	749	816	981	971
Grants and capital subscriptions, total	467	749	816	981	971
of which: CEC	118	247	279	327	245
IDA	137	135	194	241	272
Regional Development Banks	31	37	27	42	50
II. Other Official Flows (OOF) net (C + D)	10	97	48	90	57
C. Bilateral Other Official Flows (1 + 2)	10	97	48	90	57
1. Official export credits[a]	–	–	–	–	–
2. Equities and other bilateral assets	21	246	63	90	57
D. Multilateral Institutions	–	–	–	–	–
III. Grants by Private Voluntary Agencies	119	272	266	355	353
IV. Private Flows at Market Terms (long-term) (1 to 4)	1 154	2 668	1 823	3 123	5 858
1. Direct investment	378	1 146	1 872	1 825	6 225
2. Private export credits	58	28	–93	88	–499
3. Securities of multilateral agencies	696	121	–340	–157	1 044
4. Bilateral portfolio investment	22	1 374	384	1 368	–912
V. Total Resource Flows (long-term) (I to IV)	**2 722**	**5 563**	**4 654**	**6 795**	**9 514**
Total Resource Flows as % of GNP	**1.83**	**1.80**	**1.41**	**1.71**	**2.38**
For reference					
GROSS DISBURSEMENTS					
Official Development Assistance[b]	1 508	2 724	2 755	3 530	3 481
New development lending	187	30	7	3	1
ODA debt reorganisation	16	102	120	175	218
Food aid, total	97	302	159	45	75
Other Official Flows	25	149	73	90	57
of which: Official export credits	–	–	–	–	–
Private export credits	602	945	868	731	339
COMMITMENTS					
Official Development Assistance, Total[b]	1 491	3 620	2 835	3 941	2 228
Bilateral grants, Total	905	2 216	2 299	2 113	2 188
Debt forgiveness	15	103	119	169	181
Bilateral loans, Total	110	1	6	10	–
Memo items:					
Change in claims (long- and short-term)					
Banks: financial (export credits)	–	26	–38	257	–145
Banks: other portfolio	–	–383	–156	3 390	882
Non-bank export credits	–	–9	–31	–157	–324
Aid appropriations as % of Budget	–	–	–	–	–

a) Including funds in support of private export credits.
b) Including debt reorganisation.

Table 18

The Flow of Financial Resources to Developing Countries and Multilateral Organisations

$ million

New Zealand					Norway				
1985/1986	1993	1994	1995	1996	1985/1986	1993	1994	1995	1996
65	98	110	123	122	686	1 014	1 137	1 244	1 311
0.28	**0.25**	**0.24**	**0.23**	**0.21**	**1.10**	**1.01**	**1.05**	**0.87**	**0.85**
52	74	85	97	102	404	659	828	907	944
52	74	85	97	102	400	655	822	901	935
12	31	39	42	46	50	98	153	176	168
0	–	0	0	–	6	11	16	15	–
1	5	3	2	4	22	113	181	184	199
1	1	2	2	3	42	–	–	–	–
2	7	7	7	8	24	40	42	50	56
–	–	–	–	–	3	4	6	6	9
–	–	–	–	–	3	5	8	6	9
13	24	25	26	20	283	356	309	337	367
13	24	25	26	20	283	356	309	337	367
–	–	–	–	–	–	–	–	–	–
2	6	8	9	–	47	76	77	86	78
2	1	3	–	–	28	42	8	13	31
1	–	–	–	–	10	3	–1	0	–1
1	–	–	–	–	12	3	–1	0	–1
–	–	–	–	–	6	0	–	–	–
3	–	–	–	–	11	8	–1	0	–1
–	–	–	–	–	–1	–	–	–	–
7	14	16	18	16	54	130	127	92	80
25	–	–	26	9	–86	73	217	334	294
25	–	–	26	9	2	65	62	381	202
1	–	–	–	–	–88	9	155	–47	92
–	–	–	–	–	–	–	–	–	–
0	–	–	–	–	0	0	–	–	0
98	**112**	**126**	**166**	**147**	**664**	**1 221**	**1 479**	**1 670**	**1 685**
0.42	**0.28**	**0.27**	**0.31**	**0.25**	**1.06**	**1.22**	**1.37**	**1.16**	**1.09**
65	98	110	123	122	688	1 016	1 138	1 248	1 314
–	–	–	–	–	5	5	8	9	12
–	–	–	–	–	1	13	47	41	44
1	0	0	0	–	27	34	108	25	9
1	–	–	–	–	48	4	–	–	–
–	–	–	–	–	6	–	–	–	–
1	–	–	–	–	14	50	211	128	143
69	94	108	123	122	745	918	1 040	1 286	1 231
41	72	83	97	102	442	579	701	907	847
–	–	–	–	–	1	54	51	29	30
–	–	–	–	–	5	5	7	8	11
–	–	–	–	–	–	26	139	–39	82
–	–	–	–	–	–	–195	–143	–18	98
–	–	–	–	–	–	–22	36	8	–38
–	0.37	–	–	–	–	1.69	1.86	–	–

	Portugal 1985/1986	1993	1994	1995	1996
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	16	235	303	258	218
ODA as % of GNP	**0.06**	**0.28**	**0.34**	**0.25**	**0.21**
A. Bilateral Official Development Assistance (1 + 2)	3	178	210	166	157
1. Grants and grant-like contributions	3	97	142	98	126
of which: Technical co-operation	–	72	61	61	64
Food aid	–	0	0	0	–
Emergency and distress relief	–	8	4	4	6
Contributions to NGOs	–	0	0	1	2
Administrative costs	–	5	7	2	5
2. Development lending and capital	–	81	68	67	31
of which: New development lending	–	–	0	–3	–1
B. Contributions to Multilateral Institutions	13	57	93	92	61
Grants and capital subscriptions, total	–	57	93	92	61
of which: CEC	–	45	69	60	53
IDA	–	–	12	7	–
Regional Development Banks	–	6	0	1	1
II. Other Official Flows (OOF) net (C + D)	–	23	428	12	135
C. Bilateral Other Official Flows (1 + 2)	–	23	428	12	135
1. Official export credits[a]	–	–	–	–49	–
2. Equities and other bilateral assets	–	26	892	61	135
D. Multilateral Institutions	–	–	–	–	–
III. Grants by Private Voluntary Agencies	–	0	–	–	–1
IV. Private Flows at Market Terms (long-term) (1 to 4)	–	–17	–462	126	593
1. Direct investment	–	–9	37	133	482
2. Private export credits	–	–7	–499	51	111
3. Securities of multilateral agencies	–	–	–	–	–
4. Bilateral portfolio investment	–	0	0	–58	–
V. Total Resource Flows (long-term) (I to IV)	**16**	**242**	**269**	**395**	**944**
Total Resource Flows as % of GNP	**0.06**	**0.28**	**0.31**	**0.38**	**0.89**
For reference					
GROSS DISBURSEMENTS					
Official Development Assistance[b]	16	240	307	263	220
New development lending	–	–	0	1	0
ODA debt reorganisation	–	92	93	98	69
Food aid, total	–	7	10	0	–
Other Official Flows	–	23	496	82	157
of which: Official export credits	–	–	–	–	–
Private export credits	–	461	470	164	163
COMMITMENTS					
Official Development Assistance, Total[b]	–	206	317	187	115
Bilateral grants, Total	–	51	145	34	54
Debt forgiveness	–	–	130	27	48
Bilateral loans, Total	–	86	71	72	33
Memo items:					
Change in claims (long- and short-term)					
Banks: financial (export credits)	–	–6	–1	–39	–56
Banks: other portfolio	–	6	1	39	56
Non-bank export credits	–	–2	–3	–30	–41
Aid appropriations as % of Budget	–	–	–	–	–

a) Including funds in support of private export credits.
b) Including debt reorganisation.

Table 19

The Flow of Financial Resources to Developing Countries and Multilateral Organisations

$ million

Spain 1985/1986	Spain 1993	Spain 1994	Spain 1995	Spain 1996	Sweden 1985/1986	Sweden 1993	Sweden 1994	Sweden 1995	Sweden 1996
186	1 304	1 305	1 348	1 251	965	1 769	1 819	1 704	1 999
0.09	**0.28**	**0.28**	**0.24**	**0.22**	**0.85**	**0.99**	**0.96**	**0.77**	**0.84**
94	936	854	816	888	678	1 332	1 373	1 189	1 395
52	190	257	533	563	674	1 332	1 372	1 189	1 395
39	73	89	169	88	112	352	318	237	260
13	9	4	3	14	6	–	2	–	–
–	8	5	20	13	89	277	334	270	269
–	–	0	–	–	35	–	118	112	109
–	28	36	37	38	41	73	75	81	96
41	746	597	283	325	4	–	1	–	–
43	780	656	283	325	4	–	–	–	–
92	367	450	532	364	286	437	446	515	604
92	367	450	532	364	286	437	446	515	604
10	281	334	330	269	–	–	–	99	105
4	11	4	122	3	56	122	104	116	137
25	42	35	12	18	36	39	23	21	50
46	–	–214	–380	–	298	3	–	4	0
46	–	–214	–380	–	297	3	–	4	0
46	–	–214	–380	–	297	–	–	–	–
–	–	–	–	–	–	3	–	4	0
–	–	–	–	–	1	–	–	–	–
–	71	126	115	122	81	130	130	37	22
–128	–	2 315	508	2 865	214	584	419	480	–17
126	–	2 315	508	2 865	209	34	6	260	339
–255	–	–	–	–	5	655	497	222	–357
–	–	–	–	–	–	–	–1	–2	–
–	–	–	–	–	0	–105	–83	0	0
104	**1 374**	**3 532**	**1 591**	**4 239**	**1 558**	**2 486**	**2 369**	**2 224**	**2 003**
0.05	**0.29**	**0.75**	**0.29**	**0.74**	**1.38**	**1.38**	**1.26**	**1.00**	**0.84**
188	1 338	1 363	1 428	1 344	967	1 769	1 819	1 704	1 999
43	780	656	363	418	6	–	–	–	–
–	3	67	61	120	24	24	17	6	17
13	10	51	3	14	37	–	141	114	114
46	–	29	3	–	505	3	–	5	2
46	–	29	3	–	504	–	–	–	–
581	–	–	–	–	179	1 300	1 406	952	889
–	1 339	974	1 466	1 314	959	1 724	1 675	1 934	1 996
–	192	257	533	563	671	1 263	1 235	1 408	1 417
–	5	67	61	–	28	20	–	104	81
–	780	267	401	388	2	–	4	–	–
–	593	501	100	89	–	–171	–11	306	59
–	587	–65	–615	2 381	–	21	–738	68	151
–	–23	–9	–4	–9	–	138	143	1 737	–535
–	0.93	0.88	–	–	–	–	2.57	–	–

	Switzerland 1985/1986	1993	1994	1995	1996
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	362	793	982	1 084	1 026
ODA as % of GNP	**0.30**	**0.33**	**0.36**	**0.34**	**0.34**
A. Bilateral Official Development Assistance (1 + 2)	275	636	724	779	722
1. Grants and grant-like contributions	264	640	729	784	726
of which: Technical co-operation	46	238	275	363	374
Food aid	25	30	29	21	13
Emergency and distress relief	23	67	81	97	81
Contributions to NGOs	50	103	118	67	56
Administrative costs	8	20	21	24	23
2. Development lending and capital	12	–4	–4	–5	–4
of which: New development lending	12	–	–	–	–4
B. Contributions to Multilateral Institutions	87	158	258	304	304
Grants and capital subscriptions, total	87	158	258	304	304
of which: CEC	–	–	–	–	–
IDA	–	–	105	133	128
Regional Development Banks	32	40	19	6	17
II. Other Official Flows (OOF) net (C + D)	–6	–	–	–	–
C. Bilateral Other Official Flows (1 + 2)	–6	–	–	–	–
1. Official export credits[a]	–	–	–	–	–
2. Equities and other bilateral assets	–12	–	–	–	–
D. Multilateral Institutions	–	–	–	–	–
III. Grants by Private Voluntary Agencies	60	144	167	185	182
IV. Private Flows at Market Terms (long-term) (1 to 4)	1 529	2 651	–1 072	–151	395
1. Direct investment	482	2 354	472	558	1 316
2. Private export credits	–471	371	–1 012	–344	–338
3. Securities of multilateral agencies	903	–74	–532	–365	–583
4. Bilateral portfolio investment	616	–	–	–	0
V. Total Resource Flows (long-term) (I to IV)	**1 945**	**3 589**	**77**	**1 118**	**1 604**
Total Resource Flows as % of GNP	**1.63**	**1.48**	**0.03**	**0.35**	**0.53**
For reference					
GROSS DISBURSEMENTS					
Official Development Assistance[b]	365	797	987	1 088	1 030
New development lending	15	–	–	–	–
ODA debt reorganisation	–	33	30	58	–
Food aid, total	29	52	49	21	13
Other Official Flows	0	–	–	–	–
of which: Official export credits	–	–	–	–	–
Private export credits	1 158	695	1 066	1 972	–
COMMITMENTS					
Official Development Assistance, Total[b]	411	716	1 256	1 067	1 004
Bilateral grants, Total	297	488	941	780	695
Debt forgiveness	–	20	385	197	–
Bilateral loans, Total	21	–	–	–	–
Memo items:					
Change in claims (long- and short-term)					
Banks: financial (export credits)	–	–	–	–	–
Banks: other portfolio	–	1 145	–210	324	1 796
Non-bank export credits	–	–1 113	–885	–1 162	–873
Aid appropriations as % of Budget	–	3.09	2.96	–	–

a) Including funds in support of private export credits.
b) Including debt reorganisation.

Table 20

The Flow of Financial Resources to Developing Countries and Multilateral Organisations

$ million

United Kingdom 1985/1986	1993	1994	1995	1996	United States 1985/1986	1993	1994	1995	1996
1 633	2 920	3 197	3 202	3 199	9 483	10 123	9 927	7 367	9 377
0.32	**0.31**	**0.31**	**0.29**	**0.27**	**0.23**	**0.15**	**0.14**	**0.10**	**0.12**
935	1 523	1 762	1 716	1 790	7 892	7 317	7 284	5 614	6 917
1 009	1 574	1 809	1 746	1 782	7 171	8 496	8 301	6 387	7 672
369	687	680	782	849	1 482	3 310	2 796	2 614	2 787
23	48	79	55	–	694	1 095	1 187	771	420
35	187	261	182	195	209	669	1 132	789	585
12	48	61	66	65	–	–	–	–	–
50	107	107	106	131	471	703	702	725	671
–74	–51	–46	–31	8	720	–1 179	–1 017	–773	–755
–77	–92	–94	–99	–79	–151	22	27	–832	–898
698	1 397	1 435	1 487	1 409	1 591	2 806	2 643	1 753	2 460
699	1 397	1 438	1 487	1 411	1 596	2 819	2 655	1 766	2 476
315	708	746	856	707	–	–	–	–	–
185	309	303	325	323	371	1 057	685	548	710
42	84	97	8	58	239	436	440	–	435
355	130	34	213	81	–190	140	867	1 473	1 119
355	130	34	213	81	–190	140	867	1 473	1 119
–33	–6	–27	15	22	–1 342	–1 552	–324	–420	–57
764	114	53	198	60	2 319	3 422	2 416	1 893	1 176
–	–	–	–	–	–	–	–	–	–
180	451	535	484	382	1 633	2 567	2 614	2 502	2 509
2 406	3 837	8 199	8 270	18 196	–902	45 405	46 330	35 642	42 848
2 082	4 006	6 257	5 000	5 852	2 018	20 562	21 407	23 228	23 430
–115	–569	–156	170	224	–630	–621	4 479	–780	943
–	–	–	–	–	242	1 647	606	–210	–997
440	400	2 097	3 100	12 120	–2 533	23 817	19 838	13 404	19 472
4 574	**7 337**	**11 964**	**12 170**	**21 859**	**10 023**	**58 235**	**59 738**	**46 984**	**55 853**
0.90	**0.78**	**1.15**	**1.09**	**1.87**	**0.24**	**0.89**	**0.86**	**0.65**	**0.74**
1 758	3 029	3 311	3 328	3 311	10 287	12 374	11 237	8 335	10 344
46	6	9	4	8	507	22	27	10	9
42	51	77	130	81	45	1 361	279	128	–
117	143	79	55	–	1 792	1 690	1 616	880	572
423	283	293	361	257	2 385	2 728	2 529	3 363	3 148
–	–	–	15	22	718	450	715	612	922
5 443	1 452	2 050	1 010	904	3 029	3 322	9 059	4 341	6 735
1 670	3 159	3 311	3 192	3 311	10 516	12 428	11 089	9 358	10 505
892	1 706	1 809	1 611	1 782	7 870	8 583	8 317	7 303	8 014
38	51	77	85	81	–	667	226	128	–
13	56	63	93	118	1 082	936	202	234	82
–	–197	189	379	298	–	6 421	3 432	3 432	3 577
–	6 064	529	330	19 886	–	–632	–4 322	9 633	10 130
–	–1 389	–659	–65	–130	–	443	2 159	2 159	2 159
–	1.15	1.19	–	–	–	1.44	1.36	–	–

Table 21

The Flow of Financial Resources to Developing Countries and Multilateral Organisations

$ million

	Total DAC Countries 1985/1986	1993	1994	1995	1996
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	32 296	56 486	59 152	58 926	55 485
ODA as % of GNP	**0.33**	**0.30**	**0.30**	**0.27**	**0.25**
A. Bilateral Official Development Assistance (1 + 2)	23 203	39 359	41 300	40 628	39 138
1. Grants and grant-like contributions	18 534	33 416	35 185	36 184	36 553
of which: Technical co-operation	6 420	12 973	12 850	14 298	14 147
Food aid	1 323	1 663	1 802	1 346	813
Emergency and distress relief	628	3 250	3 468	3 062	2 716
Contributions to NGOs	450	874	973	1 053	1 010
Administrative costs	1 098	2 543	2 600	2 889	2 856
2. Development lending and capital	4 669	5 943	6 115	4 444	2 585
of which: New development lending	3 410	12 023	9 371	776	–54
B. Contributions to Multilateral Institutions	9 093	17 127	17 852	18 299	16 347
Grants and capital subscriptions, total	9 089	17 152	17 882	18 328	16 382
of which: CEC	1 562	4 089	4 709	5 370	4 600
IDA	2 756	4 970	4 607	5 405	3 986
Regional Development Banks	1 437	2 497	2 598	1 301	1 578
II. Other Official Flows (OOF) net (C + D)	2 519	7 918	10 456	9 872	5 562
C. Bilateral Other Official Flows (1 + 2)	2 637	7 275	8 613	9 084	6 089
1. Official export credits[a]	–1 419	533	1 277	1 448	1 768
2. Equities and other bilateral assets	7 953	13 608	14 788	7 636	4 321
D. Multilateral Institutions	–118	643	1 843	788	–527
III. Grants by Private Voluntary Agencies	3 109	5 692	6 046	5 973	5 577
IV. Private Flows at Market Terms (long-term) (1 to 4)	17 710	65 316	90 231	87 779	130 360
1. Direct investment	8 610	38 432	48 459	49 780	61 051
2. Private export credits	–247	–2 017	7 406	5 572	1 295
3. Securities of multilateral agencies	5 325	–1 326	–3 018	–790	–948
4. Bilateral portfolio investment	4 022	30 228	37 384	33 217	68 963
V. Total Resource Flows (long-term) (I to IV)	**55 624**	**135 413**	**165 886**	**162 551**	**196 984**
Total Resource Flows as % of GNP	**0.58**	**0.72**	**0.83**	**0.74**	**0.89**
For reference					
GROSS DISBURSEMENTS					
Official Development Assistance[b]	34 903	65 863	65 834	66 476	63 366
New development lending	5 734	13 286	10 901	4 072	3 383
ODA debt reorganisation	748	4 295	5 026	4 165	3 834
Food aid, total	3 168	4 113	3 944	2 261	1 609
Other Official Flows	11 655	23 171	25 105	25 206	20 353
of which: Official export credits	4 530	6 529	7 487	7 981	7 159
Private export credits	26 770	29 127	39 868	18 772	18 084
COMMITMENTS					
Official Development Assistance, Total[b]	37 505	68 730	68 868	75 571	68 154
Bilateral grants, Total	20 299	33 167	35 805	36 882	37 754
Debt forgiveness	223	1 863	3 282	2 721	2 847
Bilateral loans, Total	7 062	16 841	15 043	17 054	15 517
Memo items:					
Change in claims (long- and short-term)					
Banks: financial (export credits)	–	7 810	9 131	9 694	6 101
Banks: other portfolio	–	2 524	–5 466	42 835	56 383
Non-bank export credits	–	–1 181	2 267	2 468	–1 457
Aid appropriations as % of Budget	..	..	..	..	..

a) Including funds in support of private export credits

b) Including debt reorganisation.

Table 22

The Flow of Financial Resources to Developing Countries and Multilateral Organisations

$ million

	1985/1986	1993	CEC 1994	1995	1996
NET DISBURSEMENTS					
I. Official Development Assistance (ODA) (A + B)	1 704	3 966	4 825	5 398	5 455
ODA as % of GNP	–	–	–	–	–
A. Bilateral Official Development Assistance (1 + 2)	1 533	3 637	4 331	4 723	5 261
1. Grants and grant-like contributions	1 494	3 437	4 153	4 455	4 951
of which: Technical co-operation	–	82	140	218	226
Food aid	127	291	257	217	352
Emergency and distress relief	108	414	695	588	768
Contributions to NGOs	59	148	155	179	191
Administrative costs	54	–	99	117	118
2. Development lending and capital	40	200	178	268	311
of which: New development lending	40	346	341	268	311
B. Contributions to Multilateral Institutions	171	329	494	675	193
Grants and capital subscriptions, total	171	329	494	675	193
of which: CEC	–	–	–	–	–
IDA	–	–	–	–	–
Regional Development Banks	–	–	–	–	–
II. Other Official Flows (OOF) net (C + D)	71	3	7	151	303
C. Bilateral Other Official Flows (1 + 2)	171	3	7	151	303
1. Official export credits[a]	–	–	–	–	–
2. Equities and other bilateral assets	95	3	7	151	303
D. Multilateral Institutions	–	–	–	–	–
III. Grants by Private Voluntary Agencies	–	–	–	–	–
IV. Private Flows at Market Terms (long-term) (1 to 4)	–	–	–	–	–
1. Direct investment	–	–	–	–	–
2. Private export credits	–	–	–	–	–
3. Securities of multilateral agencies	–	–	–	–	–
4. Bilateral portfolio investment	–	–	–	–	–
V. Total Resource Flows (long-term) (I to IV)	**1 875**	**3 969**	**4 832**	**5 548**	**5 758**
Total Resource Flows as % of GNP	–	–	–	–	–
For reference					
GROSS DISBURSEMENTS					
Official Development Assistance[b]	1 726	4 113	4 988	5 620	5 688
New development lending	61	346	341	490	544
ODA debt reorganisation	–	–	–	–	–
Food aid, total	305	422	410	217	352
Other Official Flows	248	180	217	389	509
of which: Official export credits	–	–	–	–	–
Private export credits	–	–	–	–	–
COMMITMENTS					
Official Development Assistance, Total[b]	1 809	5 851	7 244	7 642	–
Bilateral grants, Total	1 490	4 672	5 804	5 815	–
Debt forgiveness	–	–	–	–	–
Bilateral loans, Total	73	457	865	925	–
Memo items:					
Change in claims (long- and short-term)					
Banks: financial (export credits)	–	–	–	–	–
Banks: other portfolio	–	–	–	–	–
Non-bank export credits	–	–	–	–	–
Aid appropriations as % of Budget	–	–	–	–	–

a) Including funds in support of private export credits.

b) Including debt reorganisation.

Net disbursements

	World Bank Group			IDB		
	IBRD[a]	IDA	Total	Ordinary capital	Special fund	Total
Australia	6	90	96	–	–	–
Austria	2	–	2	3	0	4
Belgium	15	104	119	6	–	6
Canada	18	–	18	10	17	27
Denmark	23	56	79	4	1	5
Finland	1	33	35	2	–	2
France	11	471	481	9	11	20
Germany	11	1 159	1 170	9	10	19
Ireland	0	7	7	–	–	0
Italy	26	412	438	21	–	21
Japan	136	–	136	29	94	122
Luxembourg	1	5	6	–	–	–
Netherlands	5	272	277	48	–	48
New Zealand	1	–	1	–	–	–
Norway	–	78	78	1	1	2
Portugal	1	–	1	0	0	1
Spain	0	3	3	18	–	18
Sweden	3	137	139	–	–	–
Switzerland	–	128	128	2	7	8
United Kingdom	11	322	333	3	–	3
United States	96	710	806	52	20	72
TOTAL DAC	**368**	**3 985**	**4 353**	**216**	**161**	**376**
of which:						
EU members	110	2 980	3 090	122	23	145

Table 23

ODA from DAC Countries to Multilateral Organisations, 1996

$ million

Asian Development Bank: Ordinary capital	Asian Development Bank: Special fund	Asian Development Bank: Total	African Develop-ment Fund[b]	CEC: Total	CEC: *of which:* EDF	UN agencies: Total	UN agencies: *of which:* UNDP	UN agencies: *of which:* WFP	Other	Total
58	–	58	–	–	–	57	8	13	12	222
0	–	0	–	94	–	37	14	5	8	145
0	–	0	–	187	47	49	23	2	22	384
6	–	6	0	–	–	182	32	68	206	439
0	–	0	0	84	25	382	116	51	164	715
0	–	0	20	48	–	70	14	10	18	194
–	–	0	61	845	290	146	19	5	145	1 697
4	40	44	–	1 355	314	313	88	30	166	3 066
–	–	–	–	41	7	15	3	2	2	65
284	2	286	–	551	156	216	50	19	92	1 604
13	89	102	2	–	–	702	137	25	168	1 232
–	–	–	–	14	2	6	1	–	0	26
–	–	–	–	245	67	357	98	43	45	971
–	–	–	–	–	–	9	3	0	9	20
0	–	0	23	–	–	244	77	34	20	367
–	–	–	–	53	11	4	1	0	3	61
0	–	0	–	269	71	69	10	3	4	364
0	12	12	26	105	–	267	69	37	53	604
0	8	9	–	–	–	129	49	18	31	304
1	53	54	0	707	195	210	41	6	101	1 409
26	200	226	–	–	–	910	51	178	446	24 60
395	**404**	**799**	**132**	**4 600**	**1 184**	**4 372**	**903**	**547**	**1 715**	**16 347**
291	107	398	107	4 600	1 184	2 140	546	212	823	11 303

a) Including GEF, IFC, MIGA.
b) Including capital subscriptions to the African Development Bank.

Table 24

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

Net disbursements $ million

	Deposit Basis					Encashment Basis				
	1985	1993	1994	1995	1996	1985	1993	1994	1995	1996
Australia	135	139	149	151	154	82	152	111	1	–
Austria	62	100	86	73	6	25	97	–	68	71
Belgium	70	152	54	223	115	–	–	50	134	143
Canada	399	461	489	294	54	251	314	0	640	431
Denmark	51	122	142	141	91	–	98	115	111	64
Finland	36	56	22	49	64	–	–	–	–	64
France	337	652	686	649	627	–	–	–	–	–
Germany	420	946	956	774	1 232	386	904	865	879	917
Ireland	2	8	6	7	7	5	–	–	–	–
Italy	28	237	25	21	777	85	259	262	190	309
Japan	957	2 558	2 922	2 741	363	–	–	–	–	–
Luxembourg	–	4	5	5	6	–	–	–	–	–
Netherlands	149	226	236	289	327	99	–	25	40	48
New Zealand	4	9	11	9	1	3	9	–	10	13
Norway	71	140	95	101	108	63	–	–	–	–
Portugal	–	9	13	8	2	–	6	3	7	10
Spain	20	58	55	137	21	–	–	–	–	–
Sweden	84	174	135	140	189	–	–	–	–	–
Switzerland	32	40	124	142	145	4	75	102	129	149
United Kingdom	248	434	411	345	391	218	–	–	–	–
United States	252	1 541	1 312	594	1 241	1 302	1 110	1 402	1 457	1 700
TOTAL DAC	**3 357**	**8 065**	**7 933**	**6 891**	**5 921**	..	..	..	..	..
of which:										
EU members	1 507	3 178	2 831	2 859	3 855	..	..	..	..	..

a) World Bank, IDA, IDB, Asian Development Bank, African Development Bank and Caribbean Development Bank.

Table 25

Net Disbursements of Concessional and Non-concessional Flows by Multilateral Organisations[a]

Net disbursements at current prices and exchange rates — $ million

	1970-71	1975-76	1980	1990	1991	1992	1993	1994	1995	1996
CONCESSIONAL FLOWS										
Major Financial Institutions										
IDA	225	1 198	1 543	3 912	4 323	4 822	4 470	5 609	4 928	5 723
IBRD	–	8	107	–	–	–	–	–	–	–
IDB	219	299	326	155	87	73	88	94	234	405
African Dev. Fund	–	7	96	603	627	678	683	589	570	591
Asian Dev. Fund	3	71	149	1 101	1 058	922	954	1 188	1 158	1 102
IFAD	–	–	54	245	117	78	82	72	86	152
EBRD	–	–	–	–	–	–	–	11	15	18
Sub-total	448	1 584	2 274	6 016	6 213	6 573	6 276	7 564	6 991	7 992
United Nations										
WFP	125	350	539	933	1 335	1 575	1 488	1 394	1 093	1 222
UNDP	219	378	660	1 130	1 234	1 157	1 201	1 241	1 248	1 476
UNHCR	8	81	464	466	786	1 032	1 259	1 046	880	833
UNRWA	44	99	157	293	308	306	299	329	348	237
UNICEF	47	114	247	584	588	742	798	797	796	698
UNTA	48	73	35	230	283	236	340	266	559	244
UNFPA	–	–	150	179	171	127	134	201	230	216
Other UN	36	259	235	683	659	647	728	600	722	521
Sub-total	529	1 355	2 487	4 496	5 364	5 822	6 247	5 874	5 877	5 446
IMF[b]	–	–	–	321	972	734	189	984	1 605	330
Caribbean Dev. Bank	–	13	43	39	25	24	17	–10	–24	–
Council of Europe	0	1	3	0	0	–8	1	–	–	–
Nordic Dev. Fund	–	–	–	–	–	–	–	24	49	71
Total above	978	2 952	4 807	10 872	12 573	13 144	12 730	14 436	14 498	13 838
CEC	203	591	1 043	2 563	3 478	4 170	3 882	4 575	4 723	5 261
Arab Funds	–	288	286	75	153	283	184	257	1	–
Total concessional	1 181	3 832	6 137	13 510	16 205	17 598	16 795	19 268	19 222	19 100
NON-CONCESSIONAL FLOWS										
Major Financial Institutions										
IBRD	585	1 765	3 166	5 009	1 761	–808	1 526	–2158	–543	–238
IFC	62	180	295	1 385	493	464	1 017	1 360	1 606	3 096
IDB	104	247	567	1 060	1 364	838	2 081	2 374	1 387	1 409
African Dev. Bank	4	44	97	1 001	1 199	1 177	1 074	917	471	291
Asian Dev. Bank	29	245	328	1 197	1 497	1 352	1 239	1 281	1 147	218
IFAD	–	–	–	–	–	–	–	–	–	–1
EBRD	–	–	–	–	–	–	6	127	268	377
Total above	785	2 481	4 453	9 652	6 314	3 022	6 942	3 901	4 336	5 153
Caribbean Dev. Bank	–	8	10	25	11	17	13	–16	31	–
Council of Europe	–	–	–	212	408	161	57	–236	–176	–
Sub-total	785	2 489	4 464	9 889	6 733	3 201	7 012	3 649	4 191	5 153
CEC	34	42	257	264	154	582	343	92	151	303
Arab Funds	–	96	38	–6	–34	–41	22	2	–	–
Total non-concessional	819	2 627	4 759	10 147	6 852	3 742	7 378	3 743	4 342	5 456

a) To countries and territories on Part I of the DAC List of Aid Recipients.
b) IMF Trust Fund, SAF and ESAF.

	Social and administrative infrastructure		Economic infrastructure		Agriculture	
	75-76	94-95	75-76	94-95	75-76	94-95
Australia	17.5	41.3	7.3	20.9	4.3	4.7
Austria	7.0	23.4	0.7	16.0	3.3	2.0
Belgium	3.8	29.8	0.9	7.6	2.1	12.3
Canada	19.1	20.9	12.0	13.9	8.1	2.5
Denmark	14.0	25.6	–	20.6	11.4	6.0
Finland	10.9	24.4	8.8	3.8	3.5	15.9
France	53.7	37.3	13.0	7.4	7.0	5.6
Germany	23.4	37.5	17.7	20.6	7.6	6.4
Ireland	–	47.5	–	8.8	–	5.0
Italy	14.0	10.4	2.0	11.4	2.9	2.2
Japan	3.3	24.1	36.6	43.5	6.0	9.5
Luxembourg	–	40.7	–	5.8	–	5.4
Netherlands	34.3	23.2	15.9	8.9	19.7	11.8
New Zealand	14.8	41.6	34.0	8.6	23.7	13.2
Norway	25.4	25.2	16.7	17.0	25.5	6.2
Portugal	–	31.9	–	6.6	–	1.1
Spain	–	32.6	–	15.9	–	11.9
Sweden	22.2	33.3	2.5	11.2	9.0	10.3
Switzerland	12.3	13.0	13.4	1.6	15.5	8.2
United Kingdom	4.8	27.7	3.4	14.2	4.3	9.4
United States	8.7	31.0	2.3	13.2	8.1	5.8
TOTAL DAC	**20.2**	**29.0**	**10.5**	**22.7**	**8.1**	**7.4**

Table 26

Major Aid Uses by Individual DAC Donors

Per cent of total commitments

Industry and other production		Commodity aid and programme assistance		Emergency aid		Other		*Memo:* Share of ODA through NGOs[a]
75-76	94-95	75-76	94-95	75-76	94-95	75-76	94-95	94-95
1.6	1.3	53.1	17.9	0.1	2.2	16.1	11.6	1.3
25.2	7.5	–	1.0	1.4	18.6	62.4	31.4	0.4
1.3	5.2	3.1	6.2	0.5	3.0	88.4	36.0	0.3
13.5	3.5	24.1	10.4	0.3	13.2	23.0	35.5	6.9
24.4	3.6	11.6	1.6	2.6	8.8	36.0	33.8	0.5
11.0	2.2	7.3	0.2	2.7	14.7	55.8	38.7	1.4
16.6	0.8	6.2	9.3	0.4	1.0	3.2	38.7	0.3
17.7	3.5	5.7	5.5	0.4	6.1	27.6	20.4	2.8
–	2.5	–	0.5	–	14.7	100.0	21.0	0.2
28.4	0.7	–	12.2	–	7.6	52.6	55.5	0.7
20.3	2.4	1.3	3.6	0.1	0.2	32.4	16.7	1.5
–	0.5	–	1.1	–	16.0	–	30.3	5.3
10.1	1.2	3.4	5.9	1.7	7.4	15.0	41.6	10.7
3.1	1.0	13.5	13.1	0.4	5.5	10.4	17.0	1.9
7.3	3.0	–	1.7	6.9	23.2	18.2	23.7	–
–	3.8	–	0.2	–	1.9	–	54.5	0.3
–	7.4	–	0.8	–	1.7	–	29.8	–
14.7	1.9	9.4	4.5	2.5	23.8	39.7	15.1	6.5
5.2	2.7	10.6	5.9	12.3	10.1	30.8	58.3	10.5
54.4	4.1	6.9	12.6	0.3	14.5	26.0	17.4	2.0
4.1	6.8	38.3	12.6	1.6	5.9	37.0	24.6	8.3
13.6	**3.1**	**18.9**	**7.0**	**1.0**	**5.0**	**27.7**	**25.7**	**3.3**

a) On a disbursements basis.

Commitments

	Australia	Austria	Belgium	Canada	Den-mark	Finland	France	Germany	Ireland[c]	Italy	Japan	Luxem-bourg[c]
Social and administrative infrastructure	46.4	31.3	31.7	24.2	28.5	21.5	42.0	37.9	47.4	14.3	24.1	40.7
Education[a]	23.5	18.1	13.8	8.8	5.2	6.6	21.7	17.8	18.0	5.9	8.9	12.2
of which: Basic education	2.6	–	0.3	0.1	–	–	–	4.0	–	–	0.5	–
Health and population	7.8	2.4	8.7	6.1	10.2	5.4	4.1	4.3	14.5	3.7	2.0	16.3
of which: Basic health	3.7	0.4	3.6	3.1	–	0.9	–	1.4	–	1.4	0.6	–
Water supply and sanitation	2.4	7.5	1.7	1.1	2.9	7.3	3.7	7.5	6.0	3.4	9.7	1.2
Government and civil society	5.4	2.5	1.9	4.6	6.5	1.0	3.5	3.2	1.8	0.5	1.4	1.6
Other social Infrastructure/Service	7.3	0.7	5.7	3.5	3.7	1.2	9.1	5.2	7.2	0.8	2.1	9.4
Economic infrastructure	19.6	11.1	7.3	14.1	14.9	4.0	8.6	20.4	7.0	15.4	45.1	5.8
Transport and communications	16.8	8.6	2.0	9.7	11.1	0.7	5.1	13.9	4.6	5.2	21.1	1.6
Energy	1.8	2.4	0.6	1.3	3.4	0.9	2.3	4.1	0.7	10.3	23.0	–
Other	1.0	0.1	4.6	3.2	0.4	2.4	1.1	2.3	1.6	–	1.0	4.3
Production	4.7	13.7	17.5	3.1	5.6	5.1	7.2	10.0	6.0	3.5	11.4	6.0
Agriculture	3.3	2.1	13.0	1.6	3.7	3.7	6.1	6.8	5.0	3.2	9.3	5.4
Industry, mining and construction	1.0	11.4	4.4	1.4	1.9	1.1	0.6	1.0	0.7	0.1	1.9	0.5
Trade and tourism	0.3	0.2	0.1	0.1	–	0.3	0.5	0.6	0.4	0.2	0.2	–
Multisector	10.2	3.2	7.0	9.3	16.2	32.9	8.6	2.2	2.7	2.3	3.8	4.1
Programme assistance	14.3	0.8	7.7	11.4	2.8	–	8.7	6.5	–	9.6	2.6	1.1
Debt relief[b]	–	12.5	11.3	7.8	–	11.9	18.1	5.8	–	37.1	4.6	–
Emergency aid	0.2	21.2	2.9	10.2	9.1	13.8	0.2	6.0	14.4	9.1	0.2	16.0
Administrative expenses	3.1	3.1	9.2	7.0	9.0	8.1	4.7	4.0	12.0	3.8	4.2	3.9
Unspecified	1.5	3.2	5.4	13.0	13.9	2.8	1.8	7.2	10.5	4.8	4.0	22.3
TOTAL	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Table 27

Aid by Major Purposes, 1995

Per cent of total

Netherlands	New Zealand[d]	Norway	Portugal	Spain	Sweden	Switzerland	United Kingdom	United States	TOTAL DAC	Multilateral finance (ODF)			
										Total	CEC	World Bank	Regional Dev. Banks[e]
24.9	41.6	26.5	27.7	35.6	35.3	10.7	29.4	32.2	30.5	30.0	26.5	33.9	24.5
5.5	34.4	3.0	17.6	8.3	8.4	3.0	10.1	4.8	11.2	8.4	2.0	8.2	9.5
1.2	0.1	1.1	0.1	0.9	3.1	0.4	–	1.8	1.2	1.0	1.0	1.5	0.3
6.1	2.5	6.6	3.9	11.0	10.1	1.8	7.8	14.0	5.6	4.0	5.4	5.3	1.7
2.9	0.7	3.5	0.4	3.0	5.0	0.5	–	5.3	1.7	2.0	2.7	3.0	0.2
3.8	0.5	3.4	0.2	4.9	3.0	1.3	2.3	0.9	5.6	7.3	2.2	8.9	5.6
1.9	2.3	6.5	3.0	4.8	8.9	2.3	4.6	5.5	3.2	2.3	1.8	3.7	0.1
7.5	1.9	7.1	3.1	6.6	4.8	2.3	4.6	6.9	4.8	8.1	15.1	7.7	7.6
11.9	8.6	23.1	4.8	11.0	10.9	2.1	16.4	9.0	23.7	40.0	16.8	40.8	42.2
5.5	4.5	5.9	3.0	6.1	4.3	0.6	6.3	1.2	11.6	13.0	14.7	11.5	15.0
3.6	2.8	15.4	0.1	3.9	4.6	0.3	7.4	2.8	10.1	10.8	1.5	10.7	12.3
2.7	1.3	1.9	1.8	1.0	1.9	1.2	2.7	5.0	2.0	16.2	0.7	18.6	14.8
12.7	14.2	9.0	4.0	17.8	11.9	7.8	14.3	14.4	10.6	10.0	17.3	12.2	5.5
11.0	13.2	6.2	1.0	6.8	10.2	5.5	10.9	6.0	7.4	7.4	7.4	9.3	4.2
1.3	0.4	2.7	1.3	10.8	1.7	1.9	3.2	0.2	1.6	2.4	6.4	2.9	1.2
0.4	0.5	0.1	1.8	0.2	–	0.4	0.2	8.2	1.5	0.2	3.5	–	–
11.0	4.6	8.6	0.3	13.8	5.6	9.1	3.7	0.9	5.0	7.0	6.9	7.6	6.1
6.6	13.1	0.2	0.5	0.7	2.5	4.7	8.7	8.6	5.8	4.5	28.4	3.5	2.5
15.9	–	3.1	57.9	6.8	4.0	25.2	–	–	7.3	0.2	–	0.4	–
9.9	5.5	22.5	2.0	2.2	22.8	12.2	14.2	9.2	5.2	0.5	3.9	0.5	–
–	8.4	5.4	1.4	4.1	6.8	3.1	6.3	6.9	4.8	–	–	–	–
7.0	4.0	1.7	1.4	7.9	0.2	25.1	7.0	18.8	7.1	7.6	0.1	1.0	19.3
100	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

a) Including students and trainees.
b) Including forgiveness of non-ODA debt.
c) 1996 data.
d) 1994 data.
e) Including the African Development Bank, Asian Development Bank and Inter-American Development Bank.

Table 28

Financial Terms of ODA Commitments[a] *1995-1996 average*

	Grant element of total ODA Norm: 86%[b]		Grant share of:		Grant element of ODA loans	Grant element of ODA to LLDCs[c]	Grant element of bilateral ODA to LLDCs
	1981-82	1995-96	Bilateral ODA	Total ODA			
Australia	100.0	100.0	100.0	100.0	–	100.0	100.0
Austria	57.1	93.5	81.6	87.2	49.5	99.1	97.9
Belgium	98.0	99.3	94.2	96.9	78.9	99.8	99.3
Canada	97.9	99.6	95.8	97.1	86.8	100.0	100.0
Denmark	95.4	96.6	94.1	96.6	–	100.0	100.0
Finland	95.8	97.9	96.0	97.9	–	100.0	100.0
France	84.5	91.9	76.8	82.7	52.9	97.4	93.7
Germany	86.1	91.5	66.5	78.6	60.4	100.0	100.0
Ireland	100.0	100.0	100.0	100.0	–	100.0	–
Italy	90.0	98.5	83.0	94.9	70.4	100.0	100.0
Japan	73.5	80.5	34.5	41.4	66.8	96.7	95.2
Luxembourg	–	100.0	100.0	100.0	–	100.0	100.0
Netherlands	92.3	100.0	99.8	99.8	70.7	100.0	100.0
New Zealand	100.0	100.0	100.0	100.0	–	100.0	–
Norway	99.4	99.4	98.9	99.2	29.2	99.4	99.1
Portugal	–	100.0	100.0	100.0	–	(100.0)	(100.0)
Spain	–	90.8	56.7	71.0	68.2	89.7	54.2
Sweden	99.4	100.0	100.0	100.0	–	100.0	100.0
Switzerland	95.8	100.0	100.0	100.0	–	100.0	100.0
United Kingdom	98.4	96.7	93.9	96.7	–	100.0	–
United States	93.7	99.3	98.0	98.4	53.5	99.8	99.6
TOTAL DAC	**89.1**	**91.8**	**68.5**	**76.9**	**64.5**	**99.0**	**97.9**

a) Excluding debt reorganisation.
b) Countries whose ODA as a percentage of GNP is significantly below the DAC average are not considered as having met the terms target. This provision disqualified Italy, New Zealand, Portugal and the United States in 1996.
c) Including imputed multilateral grant element.

Table 29

DAC Members' Compliance in 1995 and 1996 with the 1978 DAC Terms Recommendations

	ODA commitments[a] $ million		Grant element of ODA commitments[a] Norm: 86%[b]		Volume test: ODA commitments[a] as per cent of GNP 1995 0.25	1996 0.22	Grant element of bilateral ODA commitments[a] to LLDCs (two alternative norms) Annually for all LLDCs Norm: 90%		3 year average for each LLDC Norm: 86%
	1995	1996	1995	1996	1995	1996	1995	1996	1994-1996[d]
Australia	1 646	1 073	100.0	100.0	0.49	0.28	100.0	100.0	c
Austria	724	735	89.5	97.5	0.31	0.32	96.2	100.0	c
Belgium[c]	1 012	891	99.5	99.1	0.37	0.33	99.8	82.7	c
Canada	2 115	2 079	99.2	100.0	0.39	0.37	100.0	100.0	c
Denmark	1 577	2 174	100.0	94.1	0.94	1.28	100.0	100.0	c
Finland	390	449	98.7	97.3	0.32	0.38	100.0	100.0	c
France[c]	7 640	6 977	91.5	92.3	0.50	0.45	98.1	56.9	c
Germany	11 087	9 930	91.4	91.7	0.46	0.43	100.0	100.0	c
Ireland[c]	153	179	100.0	100.0	0.29	0.31	–	–	–
Italy	2 312	2 399	97.5	99.5	0.21	0.20	100.0	100.0	c
Japan	22 023	16 529	82.3	78.2	0.43	0.36	97.2	93.4	c
Luxembourg	68	88	100.0	100.0	0.38	0.47	–	100.0	c
Netherlands	3 772	2 047	99.9	100.0	0.95	0.51	100.0	100.0	c
New Zealand[c]	123	122	100.0	100.0	0.23	0.21	–	–	c
Norway	1 258	1 201	99.5	99.3	0.87	0.78	99.4	98.8	c
Portugal	88	34	100.0	100.0	0.09	0.03	98.7	100.0	c
Spain	1 405	1 314	92.1	89.6	0.25	0.23	28.9	56.1	n
Sweden	1 830	1 915	100.0	100.0	0.82	0.80	100.0	100.0	c
Switzerland	871	1 004	100.0	100.0	0.28	0.33	100.0	100.0	c
United Kingdom[c]	3 107	3 231	97.0	96.4	0.28	0.28	–	–	c
United States	9 230	10 505	98.8	99.6	0.13	0.14	99.7	99.4	c
TOTAL DAC	**72 431**	**64 876**	**91.8**	**91.8**	**0.33**	**0.29**	**99.0**	**96.7**	**–**

a) Excluding debt reorganisation.
b) Countries whose ODA as a percentage of GNP is significantly below the DAC average are not considered as having met the terms target. This provision disqualified Italy, New Zealand, Portugal and the United States in 1996.
c) Gross disbursements.
d) c = compliance, n = non compliance.

Table 30

Other Terms Parameters[a]

Commitments

	Grant share of total ODA Per cent		Bilateral ODA loans: Grant element (per cent)		Bilateral ODA loans: Average maturity (years)		Bilateral ODA loans: Average grace period (years)		Bilateral ODA loans: Average interest rate (per cent)	
	1995	1996	1995	1996	1995	1996	1995	1996	1995	1996
Australia	100.0	100.0	–	–	–	–	–	–	–	–
Austria	80.0	94.3	47.6	55.9	25	27	7	8	3.6	2.8
Belgium	98.0	95.6	77.5	79.6	28	29	10	10	–	–
Canada	94.3	100.0	86.8	–	47	–	8	–	–	–
Denmark	100.0	94.1	–	..	–	..	–	..	–	..
Finland	98.7	97.3	–	–	–	–	–	–	–	–
France	81.4	84.1	54.5	51.1	23	20	8	7	2.6	2.6
Germany	79.5	77.7	58.2	62.6	27	34	9	7	2.2	2.0
Ireland	100.0	100.0	–	–	–	–	–	–	–	–
Italy	91.6	98.2	70.3	70.6	26	25	11	12	1.2	1.2
Japan	46.8	34.1	66.6	67.0	29	29	10	9	1.8	1.7
Luxembourg	100.0	100.0	–	–	–	–	–	–	–	–
Netherlands	99.7	100.0	70.7	–	20	–	7	–	–	–
New Zealand	100.0	100.0	–	–	–	–	–	–	–	–
Norway	99.3	99.1	30.8	27.2	9	13	4	3	3.5	4.2
Portugal	100.0	100.0	–	–	–	–	–	–	–	–
Spain	71.5	70.5	72.3	64.8	29	27	10	9	1.1	1.7
Sweden	100.0	100.0	–	–	–	–	–	–	–	–
Switzerland	100.0	100.0	–	–	–	–	–	–	–	–
United Kingdom	97.0	96.4	..	..	..	..	..	..	..	..
United States	97.5	99.2	54.1	51.6	27	27	7	5	2.9	3.1
TOTAL DAC	**77.0**	**76.7**	**64.4**	**64.7**	**28**	**29**	**9**	**9**	**1.9**	**1.8**

a) Excluding debt reorganisation.

Table 31

Tying Status of ODA by Individual DAC Members, 1995

Commitments (excluding technical co-operation and administrative costs)

Per cent of total donor

	Bilateral ODA				*Memo:* Reporting Rate[a]
	Untied	Partially Untied	Tied	Total	
Australia	..	..	..	..	Not reported
Austria	25.0	..	75.0	100.0	100.0
Belgium	..	..	..	..	Not reported
Canada[b]	31.5	..	68.5	100.0	100.0
Denmark[b]	61.3	..	38.7	100.0	100.0
Finland	75.8	8.3	15.9	100.0	100.0
France	58.4	16.5	25.1	100.0	97.8
Germany	60.3	..	39.7	100.0	99.9
Ireland	..	..	..	..	Not reported
Italy	59.8	..	40.2	100.0	100.0
Japan	96.3	3.6	0.2	100.0	75.1
Luxembourg	..	..	..	..	Not reported
Netherlands[c]	78.9	14.6	6.5	100.0	100.0
New Zealand	..	..	..	..	Not reported
Norway	77.0	..	23.0	100.0	100.0
Portugal	98.1	..	1.9	100.0	100.0
Spain	..	..	100.0	100.0	42.9
Sweden	93.9	..	6.1	100.0	100.0
Switzerland	91.3	..	8.7	100.0	100.0
United Kingdom	86.2	..	13.8	100.0	78.6
United States	..	..	..	..	Not reported
TOTAL DAC	**(77.7)**	**(4.6)**	**(17.7)**	**100.0**	**(76.63)**

a) Reporting rate is the percentage of bilateral ODA covered by tying status reporting (excluding technical co-operation and administrative costs, unless otherwise shown).
b) 1996 data.
c) Includes technical co-operation and administrative costs.

Table 32

Tying Status of ODA by Individual DAC Members, 1995

Commitments (excluding technical co-operation and administrative costs)

$ million

	Bilateral ODA				Memo:
	Untied	Partially Untied	Tied	Total	Technical Co-operation
Australia	. .	. .	. .	. .	587
Austria	96	. .	288	384	138
Belgium	. .	. .	. .	. .	294[c]
Canada[a]	334	. .	727	1 061	366
Denmark[a]	754	. .	477	1 231	133
Finland	108	12	23	143	66
France	2 260	639	974	3 873	2 526
Germany	2 638	. .	1 735	4 373	2 595
Ireland	. .	. .	. .	. .	52[c]
Italy	600	. .	404	1 004	88
Japan	13 034	480	20	13 534	2 398[c]
Luxembourg	. .	. .	. .	. .	2
Netherlands[b]	1 679	310	139	2 127	1 079
New Zealand	. .	. .	. .	. .	42[c]
Norway	541	. .	162	703	164
Portugal	102	. .	2	104	1
Spain	. .	. .	401	401	169[c]
Sweden	1 119	. .	73	1 192	131
Switzerland	509	. .	48	557	199
United Kingdom	614	. .	99	712	692
United States	. .	. .	. .	. .	3 057
TOTAL DAC	**(24 389)**	**(1 441)**	**(5 569)**	**(31 399)**	**14 779**

a) 1996 data.
b) Includes technical co-operation and administrative costs.
c) Gross disbursements.

Total Net ODA from

Net disbursements

	1993
EUROPE	
Albania	266
Cyprus	34
Gibraltar	0
Malta	28
Turkey	406
Bosnia-Herzegovina	32
Croatia	0
Macedonia (FYROM)	3
Slovenia	7
Yugoslavia, Fed. Rep.	0
States of ex-Yugoslavia Unspecified	2 536
Europe, Unallocated	99
EUROPE, TOTAL	**3 411**
AFRICA	
NORTH OF SAHARA	
Algeria	349
Egypt	2 401
Libya	6
Morocco	713
Tunisia	228
North of Sahara, Unallocated	42
North of Sahara, Total	**3 737**
SOUTH OF SAHARA	
Angola	294
Benin	289
Botswana	133
Burkina Faso	470
Burundi	218
Cameroon	545
Cape Verde	118
Central African Republic	173
Chad	228
Comoros	50
Congo, Rep.	123
Congo, Dem. Rep.	178
Côte d'Ivoire	765
Djibouti	134
Equatorial Guinea	53
Eritrea	68
Ethiopia	1 094
Gabon	102
Gambia	87
Ghana	618
Guinea	410

Table 33

DAC Countries, Multilateral Organisations and Arab Countries to Developing Countries and Territories

$ million

1994	1995	1996
165	181	222
44	22	30
1	0	0
42	9	72
160	304	233
391	923	812
110	54	133
104	79	105
32	53	82
49	95	70
1 034	435	612
64	129	122
2 196	**2 283**	**2 493**
420	312	309
2 695	2 022	2 212
7	8	10
631	496	651
107	71	126
49	71	54
3 908	**2 980**	**3 362**
451	418	544
257	282	293
89	92	81
436	487	418
313	288	204
731	444	413
121	112	120
166	168	167
215	239	305
40	43	40
362	125	430
245	195	167
1 594	1 212	968
129	106	97
30	34	31
158	150	157
1 074	888	849
182	145	127
71	48	38
546	653	654
360	416	295

	1993	1994	1995	1996
Guinea-Bissau	96	175	116	180
Kenya	911	677	732	606
Lesotho	143	117	115	107
Liberia	123	63	123	207
Madagascar	363	289	303	364
Malawi	498	470	434	501
Mali	366	443	545	505
Mauritania	328	269	231	274
Mauritius	26	14	22	20
Mayotte	83	105	108	130
Mozambique	1 183	1 231	1 101	923
Namibia	155	138	189	189
Niger	347	377	270	259
Nigeria	279	190	212	192
Rwanda	358	715	711	674
St. Helena	15	14	13	16
Sao Tome and Principe	47	50	84	47
Senegal	504	645	669	582
Seychelles	19	13	13	19
Sierra Leone	209	277	207	195
Somalia	890	538	191	91
Sudan	458	413	236	230
Swaziland	53	56	56	31
Tanzania	953	969	882	894
Togo	98	126	193	166
Uganda	612	753	830	684
Zambia	872	719	2 035	614
Zimbabwe	500	562	493	374
South Africa	275	295	386	361
South of Sahara, Unallocated	414	638	420	915
South of Sahara, Total	**17 330**	**18 912**	**18 463**	**16 746**
Africa, Unspecified	410	711	583	569
AFRICA, TOTAL	**21 477**	**23 531**	**22 026**	**20 678**
AMERICA				
NORTH AND CENTRAL AMERICA				
Anguilla	5	6	3	3
Antigua and Barbuda	3	4	2	12
Aruba	25	19	26	20
Bahamas[a]	1	0	4	–
Barbados	4	–1	–1	5
Belize	30	29	16	18
Bermuda	–5	–12	–2	–4
Cayman Islands	0	–1	–1	–2
Costa Rica	98	76	25	–7
Cuba	44	48	65	68
Dominica	8	17	24	43
Dominican Republic	4	68	124	106

Total Net ODA from DAC Countries,

Net disbursements

	1993	1994	1995	1996
El Salvador	407	318	306	317
Grenada	7	17	10	11
Guatemala	214	224	215	216
Haiti	124	601	731	375
Honduras	342	298	410	367
Jamaica	103	114	107	60
Mexico	424	431	390	289
Montserrat	10	12	9	14
Netherlands Antilles	80	38	99	121
Nicaragua	326	602	661	954
Panama	80	40	49	90
St. Kitts-Nevis	10	4	4	7
St. Lucia	25	27	47	39
St.Vincent and Grenadines	11	7	47	27
Trinidad and Tobago	2	21	26	17
Turks and Caicos Islands	11	15	6	4
Virgin Islands	3	11	1	1
West Indies, Unallocated	42	40	51	28
North and Central America, Unallocated	80	122	97	71
North and Central America, Total	**2 520**	**3 196**	**3 554**	**3 269**
SOUTH AMERICA				
Argentina	284	225	225	277
Bolivia	576	578	737	850
Brazil	239	337	367	408
Chile	185	158	160	203
Colombia	108	128	231	251
Ecuador	240	217	236	261
Falkland Islands	6	0	2	2
Guyana	108	80	88	144
Paraguay	138	103	146	97
Peru	580	417	427	410
Suriname	79	60	77	111
Uruguay	123	86	83	51
Venezuela	49	31	49	44
South America, Unallocated	31	73	136	114
South America, Total	**2 747**	**2 495**	**2 962**	**3 224**
America, Unspecified	339	459	338	1692
AMERICA, TOTAL	**5 605**	**6 150**	**6 854**	**8 185**
ASIA				
MIDDLE EAST				
Bahrain	96	44	49	5
Iran	141	131	192	171
Iraq	182	259	327	387

	1993
Israel	1 266
Palestinian adm. areas	182
Jordan	309
Kuwait[a]	3
Lebanon	144
Oman	49
Qatar[a]	3
Saudi Arabia	35
Syria	259
United Arab Emirates[a]	–9
Yemen	314
Middle East, Unallocated	154
Middle East, Total	**3 129**
SOUTH AND CENTRAL ASIA	
Afghanistan	227
Armenia	109
Azerbaijan	22
Bangladesh	1 383
Bhutan	66
Myanmar	101
Georgia	101
India	1 459
Kazakstan	14
Kyrgyz Republic	94
Maldives	29
Nepal	364
Pakistan	1 005
Sri Lanka	659
Tajikistan	26
Turkmenistan	25
Uzbekistan	7
Indus Basin	67
South and Central Asia, Unallocated	22
South and Central Asia, Total	**5 781**
FAR EAST ASIA	
Brunei[a]	5
China	3 271
Hong Kong, China	30
Indonesia	2 018
Cambodia	317
Korea	–41
Korea, Dem.	14
Laos	207
Macao	0
Malaysia	94
Mongolia	126

Table 33

Multilateral Organisations and Arab Countries to Developing Countries and Territories (continued)

$ million

	1994	1995	1996
	1 237	336	2 217
	481	529	593
	370	535	514
	6	7	–
	235	189	233
	95	59	62
	3	3	–
	20	22	29
	745	349	225
	–7	8	–
	172	175	260
	600	128	94
	4 393	**2 908**	**4 790**
	230	215	228
	191	218	295
	147	109	106
	1 758	1 279	1 255
	76	74	62
	162	152	56
	176	209	318
	2 325	1 744	1 936
	48	58	124
	172	283	232
	30	56	33
	450	436	401
	1 606	821	877
	595	556	494
	67	65	113
	25	26	24
	28	81	87
	0	0	0
	87	62	20
	8 173	**6 443**	**6 663**
	5	4	–
	3 238	3 534	2 617
	27	18	13
	1 642	1 390	1 121
	339	567	453
	–114	58	–147
	6	14	43
	218	313	339
	0	–4	0
	68	115	–452
	184	208	203

	1993	1994	1995	1996
Philippines	1487	1058	886	883
Singapore[a]	24	17	17	–
Chinese Taipei	7	6	0	16
Thailand	611	578	865	832
Timor	0	0	0	0
Viet Nam	258	897	829	927
Far East Asia, Unallocated	82	193	145	88
Far East Asia, Total	**8 511**	**8 363**	**8 958**	**6 936**
Asia, Unspecified	190	188	453	508
ASIA, TOTAL	**17 611**	**21 118**	**18 762**	**18 896**
OCEANIA				
Cook Islands	13	14	13	11
Fiji	62	40	43	45
Kiribati	16	15	15	13
Marshall Islands	32	49	39	73
Micronesia	64	104	77	113
Nauru	0	2	2	3
New Caledonia	395	408	451	396
Niue	5	7	8	7
Northern Marianas	89	2	0	–2
Palau	0	202	142	62
Papua New Guinea	309	326	373	385
Polynesia (French)	334	368	451	404
Solomon Islands	55	47	47	43
Tokelau	3	3	4	5
Tonga	31	35	39	32
Tuvalu	4	7	8	10
Vanuatu	35	42	46	31
Wallis and Futuna	0	0	1	2
Western Samoa	52	48	43	32
Oceania, Unallocated	68	68	65	116
OCEANIA, TOTAL	**1 568**	**1 790**	**1 867**	**1 783**
LDCs, Unspecified	7 381	6 546	8 527	6 446
ALL LDCs, TOTAL	**57 061**	**61 334**	**60 319**	**58 480**
By income group				
LLDCs	15 104	16 258	16 635	14 235
Other LICs	12 450	16 441	15 380	14 836
LMICs	15 656	14 350	13 208	13 549
UMICs	2 174	2 384	2 391	1 957
HICs	2 224	2 034	1 457	3 066
Unallocated	9 452	9 867	11 247	10 838

a) These countries transferred to Part II of the DAC List of Aid Recipients on 1 January 1996; through 1995 aid to these countries is counted as ODA.

Table 34

Distribution of ODA by Income Group[a]

Net disbursements as per cent of total ODA

	ODA to LLDCs		ODA to other LICs	ODA to LMICs	ODA to UMICs	ODA to HICs
	1985-86	1995-96	1995-96	1995-96	1995-96	1995-96
Australia	22.5	23.3	21.2	51.8	3.5	0.2
Austria	19.6	18.0	40.2	34.6	5.2	2.1
Belgium	66.9	40.6	27.4	26.4	5.3	0.2
Canada	43.8	36.7	33.0	26.3	4.0	0.1
Denmark	52.7	49.8	28.1	15.5	6.5	0.1
Finland	56.1	42.1	36.3	19.4	2.2	0.0
France	36.2	26.8	28.9	23.3	6.4	14.6
Germany	37.4	30.2	43.3	22.2	4.5	–0.2
Ireland	68.3	66.0	17.6	10.7	5.5	0.1
Italy	60.6	36.4	33.7	22.0	7.8	0.2
Japan	32.3	20.8	39.5	36.5	3.4	–0.2
Luxembourg	0.0	37.3	29.8	23.1	9.8	0.0
Netherlands	41.9	39.1	29.6	20.2	5.3	5.8
New Zealand	23.3	31.0	11.3	46.0	11.1	0.6
Norway	56.0	48.8	25.4	21.1	4.6	0.1
Portugal	0.0	89.8	3.5	5.5	1.1	0.1
Spain	0.0	20.6	28.7	41.3	9.3	0.1
Sweden	52.6	41.6	31.0	22.2	5.0	0.1
Switzerland	54.1	42.5	32.3	20.2	4.6	0.4
United Kingdom	41.6	41.3	35.7	17.6	5.1	0.2
United States	21.9	27.1	18.0	30.6	2.3	22.0
TOTAL DAC	**34.9**	**30.1**	**32.2**	**27.6**	**4.6**	**5.5**
of which:						
EU Members	43.7	33.6	33.6	22.5	5.7	4.6

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

	Sub-Saharan Africa			South and Central Asia		
	1985/86	1990/91	1995/96	1985/86	1990/91	1995/96
Australia	6.0	8.6	7.5	4.8	7.2	7.0
Austria	9.1	15.8	17.3	2.8	5.1	2.2
Belgium	76.4	63.3	50.2	3.8	4.5	2.0
Canada	40.4	51.9	34.4	27.6	14.8	13.9
Denmark	60.1	58.8	55.9	26.3	22.4	15.1
Finland	63.8	56.4	43.2	14.9	12.0	9.2
France	53.0	58.3	51.5	4.7	3.0	2.0
Germany	31.1	37.8	24.3	18.7	11.5	11.4
Ireland	96.2	78.6	82.8	1.6	2.5	3.6
Italy	68.8	45.1	48.9	6.2	2.4	1.5
Japan	10.4	11.1	11.5	25.0	17.8	19.3
Luxembourg	0.0	49.6	54.6	0.0	6.9	4.2
Netherlands	39.6	35.9	38.3	20.3	18.6	16.1
New Zealand	1.1	1.9	3.9	0.7	0.9	2.6
Norway	64.2	64.1	55.8	25.7	19.9	14.9
Portugal	0.0	100.0	97.7	0.0	0.0	0.0
Spain	0.0	19.7	20.4	0.0	2.4	2.4
Sweden	58.1	61.5	45.8	20.2	11.4	13.0
Switzerland	57.8	45.8	41.2	16.3	17.2	17.1
United Kingdom	39.4	48.2	45.8	33.2	26.2	25.9
United States	15.1	12.0	17.5	8.8	6.7	7.5
TOTAL DAC	**29.5**	**30.1**	**28.7**	**14.8**	**10.7**	**11.9**
of which:						
EU Members	47.0	47.1	40.6	14.6	9.5	8.7
CEC	65.4	59.4	46.6	9.3	5.5	8.2
IFIs[c]	32.2	39.8	37.9	42.8	36.2	30.1
UN Agencies[d]	42.4	42.4	39.6	20.0	15.2	11.8
OVERALL TOTAL	**32.3**	**33.4**	**32.3**	**19.1**	**13.8**	**14.3**

Table 35

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

Per cent of total gross disbursements

Other Asia and Oceania			Middle East, North Africa and Southern Europe[b]			Latin America and Caribbean		
1985/86	1990/91	1995/96	1985/86	1990/91	1995/96	1985/86	1990/91	1995/96
87.8	81.8	84.1	1.0	2.4	1.4	0.4	0.1	0.0
6.7	38.7	33.5	77.0	35.5	40.6	4.4	4.8	6.3
7.7	9.9	13.4	6.1	12.3	9.3	6.0	10.1	25.1
11.6	12.5	15.4	2.8	7.9	18.0	17.5	13.0	18.3
6.8	4.9	10.8	4.7	7.5	8.1	2.2	6.4	10.2
8.7	11.5	21.7	5.5	12.1	11.5	7.1	8.0	14.3
18.8	18.3	21.2	16.8	15.5	19.4	6.7	4.9	5.9
14.3	11.7	21.6	22.9	29.2	26.2	13.0	9.8	16.4
1.2	0.9	3.6	0.1	16.7	6.9	0.9	1.2	3.1
4.0	4.2	3.4	11.9	27.3	31.1	9.2	21.0	15.1
48.0	45.9	51.0	8.3	16.0	7.1	8.3	9.3	11.1
0.0	2.9	9.4	0.0	26.9	9.4	0.0	13.7	22.3
12.7	16.5	5.2	6.1	5.9	12.9	21.2	23.0	27.5
97.6	96.2	91.8	0.0	0.3	0.3	0.5	0.7	1.4
3.8	4.0	7.8	1.1	1.4	12.3	5.2	10.6	9.3
0.0	0.0	0.0	0.0	0.0	1.7	0.0	0.0	0.6
0.0	18.8	13.3	0.0	19.6	10.4	0.0	39.4	53.5
12.4	10.7	12.3	2.1	7.8	14.4	7.3	8.7	14.4
6.2	10.9	8.4	3.5	10.5	14.5	16.2	15.6	18.7
11.1	10.5	10.4	8.7	7.1	7.5	7.5	8.1	10.5
7.9	3.7	7.0	48.7	58.7	51.7	19.5	18.9	16.2
18.6	**18.2**	**26.8**	**24.2**	**28.2**	**19.2**	**12.9**	**12.7**	**13.4**
13.1	13.5	16.9	15.3	18.9	19.3	10.0	11.0	14.5
5.6	5.7	6.6	12.7	20.3	23.8	7.1	9.1	14.8
9.0	14.5	16.9	3.2	1.3	3.9	12.7	8.3	11.3
14.5	12.2	9.7	12.2	20.0	20.1	11.0	10.3	18.8
16.4	**16.8**	**22.4**	**19.7**	**24.1**	**17.3**	**12.5**	**11.9**	**13.7**

a) Excluding non-specified amounts by region.
b) Developing Countries in Southern Europe are Albania, Bosnia-Herzegovina, Croatia, Cyprus, Gibraltar, Macedonia (FYROM), Malta, Slovenia, Turkey and the Federal Republic of Yugoslavia.
c) International financial institutions. Includes IDA, regional banks' soft windows and IFAD.
d) Includes UNDP, UNICEF, UNRWA, WFP, UNHCR and UNFPA.

	Per cent of total ODA 1985-86	Per cent of total ODA 1990-91	Per cent of total ODA 1995-96	Per cent of DAC bil. ODA 1996	Share in total population (%) 1996	ODA receipts $ billion 1996	ODA receipts Annual real % change 1986-96	ODA as percentage of LDCs' GNP 1990-91	ODA as percentage of LDCs' GNP 1995-96	GNP per capita[a] ($) 1995
SUB-SAHARAN AFRICA	**31.1**	**34.1**	**37.4**	**36.0**	**13.0**	**16.7**	**–1.2**	**11.7**	**6.3**	**. .**
of which:										
Zambia	1.2	1.3	2.8	1.3	0.2	0.6	–2.0	20.0	41.0	400
Côte d'Ivoire	0.4	1.3	2.3	2.1	0.3	1.0	12.8	7.4	11.6	620
Mozambique	1.4	2.1	2.1	2.0	0.4	0.9	0.0	85.3	71.7	80
Tanzania	1.8	2.2	1.9	1.9	0.7	0.9	–2.3	46.4	23.2	130
Ethiopia	2.4	2.1	1.8	1.8	1.3	0.8	–4.2	17.5	14.6	110
Uganda	0.6	1.3	1.6	1.5	0.4	0.7	7.9	23.5	12.9	240
Rwanda	0.6	0.6	1.5	1.5	0.1	0.7	6.9	16.4	54.3	180
Kenya	1.3	2.0	1.4	1.3	0.6	0.6	–2.1	12.1	7.5	280
Ghana	0.8	1.4	1.4	1.4	0.4	0.7	1.0	12.1	10.7	350
Zimbabwe	0.7	0.7	0.9	0.8	0.2	0.4	–0.4	5.9	6.4	540
Cameroon	0.6	0.9	0.9	0.9	0.3	0.4	1.4	4.5	5.4	570
Madagascar	0.8	0.8	0.7	0.8	0.3	0.4	–3.7	16.2	9.5	230
Congo, Rep.	0.2	0.3	0.6	0.9	0.1	0.4	10.1	7.5	15.5	630
Sudan	3.1	1.6	0.5	0.5	0.6	0.2	–17.5	8.8	0.0	. .
Nigeria	0.1	0.5	0.4	0.4	2.5	0.2	6.9	0.8	0.8	220
Congo, Dem. Rep.	1.1	1.3	0.4	0.4	1.0	0.2	–13.5	8.8	1.6	110
Eritrea	0.0	0.0	0.3	0.3	0.1	0.2	0.0	–	22.3	. .
Somalia	1.3	0.6	0.3	0.2	0.2	0.1	–20.0	–	–	. .
ASIA	**33.0**	**28.2**	**29.7**	**27.9**	**68.6**	**13.0**	**–4.4**	**0.9**	**0.5**	**. .**
of which:										
China	3.1	3.9	6.5	5.6	26.8	2.6	3.7	0.5	0.4	620
India	5.6	3.9	3.9	4.2	20.7	1.9	–5.8	0.7	0.5	350
Bangladesh	3.9	3.8	2.7	2.7	2.7	1.3	–6.4	8.3	4.3	240
Indonesia	1.9	3.4	2.7	2.4	4.3	1.1	0.1	1.7	0.6	990
Philippines	2.1	2.2	1.9	1.9	1.5	0.9	–5.3	2.6	1.1	1 050
Pakistan	2.3	2.3	1.8	1.9	2.9	0.9	–4.5	2.6	1.4	470
Thailand	1.4	1.4	1.8	1.8	1.3	0.8	0.8	0.9	0.5	2 740
Sri Lanka	1.5	1.5	1.1	1.1	0.4	0.5	–5.9	9.8	3.9	700

Table 36

Total Net Receipts of ODA by Region and Selected Developing Countries

	Per cent of total ODA			Per cent of DAC bil. ODA	Share in total population (%)	ODA receipts		ODA as percentage of LDCs' GNP		GNP per capita[a] ($)
	1985-86	1990-91	1995-96	1996	1996	$ billion 1996	Annual real % change 1986-96	1990-91	1995-96	1995
OCEANIA	**2.5**	**2.5**	**3.3**	**3.3**	**0.1**	**1.5**	**0.0**	**24.5**	**20.3**	**. .**
NORTH AFRICA AND MIDDLE EAST	**19.5**	**21.8**	**14.2**	**16.9**	**5.6**	**7.8**	**–2.9**	**2.6**	**1.3**	**. .**
of which:										
Egypt	5.0	9.9	4.5	4.8	1.3	2.2	–1.9	15.9	3.5	990
Israel	5.9	3.0	2.7	4.8	0.1	2.2	–3.6	2.8	1.4	15 900
Morocco	1.7	2.2	1.2	1.4	0.6	0.7	0.4	4.5	1.7	1 110
Jordan	1.7	1.7	1.1	1.1	0.1	0.5	–5.7	22.2	7.8	1 570
Syria	2.4	1.0	0.6	0.5	0.3	0.2	–17.2	4.0	1.8	1 150
Yemen	1.3	0.7	0.5	0.6	0.3	0.3	–9.3	–	4.6	280
Tunisia	0.6	0.7	0.2	0.3	0.2	0.1	–10.0	3.1	0.6	1 820
LATIN AMERICA	**12.5**	**10.1**	**13.8**	**14.0**	**10.6**	**6.5**	**–0.9**	**0.5**	**0.4**	**. .**
of which:										
Bolivia	0.8	1.0	1.7	1.8	0.2	0.8	4.4	11.4	13.0	880
Peru	0.9	1.0	0.9	0.9	0.5	0.4	–1.0	1.7	0.7	2 300
Honduras	0.8	0.7	0.8	0.8	0.1	0.4	–2.3	11.7	10.0	640
Mexico	0.6	0.4	0.7	0.6	2.0	0.3	–3.6	0.1	0.1	3 790
El Salvador	1.0	0.6	0.7	0.7	0.1	0.3	–5.5	5.9	3.1	1610
Costa Rica	0.7	0.4	0.0	0.0	0.1	0.0	0.0	3.5	0.1	2 610
SOUTHERN EUROPE	**1.4**	**3.3**	**1.6**	**1.8**	**2.1**	**0.9**	**–0.7**	**1.0**	**0.4**	**. .**
of which:										
Turkey	0.7	2.7	0.6	0.5	1.4	0.2	–8.0	1.5	0.2	2 800
Cyprus	0.1	0.1	0.1	0.1	0.0	0.0	–6.1	0.7	0.0	. .
OVERALL TOTAL	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**46.5**	**–2.4**	**1.6**	**0.9**	**. .**

a) World Bank Atlas basis.

Note: Net ODA from DAC Members and DAC Member-financed multilateral organisations. Excluding amounts not allocated by country.

	1980	1986
	$ million	
DAC BILATERAL		
Australia	30	40
Austria	21	25
Belgium	501	496
Canada	294	376
Denmark	237	369
Finland	66	165
France	1 686	2 678
Germany	1 257	1 488
Ireland	11	20
Italy	97	1 434
Japan	692	879
Luxembourg	–	–
Netherlands	628	782
New Zealand	2	1
Norway	194	419
Portugal	–	–
Spain	–	–
Sweden	426	608
Switzerland	126	319
United Kingdom	659	500
United States	1 024	1 161
TOTAL DAC	**7 952**	**11 762**
MULTILATERAL		
AfDF	186	448
CEC	1 219	1 376
Nordic Dev. Fund	–	–
IBRD	75	2
IDA	816	2 349
IFAD	8	161
UNTA	17	81
UNICEF	110	191
UNDP	378	443
UNHCR	310	309
WFP	340	384
Total above	3 458	5 744
Other UN	164	183
Arab Agencies	290	148
Other Multilateral	754	–200
TOTAL MULTILATERAL	**4 666**	**6 074**
Arab Countries	1 048	767
Other	321	782
OVERALL TOTAL	**13 987**	**19 185**

Table 37

Net Disbursements of ODA to Sub-Saharan Africa by Donor

	at 1995 prices and exchange rates				As percentage of donor's ODA					
	1993	1994	1995	1996	1980	1986	1993	1994	1995	1996
	59	69	60	55	4.3	5.1	7.2	8.1	6.5	6.8
	85	81	76	97	6.2	8.8	16.9	13.0	13.6	22.8
	263	240	196	207	62.2	70.1	45.9	47.6	38.2	37.9
	287	263	275	266	30.1	27.6	18.4	18.3	19.9	20.0
	414	411	367	458	46.3	55.7	45.7	44.4	41.0	42.8
	109	104	79	82	54.1	54.6	33.0	39.2	36.0	37.0
	3 555	3 550	2 700	2 448	43.8	49.0	49.2	47.3	42.0	42.2
	1 568	1 366	1 268	1268	27.8	29.2	28.9	28.5	26.3	26.9
	30	42	62	75	67.0	54.9	65.4	67.3	70.1	66.4
	582	407	359	292	63.6	63.6	28.6	21.2	44.6	39.7
	1 154	1 258	1 352	1 253	11.6	11.7	12.2	12.2	13.0	13.2
	17	20	–	31	–	–	42.4	42.4	–	53.3
	612	605	695	709	30.3	37.3	28.5	30.7	31.0	30.1
	2	5	4	4	2.5	0.8	2.1	4.8	3.7	3.7
	360	411	380	386	44.6	56.0	47.4	43.4	41.9	41.8
	211	242	155	147	–	–	99.4	98.5	93.8	95.2
	82	120	79	209	–	–	7.9	12.5	9.7	24.0
	604	491	388	433	40.0	49.9	38.8	31.8	32.6	33.3
	232	227	219	201	29.6	49.4	28.4	26.7	28.1	26.7
	530	662	601	619	33.3	30.2	31.6	35.6	35.0	35.2
	1 503	1 490	1 050	623	13.4	11.6	19.6	20.0	18.7	9.2
	12 259	**12 062**	**10 366**	**9 865**	**26.1**	**27.9**	**27.1**	**26.3**	**25.5**	**24.8**
	752	614	549	590	100.0	96.4	95.9	94.8	96.3	96.6
	1 900	2 275	1 736	2 073	60.1	54.6	42.6	45.2	36.8	38.2
	–	9	12	28	–	–	–	35.0	23.6	38.9
	–	–	–	–	36.1	28.5	–	–	–	–
	2 464	3 064	2 276	2 525	27.2	41.3	48.0	49.7	46.2	42.7
	45	42	65	80	7.5	32.9	48.3	53.2	75.4	50.7
	95	70	125	60	24.4	18.6	24.4	24.1	22.3	23.9
	351	362	310	294	23.0	34.2	38.2	41.3	39.0	42.0
	371	306	274	334	29.4	33.6	26.9	22.4	21.9	22.0
	376	569	427	386	34.3	46.8	26.0	49.5	48.6	44.9
	1004	836	617	579	32.5	34.6	58.8	54.6	56.4	51.8
	7 358	8 138	6 389	6 920	37.2	43.3	45.1	47.5	42.7	41.7
	147	140	153	142	15.6	16.0	11.0	11.3	11.7	14.3
	–11	27	–	–	52.2	60.2	–5.3	9.6	–	–
	140	507	1543	161	18.0	–62.1	9.8	20.5	51.9	8.5
	7 494	**8 315**	**6 542**	**7 091**	**30.9**	**38.2**	**39.3**	**41.4**	**37.1**	**36.9**
	45	15	11	38	6.8	11.6	4.3	1.8	2.2	8.3
	9	–	–	–	5.8	10.0	25.3	–	–	–
	19 947	**20 900**	**18 463**	**17 150**	**21.2**	**26.8**	**30.4**	**30.8**	**30.6**	**28.6**

Note: The data in this table for the "overall total" do not coincide with those of Table 38 with the exception of the base year 1995. The figures in this table have been deflated by individual DAC country deflators whilst all figures in Table 38 are deflated with the total DAC deflator. Negative figures indicate that loan repayments exceed new lending.

Table 38

Net Disbursements of ODA to Sub-Saharan Africa by Recipient

$ million at 1995 prices and exchange rates

	1980	1986	1993	1994	1995	1996
Angola	105	243	338	496	418	562
Benin	182	242	333	283	282	302
Botswana	206	177	153	98	92	83
Burkina Faso	423	488	540	479	487	432
Burundi	254	327	251	344	288	210
Cameroon	514	372	627	803	444	427
Cape Verde	121	192	136	133	112	124
Central African Republic	216	236	199	183	168	172
Chad	68	280	261	236	239	315
Comoros	84	80	58	44	43	41
Congo, Rep.	176	169	142	398	125	444
Congo, Dem. Rep.	831	733	208	270	195	173
Côte d'Ivoire	409	299	879	1 752	1 212	999
Djibouti	133	197	154	142	106	101
Equatorial Guinea	18	43	61	33	34	32
Eritrea	–	–	78	174	150	162
Ethiopia	499	1 349	1 256	1 181	888	877
Gabon	112	143	118	200	145	131
Gambia	114	176	99	78	48	40
Ghana	372	610	710	600	653	675
Guinea	123	303	471	396	416	305
Guinea-Bissau	153	127	110	193	116	186
Kenya	771	775	1 046	743	732	626
Lesotho	183	149	164	128	115	111
Liberia	190	167	141	70	123	213
Madagascar	431	550	417	318	303	376
Malawi	279	334	572	516	434	517
Mali	520	641	420	486	545	522
Mauritania	307	460	377	296	231	282
Mauritius	64	106	35	16	22	20
Mayotte	44	48	96	115	108	134
Mozambique	294	953	1 359	1 353	1 101	953
Namibia	–	27	178	152	189	195
Niger	332	538	399	415	270	267
Nigeria	68	101	320	209	212	198
Rwanda	302	356	411	785	711	696
St. Helena	17	23	17	16	13	16
Sao Tome and Principe	12	29	54	55	84	49
Senegal	520	988	579	709	669	601
Seychelles	42	57	22	14	13	20
Sierra Leone	181	166	240	304	207	202
Somalia	819	873	1 023	591	191	94
South Africa	–	–	316	324	386	373
Sudan	1 259	1 631	526	454	236	238
Swaziland	97	57	61	62	56	32
Tanzania	1 324	1 160	1 098	1 064	882	923
Togo	179	296	112	138	193	171
Uganda	218	331	703	828	830	706
Zambia	574	779	1002	790	2035	634
Zimbabwe	319	404	574	617	493	386
South of Sahara Unallocated	184	671	475	701	420	945
OVERALL TOTAL	**14 646**	**19 457**	**19 919**	**20 784**	**18 463**	**17 293**

Note: The data in this table for the "overall total" do not coincide with those of Table 37 with the exception of the base year 1995. The figures in Table 37 have been deflated by individual DAC country deflators whilst all figures in this table are deflated with the total DAC deflator.

Table 39

Aid from DAC Countries to Least Developed Countries[a]

Net disbursements

	1985/86			1995			1996		
	$ million	Per cent of donor's total	Per cent of donor's GNP	$ million	Per cent of donor's total	Per cent of donor's GNP	$ million	Per cent of donor's total	Per cent of donor's GNP
Australia	150	20	0.09	206	17	0.06	220	20	0.06
Austria	39	18	0.05	104	14	0.04	77	14	0.03
Belgium	262	53	0.27	261	25	0.10	220	24	0.08
Canada	543	33	0.16	466	23	0.09	341	19	0.06
Denmark	228	40	0.34	498	31	0.30	558	31	0.33
Finland	115	44	0.19	102	26	0.08	117	29	0.10
France	974	27	0.16	1 767	21	0.11	1 419	19	0.09
Germany	949	28	0.12	1 611	21	0.07	1 691	22	0.07
Ireland	18	36	0.10	66	43	0.12	76	42	0.13
Italy	844	48	0.16	387	24	0.04	592	25	0.05
Japan	1 410	30	0.09	2 527	17	0.05	1 418	15	0.03
Luxembourg	–	–	–	–	–	–	22	27	0.12
Netherlands	477	33	0.32	906	28	0.23	898	28	0.23
New Zealand	11	16	0.04	26	21	0.05	26	21	0.04
Norway	290	42	0.46	484	39	0.34	508	39	0.33
Portugal	–	–	–	165	64	0.16	148	68	0.14
Spain	–	–	–	219	16	0.04	142	11	0.02
Sweden	377	39	0.33	492	29	0.22	573	29	0.24
Switzerland	144	40	0.12	331	31	0.10	304	30	0.10
United Kingdom	461	28	0.09	827	26	0.07	810	25	0.07
United States	1 717	18	0.04	1 821	25	0.03	1 254	13	0.02
TOTAL DAC	**9 009**	**28**	**0.09**	**13 265**	**23**	**0.06**	**11 413**	**21**	**0.05**
of which:									
EU Members	4 746	33	0.15	7 405	24	0.09	7 343	23	0.09

a) Including imputed multilateral flows, *i.e.* making allowance for contributions through multilateral organisations, calculated using the geographical distribution of multilateral disbursements for the year of reference.

Table 40

Regional Distribution of ODA by DAC Donors[a]

Net disbursements — $ million, two-year averages

	Sub-Saharan Africa		South and Central Asia		Other Asia and Oceania		Middle East and North Africa		Latin America and Caribbean	
	1985/86	1995/96	1985/86	1995/96	1985/86	1995/96	1985/86	1995/96	1985/86	1995/96
Australia	90	122	112	113	454	702	15	18	10	14
Austria	39	110	23	20	14	144	108	52	8	42
Belgium	278	303	44	52	30	78	17	48	22	131
Canada	526	464	399	168	144	176	49	142	164	180
Denmark	236	569	119	179	41	121	26	73	18	141
Finland	118	125	44	38	20	50	12	19	14	27
France	1 548	3 108	297	291	511	1 378	397	1 126	195	426
Germany	964	1 891	614	728	334	1 032	302	651	309	880
Ireland	19	79	4	7	2	6	1	6	1	6
Italy	886	544	200	211	78	121	97	195	110	166
Japan	795	1 830	1 492	1 918	1 502	3 784	235	704	313	1273
Luxembourg	–	17	–	2	–	3	–	2	–	7
Netherlands	476	935	273	386	136	112	68	199	204	588
New Zealand	3	8	2	4	47	88	–	1	1	3
Norway	307	506	142	162	36	89	16	92	35	115
Portugal	–	161	–	3	–	2	–	5	–	5
Spain	–	223	–	53	–	122	–	104	–	394
Sweden	422	578	174	199	93	160	26	124	56	184
Switzerland	162	300	50	144	20	77	10	50	41	133
United Kingdom	471	899	362	505	122	230	53	105	82	210
United States	1 523	1 445	839	609	626	467	3 436	2 296	1 437	728
TOTAL DAC	**8 864**	**14 215**	**5 190**	**5 793**	**4 208**	**8 943**	**4 870**	**6 010**	**3 020**	**5 654**
of which:										
EU Members	5 457	9 541	2 154	2 675	1 381	3 559	1 108	2 708	1 019	3 208

a) Including imputed multilateral flows, *i.e.* making allowance for contributions through multilateral organisations, calculated using the geographical distribution of multilateral disbursements for the year of reference. Excluding Europe and unspecified.

Table 41

Regional Distribution of ODA by DAC Donors[a]

Net disbursements — Per cent of each donor's programme, two-year averages

	Sub-Saharan Africa 1985/86	Sub-Saharan Africa 1995/96	South and Central Asia 1985/86	South and Central Asia 1995/96	Other Asia and Oceania 1985/86	Other Asia and Oceania 1995/96	Middle East and North Africa 1985/86	Middle East and North Africa 1995/96	Latin America and Caribbean 1985/86	Latin America and Caribbean 1995/96
Australia	13.2	12.7	16.4	11.3	66.7	72.7	2.3	1.9	1.5	1.4
Austria	20.4	30.0	11.7	4.9	7.5	39.4	56.1	14.1	4.4	11.5
Belgium	71.0	50.0	11.3	7.5	7.7	12.9	4.4	8.0	5.6	21.7
Canada	41.1	41.6	31.1	13.7	11.2	15.8	3.8	12.8	12.8	16.2
Denmark	53.6	52.8	27.0	16.1	9.3	11.3	6.0	6.8	4.1	13.1
Finland	56.5	48.6	21.1	13.9	9.7	19.5	5.9	7.5	6.8	10.6
France	52.5	49.4	10.1	4.1	17.3	21.9	13.5	17.9	6.6	6.8
Germany	38.2	37.0	24.3	12.8	13.2	20.2	12.0	12.7	12.2	17.2
Ireland	71.0	76.6	16.6	6.5	5.7	5.6	3.4	5.4	3.3	5.9
Italy	64.6	44.5	14.6	16.0	5.7	9.9	7.1	15.9	8.0	13.6
Japan	18.3	19.3	34.4	19.8	34.6	39.9	5.4	7.4	7.2	13.5
Luxembourg	–	53.6	–	6.8	–	10.3	–	7.7	–	21.5
Netherlands	41.2	42.8	23.6	16.0	11.7	5.1	5.9	9.1	17.7	26.9
New Zealand	5.6	7.7	5.0	4.4	87.2	83.5	0.9	1.1	1.4	3.3
Norway	57.4	53.1	26.5	15.9	6.7	9.4	2.9	9.6	6.5	12.1
Portugal	–	92.1	–	1.4	–	1.1	–	2.7	–	2.7
Spain	–	25.0	–	5.5	–	13.7	–	11.7	–	44.1
Sweden	54.7	46.9	22.6	15.2	12.1	13.0	3.3	10.0	7.2	14.9
Switzerland	57.3	43.2	17.6	19.3	6.9	11.1	3.5	7.1	14.6	19.2
United Kingdom	43.2	46.7	33.2	25.0	11.2	11.9	4.8	5.4	7.5	10.9
United States	19.4	27.4	10.7	8.3	8.0	7.1	43.7	43.5	18.3	13.8
TOTAL DAC	**33.9**	**35.5**	**19.8**	**13.3**	**16.1**	**22.1**	**18.6**	**15.0**	**11.6**	**14.1**
of which:										
EU Members	49.1	44.4	19.4	11.4	12.4	16.6	10.0	12.6	9.2	14.9

a) Including imputed multilateral flows, *i.e.* making allowance for contributions through multilateral organisations, calculated using the geographical distribution of multilateral disbursements for the year of reference. Excluding Europe and unspecified.

Gross disbursements

Australia 1970-71		Australia 1980-81		Australia 1995-96	
Papua New Guinea	66.9	Papua New Guinea	42.9	Papua New Guinea	21.2
Indonesia	8.2	Indonesia	7.0	Indonesia	8.4
India	2.2	Bangladesh	3.0	Philippines	4.9
Thailand	2.0	Philippines	1.9	Viet Nam	3.8
Malaysia	1.6	Pakistan	1.8	China	3.4
Viet Nam	1.5	Fiji	1.7	Cambodia	2.4
Pakistan	0.8	Myanmar	1.6	Thailand	2.0
Laos	0.6	Thailand	1.3	Bangladesh	1.4
Cambodia	0.6	Egypt	1.3	Malaysia	1.3
Sri Lanka	0.6	Malaysia	1.2	India	1.3
Fiji	0.5	Sri Lanka	1.0	Fiji	1.2
Myanmar	0.4	Tanzania	1.0	Laos	1.1
Nepal	0.4	Solomon Islands	0.9	Vanuatu	1.0
Singapore	0.3	Tonga	0.7	Mozambique	0.8
Bangladesh	0.3	Kenya	0.6	Sri Lanka	0.8
Total above	**86.9**	**Total above**	**67.9**	**Total above**	**55.0**
Multilateral ODA	10.9	Multilateral ODA	21.3	Multilateral ODA	21.4
Unallocated	0.8	Unallocated	4.2	Unallocated	13.5
Total ODA $ million	**214**	**Total ODA $ million**	**662**	**Total ODA $ million**	**1 146**
LLDCs	3.4	LLDCs	14.6	LLDCs	19.0
Other LICs	6.0	Other LICs	6.0	Other LICs	15.9
LMICs	88.5	LMICs	76.8	LMICs	61.2
UMICs	1.9	UMICs	2.5	UMICs	3.8
HICs	0.2	HICs	0.1	HICs	0.2
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Europe	0.0	Europe	0.1	Europe	0.4
North of Sahara	–	North of Sahara	1.7	North of Sahara	0.8
South of Sahara	0.7	South of Sahara	5.7	South of Sahara	7.4
N. and C. America	0.0	N. and C. America	0.1	N. and C. America	0.0
South America	0.0	South America	0.0	South America	0.0
Middle East	0.0	Middle East	0.1	Middle East	0.3
S. and C. Asia	6.1	S. and C. Asia	10.8	S. and C. Asia	7.0
Far East Asia	17.0	Far East Asia	17.1	Far East Asia	42.3
Oceania	76.1	Oceania	64.4	Oceania	41.7
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Austria 1970-71		Austria 1980-81
Thailand	13.8	Indonesia
Pakistan	11.3	Algeria
India	11.1	Turkey
Algeria	7.3	Lebanon
Sudan	5.0	Malaysia
Israel	2.4	Jordan
Brazil	1.5	India
Tunisia	0.8	Cyprus
Turkey	0.8	Tunisia
Nigeria	0.6	Egypt
Kenya	0.6	Iran
Bolivia	0.4	Philippines
Mexico	0.3	Nigeria
Burkina Faso	0.3	Tanzania
Guatemala	0.2	Sts. Ex-Yugoslavia Uns.
Total above	**56.3**	**Total above**
Multilateral ODA	29.0	Multilateral ODA
Unallocated	13.4	Unallocated
Total ODA $ million	**21**	**Total ODA $ million**
LLDCs	10.2	LLDCs
Other LICs	41.2	Other LICs
LMICs	41.4	LMICs
UMICs	3.1	UMICs
HICs	4.1	HICs
Total Bilateral	**100.0**	**Total Bilateral**
Europe	1.4	Europe
North of Sahara	14.1	North of Sahara
South of Sahara	12.3	South of Sahara
N. and C. America	1.2	N. and C. America
South America	3.5	South America
Middle East	4.4	Middle East
S. and C. Asia	39.0	S. and C. Asia
Far East Asia	24.0	Far East Asia
Oceania	–	Oceania
Total Bilateral	**100.0**	**Total Bilateral**

Table 42

Major Recipients of Individual DAC Members' Aid

Per cent of total ODA

	1995-96		Belgium 1970-71		Belgium 1980-81		Belgium 1995-96	
17.7	Bosnia-Herzegovina	14.4	Congo, Dem. Rep.	39.9	Congo, Dem. Rep.	25.0	Bolivia	5.3
15.3	Indonesia	11.8	Rwanda	9.0	Rwanda	5.5	Congo, Dem. Rep.	2.6
10.1	China	7.5	Burundi	7.4	Burundi	4.3	Rwanda	2.2
6.8	Egypt	3.5	Indonesia	3.5	Indonesia	3.0	Viet Nam	1.3
6.8	Uganda	2.3	India	3.3	Morocco	2.5	Tanzania	1.2
4.7	Turkey	2.0	Tunisia	2.5	Tunisia	2.1	China	1.1
4.4	Thailand	2.0	Pakistan	1.6	Niger	1.9	Indonesia	1.0
3.6	Ghana	1.8	Turkey	1.6	India	1.9	Ecuador	0.9
2.9	Iran	1.5	Morocco	1.2	Philippines	1.6	Senegal	0.9
2.1	Algeria	1.4	Chile	1.0	China	1.6	Algeria	0.9
2.1	Nicaragua	1.4	Peru	0.5	Turkey	1.6	Tunisia	0.9
1.8	Slovenia	1.3	Philippines	0.4	Côte d'Ivoire	1.3	Burundi	0.9
1.7	Tanzania	1.2	Senegal	0.3	Senegal	1.0	Togo	0.8
1.6	Croatia	1.0	Argentina	0.3	Bangladesh	0.9	Côte d'Ivoire	0.8
1.0	Guatemala	0.8	Brazil	0.2	Tanzania	0.8	Niger	0.8
82.6	**Total above**	**53.7**	**Total above**	**72.8**	**Total above**	**54.9**	**Total above**	**21.6**
23.8	Multilateral ODA	24.7	Multilateral ODA	23.7	Multilateral ODA	29.4	Multilateral ODA	44.7
–16.8	Unallocated	6.2	Unallocated	0.9	Unallocated	4.7	Unallocated	17.2
209	**Total ODA $ million**	**712**	**Total ODA $ million**	**134**	**Total ODA $ million**	**590**	**Total ODA $ million**	**1 013**
5.8	LLDCs	13.7	LLDCs	75.6	LLDCs	62.8	LLDCs	40.2
8.3	Other LICs	40.5	Other LICs	7.6	Other LICs	12.2	Other LICs	16.8
72.5	LMICs	39.0	LMICs	14.3	LMICs	23.3	LMICs	37.0
8.8	UMICs	4.5	UMICs	2.3	UMICs	1.4	UMICs	5.9
4.6	HICs	2.2	HICs	0.1	HICs	0.3	HICs	0.2
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
17.2	Europe	29.6	Europe	2.3	Europe	2.4	Europe	1.6
21.6	North of Sahara	7.5	North of Sahara	5.3	North of Sahara	8.8	North of Sahara	6.5
7.8	South of Sahara	17.3	South of Sahara	76.5	South of Sahara	66.0	South of Sahara	49.8
2.1	N. and C. America	4.3	N. and C. America	0.3	N. and C. America	1.2	N. and C. America	3.7
1.6	South America	2.0	South America	3.3	South America	3.8	South America	21.2
15.2	Middle East	3.7	Middle East	0.3	Middle East	1.0	Middle East	2.1
5.1	S. and C. Asia	2.4	S. and C. Asia	6.5	S. and C. Asia	5.0	S. and C. Asia	1.9
29.3	Far East Asia	33.2	Far East Asia	5.5	Far East Asia	11.8	Far East Asia	13.3
0.2	Oceania	0.0	Oceania	–	Oceania	0.0	Oceania	0.0
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Gross disbursements

Canada						Denmark			
1970-71		1980-81		1995-96		1970-71		1980-81	
India	29.0	Bangladesh	5.0	Egypt	4.5	Tanzania	5.5	Tanzania	
Pakistan	11.0	India	4.2	China	2.3	India	4.7	Bangladesh	
Nigeria	2.7	Pakistan	3.7	Bangladesh	1.9	Egypt	4.2	India	
Sri Lanka	1.9	Sri Lanka	2.7	India	1.8	Kenya	3.5	Kenya	
Ghana	1.9	Tanzania	2.0	Peru	1.3	Congo, Dem. Rep.	3.0	Sudan	
Algeria	1.5	Kenya	2.0	Ghana	1.1	Uganda	2.8	Mozambique	
Tunisia	1.5	Egypt	1.8	Haiti	1.1	Zambia	2.4	Myanmar	
Niger	1.3	Indonesia	1.6	Côte d'Ivoire	1.1	Pakistan	2.0	Egypt	
Turkey	1.2	Cameroon	1.5	Indonesia	1.0	Tunisia	2.0	Viet Nam	
Morocco	1.2	Mali	1.1	Rwanda	0.9	Cambodia	1.9	Philippines	
Tanzania	1.1	Zambia	1.0	Philippines	0.9	Malaysia	1.8	Sri Lanka	
Cameroon	1.0	Ghana	1.0	Pakistan	0.9	Peru	1.7	Pakistan	
Senegal	0.9	Congo, Dem. Rep.	0.9	Tanzania	0.9	Malawi	1.5	Botswana	
Colombia	0.9	Senegal	0.9	Mali	0.8	Côte d'Ivoire	1.3	Malawi	
Jamaica	0.9	Jamaica	0.9	Cameroon	0.8	Indonesia	1.2	Angola	
Total above	**58.0**	**Total above**	**30.3**	**Total above**	**21.3**	**Total above**	**39.3**	**Total above**	
Multilateral ODA	22.6	Multilateral ODA	37.6	Multilateral ODA	28.2	Multilateral ODA	44.3	Multilateral ODA	
Unallocated	8.4	Unallocated	17.7	Unallocated	34.3	Unallocated	7.0	Unallocated	
Total ODA $ million	**363**	**Total ODA $ million**	**1 143**	**Total ODA $ million**	**1 989**	**Total ODA $ million**	**67**	**Total ODA $ million**	
LLDCs	9.3	LLDCs	37.1	LLDCs	29.6	LLDCs	35.7	LLDCs	
Other LICs	74.1	Other LICs	40.2	Other LICs	31.3	Other LICs	27.0	Other LICs	
LMICs	12.4	LMICs	20.3	LMICs	34.7	LMICs	30.8	LMICs	
UMICs	3.7	UMICs	2.4	UMICs	4.3	UMICs	5.3	UMICs	
HICs	0.5	HICs	0.0	HICs	0.1	HICs	1.3	HICs	
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	
Europe	1.6	Europe	1.8	Europe	2.9	Europe	1.3	Europe	
North of Sahara	5.7	North of Sahara	6.1	North of Sahara	12.8	North of Sahara	13.9	North of Sahara	
South of Sahara	19.7	South of Sahara	38.6	South of Sahara	34.2	South of Sahara	44.7	South of Sahara	
N. and C. America	5.1	N. and C. America	9.0	N. and C. America	10.0	N. and C. America	0.0	N. and C. America	
South America	4.2	South America	3.7	South America	8.3	South America	9.7	South America	
Middle East	0.0	Middle East	0.1	Middle East	2.6	Middle East	2.1	Middle East	
S. and C. Asia	59.5	S. and C. Asia	34.9	S. and C. Asia	13.9	S. and C. Asia	15.1	S. and C. Asia	
Far East Asia	4.1	Far East Asia	5.7	Far East Asia	15.0	Far East Asia	13.0	Far East Asia	
Oceania	0.0	Oceania	0.1	Oceania	0.4	Oceania	–	Oceania	
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	

Table 42

Major Recipients of Individual DAC Members' Aid

(continued)

Per cent of total ODA

	1995-96		Finland 1970-71		Finland 1980-81		Finland 1995-96	
7.1	Tanzania	4.1	Tanzania	4.7	Tanzania	13.7	China	3.8
5.5	Uganda	3.5	India	3.6	Viet Nam	8.7	Peru	3.2
4.7	Egypt	3.4	Kenya	1.1	Zambia	6.0	Zambia	2.8
3.8	Zimbabwe	2.7	Pakistan	1.0	Mozambique	2.7	Mozambique	2.7
3.0	Mozambique	2.5	Ethiopia	0.9	Kenya	2.7	Viet Nam	2.5
2.3	Ghana	2.1	Tunisia	0.5	Egypt	2.1	Tanzania	2.2
1.9	Nicaragua	2.1	Jordan	0.2	Bangladesh	1.8	Zimbabwe	2.2
1.8	India	2.1	Zambia	0.2	Peru	1.1	Bosnia-Herzegovina	2.0
1.5	Bangladesh	1.9	Nigeria	0.2	Somalia	1.0	Thailand	2.0
1.4	South Africa	1.4	Uganda	0.2	Sri Lanka	1.0	Namibia	1.9
1.0	Zambia	1.4	Turkey	0.2	Turkey	0.9	Ethiopia	1.8
0.9	Kenya	1.3	Yemen	0.1	Myanmar	0.7	Nepal	1.4
0.9	Viet Nam	1.3	Peru	0.1	Sudan	0.7	Nicaragua	1.4
0.8	Nepal	1.3	Syria	0.1	Uganda	0.6	Kenya	1.2
0.8	Thailand	1.1	Lebanon	0.1	Liberia	0.5	Egypt	1.1
37.4	**Total above**	**32.4**	**Total above**	**13.4**	**Total above**	**44.2**	**Total above**	**32.2**
45.7	Multilateral ODA	39.5	Multilateral ODA	78.0	Multilateral ODA	41.2	Multilateral ODA	43.2
7.2	Unallocated	16.2	Unallocated	8.3	Unallocated	10.1	Unallocated	13.4
455	**Total ODA $ million**	**1 828**	**Total ODA $ million**	**10**	**Total ODA $ million**	**123**	**Total ODA $ million**	**419**
57.9	LLDCs	46.9	LLDCs	45.3	LLDCs	59.5	LLDCs	35.6
27.4	Other LICs	31.5	Other LICs	43.5	Other LICs	28.0	Other LICs	35.5
14.3	LMICs	16.9	LMICs	10.5	LMICs	12.2	LMICs	26.6
0.4	UMICs	4.7	UMICs	0.7	UMICs	0.3	UMICs	2.3
0.1	HICs	–	HICs	–	HICs	0.1	HICs	0.0
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
0.0	Europe	0.4	Europe	1.4	Europe	1.8	Europe	6.4
3.8	North of Sahara	7.6	North of Sahara	4.3	North of Sahara	4.4	North of Sahara	2.5
51.6	South of Sahara	55.7	South of Sahara	54.2	South of Sahara	60.5	South of Sahara	42.6
0.6	N. and C. America	6.8	N. and C. America	0.4	N. and C. America	1.7	N. and C. America	6.3
1.5	South America	3.3	South America	1.4	South America	2.4	South America	7.8
2.4	Middle East	0.5	Middle East	4.3	Middle East	0.4	Middle East	3.5
31.2	S. and C. Asia	15.0	S. and C. Asia	33.2	S. and C. Asia	7.5	S. and C. Asia	9.6
8.9	Far East Asia	10.7	Far East Asia	0.7	Far East Asia	20.9	Far East Asia	21.4
0.0	Oceania	0.0	Oceania	–	Oceania	0.2	Oceania	0.0
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Gross disbursements

France						Germany		
1970-71		1980-81		1995-96		1970-71		1980-81
Algeria	11.7	New Caledonia	6.0	Côte d'Ivoire	6.3	India	10.7	Turkey
New Caledonia	3.9	Polynesia, French	5.2	Polynesia, French	51	Pakistan	7.3	Bangladesh
Morocco	3.7	Morocco	4.7	New Caledonia	4.8	Israel	5.1	India
Côte d'Ivoire	3.5	Senegal	3.9	Egypt	4.5	Indonesia	5.0	Sudan
Tunisia	3.0	Côte d'Ivoire	3.4	Cameroon	3.4	Turkey	4.2	Indonesia
Madagascar	3.0	Cameroon	2.9	Morocco	3.4	Brazil	3.8	Tanzania
Indonesia	2.7	Algeria	2.6	Senegal	2.9	Morocco	3.1	Egypt
Polynesia, French	2.5	Tunisia	2.3	Algeria	2.4	Tunisia	1.9	Israel
Senegal	2.4	Central African Rep.	2.2	Congo, Rep.	2.1	Afghanistan	1.8	Brazil
India	2.4	Burkina Faso	2.1	Gabon	1.9	Nigeria	1.7	Yemen
Gabon	2.2	Brazil	2.1	Madagascar	1.6	Chile	1.6	Peru
Cameroon	2.0	Niger	1.8	Burkina Faso	1.3	Argentina	1.6	Pakistan
Chad	2.0	Mali	1.8	Mayotte	1.3	Egypt	1.2	Thailand
Niger	1.9	Madagascar	1.8	Tunisia	1.2	Peru	1.1	Tunisia
Burkina Faso	1.4	Egypt	1.7	Guinea	1.1	Viet Nam	1.1	Somalia
Total above	**48.1**	**Total above**	**44.5**	**Total above**	**43.3**	**Total above**	**51.1**	**Total above**
Multilateral ODA	13.6	Multilateral ODA	21.6	Multilateral ODA	20.6	Multilateral ODA	22.0	Multilateral ODA
Unallocated	22.6	Unallocated	8.4	Unallocated	13.7	Unallocated	5.5	Unallocated
Total ODA $ million	**852**	**Total ODA $ million**	**3 086**	**Total ODA $ million**	**8 998**	**Total ODA $ million**	**766**	**Total ODA $ million**
LLDCs	25.7	LLDCs	29.6	LLDCs	23.3	LLDCs	14.0	LLDCs
Other LICs	19.2	Other LICs	21.2	Other LICs	28.8	Other LICs	35.0	Other LICs
LMICs	38.9	LMICs	23.7	LMICs	24.1	LMICs	31.5	LMICs
UMICs	6.1	UMICs	9.3	UMICs	8.2	UMICs	11.0	UMICs
HICs	10.1	HICs	16.2	HICs	15.6	HICs	8.5	HICs
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**
Europe	3.8	Europe	1.9	Europe	0.8	Europe	8.7	Europe
North of Sahara	23.6	North of Sahara	15.6	North of Sahara	16.4	North of Sahara	8.6	North of Sahara
South of Sahara	47.5	South of Sahara	49.8	South of Sahara	51.4	South of Sahara	15.8	South of Sahara
N. and C. America	1.7	N. and C. America	2.2	N. and C. America	2.0	N. and C. America	1.6	N. and C. America
South America	3.5	South America	4.0	South America	3.9	South America	14.6	South America
Middle East	2.4	Middle East	2.0	Middle East	2.3	Middle East	10.2	Middle East
S. and C. Asia	4.0	S. and C. Asia	4.4	S. and C. Asia	2.1	S. and C. Asia	28.7	S. and C. Asia
Far East Asia	5.5	Far East Asia	3.8	Far East Asia	6.6	Far East Asia	11.8	Far East Asia
Oceania	8.1	Oceania	16.4	Oceania	14.6	Oceania	–	Oceania
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**

Table 42

Major Recipients of Individual DAC Members' Aid (continued)

Per cent of total ODA

	1995-96		Ireland 1970-71		Ireland 1980-81		Ireland 1995-96	
8.5	China	6.9			Lesotho	11.6	Ethiopia	6.6
6.9	Egypt	3.6			Sudan	3.0	Tanzania	5.3
4.1	Nicaragua	3.2			Tanzania	2.6	Zambia	5.3
3.3	India	3.1			Zambia	2.2	Lesotho	4.7
3.2	Turkey	2.6			Swaziland	0.6	Rwanda	3.5
3.1	Bosnia-Herzegovina	2.1			Kenya	0.4	Uganda	3.0
2.2	Indonesia	2.0			Rwanda	0.4	South Africa	2.2
1.9	Israel	1.5			Burundi	0.3	Bosnia-Herzegovina	1.8
1.8	Pakistan	1.3			Bangladesh	0.2	Mozambique	1.4
1.4	Bolivia	1.1			Nigeria	0.1	Zimbabwe	1.3
1.4	Philippines	1.1			Liberia	0.1	Kenya	1.3
1.4	Brazil	1.0			Mauritius	0.1	Sudan	1.2
1.3	Viet Nam	1.0			Thailand	0.1	Cambodia	1.2
1.2	Morocco	0.9			Gambia	0.1	Sts Ex-Yugoslavia Uns.	1.2
1.0	Ethiopia	0.9			India	0.1	Palestinian adm. areas	1.1
42.5	**Total above**	**32.1**	**Total above**	**–**	**Total above**	**21.9**	**Total above**	**41.2**
25.9	Multilateral ODA	32.2	Multilateral ODA	–	Multilateral ODA	65.5	Multilateral ODA	39.2
7.2	Unallocated	8.4	Unallocated	–	Unallocated	11.9	Unallocated	10.1
4 226	**Total ODA $ million**	**9 008**	**Total ODA $ million**	**–**	**Total ODA $ million**	**29**	**Total ODA $ million**	**166**
39.3	LLDCs	20.6	LLDCs	–	LLDCs	91.5	LLDCs	73.0
14.9	Other LICs	37.8	Other LICs	–	Other LICs	3.8	Other LICs	13.8
36.5	LMICs	32.1	LMICs	–	LMICs	4.0	LMICs	7.7
5.3	UMICs	6.1	UMICs	–	UMICs	0.7	UMICs	5.4
3.8	HICs	3.4	HICs	–	HICs	–	HICs	0.1
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**–**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
15.5	Europe	9.9	Europe	–	Europe	–	Europe	5.9
6.4	North of Sahara	8.7	North of Sahara	–	North of Sahara	–	North of Sahara	0.1
29.2	South of Sahara	24.1	South of Sahara	–	South of Sahara	96.7	South of Sahara	80.8
3.0	N. and C. America	8.2	N. and C. America	–	N. and C. America	0.3	N. and C. America	2.0
8.6	South America	8.0	South America	–	South America	1.0	South America	1.0
7.7	Middle East	7.8	Middle East	–	Middle East	0.3	Middle East	2.9
20.4	S. and C. Asia	11.9	S. and C. Asia	–	S. and C. Asia	1.0	S. and C. Asia	3.7
8.9	Far East Asia	21.2	Far East Asia	–	Far East Asia	0.4	Far East Asia	3.5
0.4	Oceania	0.3	Oceania	–	Oceania	0.2	Oceania	0.0
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**–**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Gross disbursements

Italy 1970-71		Italy 1980-81		Italy 1995-96	
Indonesia	15.1	Somalia	3.9	Mozambique	5.0
Egypt	9.6	Malta	2.8	Ethiopia	4.4
Sts. Ex-Yugoslavia Uns.	8.7	Ethiopia	1.7	Bosnia-Herzegovina	2.5
Turkey	7.4	Tanzania	0.9	Morocco	2.3
Somalia	4.0	Mozambique	0.8	Malta	1.7
Pakistan	3.7	Indonesia	0.7	Jordan	1.6
Ethiopia	2.8	Egypt	0.6	Argentina	1.4
Mexico	2.7	Libya	0.5	Congo, Rep.	1.1
Tanzania	2.3	Zimbabwe	0.5	Egypt	1.1
Algeria	2.2	Nicaragua	0.4	Algeria	1.0
Guinea	2.0	Congo, Dem. Rep.	0.4	Eritrea	1.0
Tunisia	1.3	Algeria	0.4	Guinea-Bissau	1.0
India	1.2	Sts. Ex-Yugoslavia Uns.	0.3	Albania	0.9
Kenya	1.2	Viet Nam	0.3	Brazil	0.8
Sri Lanka	0.9	Zambia	0.3	Tunisia	0.8
Total above	**65.0**	**Total above**	**14.4**	**Total above**	**26.7**
Multilateral ODA	28.3	Multilateral ODA	76.7	Multilateral ODA	53.8
Unallocated	1.8	Unallocated	4.7	Unallocated	4.1
Total ODA $ million	**230**	**Total ODA $ million**	**713**	**Total ODA $ million**	**2 251**
LLDCs	18.6	LLDCs	49.6	LLDCs	37.7
Other LICs	10.7	Other LICs	10.6	Other LICs	24.1
LMICs	65.5	LMICs	19.0	LMICs	25.8
UMICs	5.2	UMICs	20.8	UMICs	12.3
HICs	0.0	HICs	0.1	HICs	0.0
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Europe	23.4	Europe	16.8	Europe	13.2
North of Sahara	19.9	North of Sahara	9.5	North of Sahara	12.3
South of Sahara	20.4	South of Sahara	55.6	South of Sahara	48.3
N. and C. America	3.9	N. and C. America	3.4	N. and C. America	4.9
South America	1.0	South America	4.0	South America	10.0
Middle East	1.4	Middle East	2.4	Middle East	5.9
S. and C. Asia	8.2	S. and C. Asia	1.7	S. and C. Asia	1.9
Far East Asia	21.9	Far East Asia	6.5	Far East Asia	3.4
Oceania	–	Oceania	–	Oceania	0.0
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Japan 1970-71		Japan 1980-81
Indonesia	22.9	Indonesia
Korea	19.8	Korea
India	10.2	Thailand
Pakistan	7.9	Bangladesh
Philippines	4.4	Philippines
Myanmar	3.5	Myanmar
Thailand	2.9	Pakistan
Chinese Taipei	2.5	Egypt
Iran	1.4	Malaysia
Sri Lanka	1.3	India
Malaysia	1.3	Sri Lanka
Singapore	1.1	Congo, Dem. Rep.
Nigeria	1.1	Tanzania
Cambodia	0.9	Turkey
Viet Nam	0.9	Nepal
Total above	**82.2**	**Total above**
Multilateral ODA	14.9	Multilateral ODA
Unallocated	0.3	Unallocated
Total ODA $ million	**555**	**Total ODA $ million**
LLDCs	7.1	LLDCs
Other LICs	26.0	Other LICs
LMICs	38.4	LMICs
UMICs	1.8	UMICs
HICs	26.7	HICs
Total Bilateral	**100.0**	**Total Bilateral**
Europe	0.0	Europe
North of Sahara	0.1	North of Sahara
South of Sahara	2.2	South of Sahara
N. and C. America	0.1	N. and C. America
South America	0.5	South America
Middle East	1.8	Middle East
S. and C. Asia	27.3	S. and C. Asia
Far East Asia	68.1	Far East Asia
Oceania	0.0	Oceania
Total Bilateral	**100.0**	**Total Bilateral**

Table 42

Major Recipients of Individual DAC Members' Aid
(continued)

Per cent of total ODA

	1995-96		Luxembourg 1970-71		Luxembourg 1980-81		Luxembourg 1995-96	
11.2	Indonesia	9.5					Cape Verde	7.3
6.9	China	8.9					Nicaragua	3.8
5.9	Thailand	5.8					Viet Nam	3.1
5.0	Philippines	5.3					Senegal	3.1
4.7	India	5.0					Mauritius	2.9
4.1	Pakistan	2.7					Namibia	2.8
3.6	Bangladesh	2.4					Tunisia	2.5
2.7	Korea	2.0					Rwanda	2.2
2.3	Sri Lanka	1.8					Congo, Dem. Rep.	2.1
2.2	Mexico	1.8					Chile	1.9
1.4	Malaysia	1.8					Niger	1.8
1.3	Egypt	1.5					Burundi	1.6
1.1	Kenya	1.1					China	1.4
0.9	Viet Nam	1.0					Sts. Ex-Yugoslavia Uns.	1.4
0.8	Jordan	1.0					El Salvador	1.4
54.2	**Total above**	**51.5**	**Total above**	**–**	**Total above**	**–**	**Total above**	**39.3**
31.5	Multilateral ODA	17.5	Multilateral ODA	–	Multilateral ODA	–	Multilateral ODA	31.2
2.2	Unallocated	9.0	Unallocated	–	Unallocated	–	Unallocated	9.4
3 592	**Total ODA $ million**	**15 194**	**Total ODA $ million**	**–**	**Total ODA $ million**	**–**	**Total ODA $ million**	**41**
24.0	LLDCs	15.0	LLDCs	–	LLDCs	–	LLDCs	37.8
14.1	Other LICs	33.5	Other LICs	–	Other LICs	–	Other LICs	27.9
45.2	LMICs	41.4	LMICs	–	LMICs	–	LMICs	23.9
6.0	UMICs	7.3	UMICs	–	UMICs	–	UMICs	10.4
10.7	HICs	2.8	HICs	–	HICs	–	HICs	–
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**–**	**Total Bilateral**	**–**	**Total Bilateral**	**100.0**
1.5	Europe	1.1	Europe	–	Europe	–	Europe	5.0
5.0	North of Sahara	2.6	North of Sahara	–	North of Sahara	–	North of Sahara	3.6
10.0	South of Sahara	11.4	South of Sahara	–	South of Sahara	–	South of Sahara	53.4
1.5	N. and C. America	5.7	N. and C. America	–	N. and C. America	–	N. and C. America	13.9
5.3	South America	5.4	South America	–	South America	–	South America	7.9
1.8	Middle East	3.5	Middle East	–	Middle East	–	Middle East	2.5
25.8	S. and C. Asia	19.3	S. and C. Asia	–	S. and C. Asia	–	S. and C. Asia	4.5
48.3	Far East Asia	49.3	Far East Asia	–	Far East Asia	–	Far East Asia	9.2
0.8	Oceania	1.7	Oceania	–	Oceania	–	Oceania	–
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**–**	**Total Bilateral**	**–**	**Total Bilateral**	**100.0**

Gross disbursements

Netherlands 1970-71		Netherlands 1980-81		Netherlands 1995-96		New Zealand 1970-71		New Zealand 1980-81	
Indonesia	22.1	India	9.6	India	3.6			Cook Islands	
Suriname	11.9	Suriname	6.6	Netherlands Antilles	3.2			Western Samoa	
Netherlands Antilles	11.0	Indonesia	5.1	Bosnia-Herzegovina	2.4			Indonesia	
India	6.7	Netherlands Antilles	5.0	Suriname	2.3			Fiji	
Pakistan	1.5	Tanzania	5.0	Tanzania	2.2			Niue	
Nigeria	1.3	Bangladesh	3.4	Bangladesh	1.8			Papua New Guinea	
Kenya	1.3	Kenya	2.6	Bolivia	1.6			Tonga	
Chile	0.9	Sudan	2.6	Zimbabwe	1.5			Thailand	
Tanzania	0.7	Sri Lanka	2.2	Mozambique	1.4			Tokelau	
Colombia	0.7	Pakistan	1.7	Ethiopia	1.4			Philippines	
Tunisia	0.6	Peru	1.6	Nicaragua	1.4			Tanzania	
Cameroon	0.6	Zambia	1.4	Kenya	1.3			Solomon Islands	
Bangladesh	0.6	Jamaica	1.3	Rwanda	1.3			Malaysia	
Turkey	0.6	Yemen	1.2	Palestinian adm. areas	1.2			Nepal	
Peru	0.6	Burkina Faso	1.2	South Africa	1.2			Peru	
Total above	**60.9**	**Total above**	**50.6**	**Total above**	**27.7**	**Total above**	**–**	**Total above**	
Multilateral ODA	25.3	Multilateral ODA	23.6	Multilateral ODA	27.8	Multilateral ODA	21.4	Multilateral ODA	
Unallocated	8.4	Unallocated	8.1	Unallocated	16.4	Unallocated	78.6	Unallocated	
Total ODA $ million	**209**	**Total ODA $ million**	**1 631**	**Total ODA $ million**	**3 506**	**Total ODA $ million**	**15**	**Total ODA $ million**	
LLDCs	4.6	LLDCs	32.9	LLDCs	34.7	LLDCs	–	LLDCs	
Other LICs	19.2	Other LICs	28.9	Other LICs	29.6	Other LICs	–	Other LICs	
LMICs	56.8	LMICs	28.4	LMICs	23.8	LMICs	–	LMICs	
UMICs	2.4	UMICs	2.2	UMICs	4.4	UMICs	–	UMICs	
HICs	17.0	HICs	7.6	HICs	7.4	HICs	–	HICs	
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**–**	**Total Bilateral**	
Europe	1.0	Europe	1.0	Europe	6.4	Europe	–	Europe	
North of Sahara	1.2	North of Sahara	2.4	North of Sahara	1.9	North of Sahara	–	North of Sahara	
South of Sahara	9.5	South of Sahara	31.2	South of Sahara	37.1	South of Sahara	–	South of Sahara	
N. and C. America	16.6	N. and C. America	12.5	N. and C. America	14.5	N. and C. America	–	N. and C. America	
South America	22.5	South America	15.4	South America	12.0	South America	–	South America	
Middle East	0.4	Middle East	2.0	Middle East	6.3	Middle East	–	Middle East	
S. and C. Asia	13.3	S. and C. Asia	24.9	S. and C. Asia	16.8	S. and C. Asia	–	S. and C. Asia	
Far East Asia	35.5	Far East Asia	10.4	Far East Asia	4.8	Far East Asia	–	Far East Asia	
Oceania	0.0	Oceania	0.2	Oceania	0.2	Oceania	–	Oceania	
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**–**	**Total Bilateral**	

Table 42

Major Recipients of Individual DAC Members' Aid
(continued)

Per cent of total ODA

	1995-96		Norway 1970-71		Norway 1980-81		Norway 1995-96	
12.6	Cook Islands	5.6	India	9.4	Tanzania	8.8	Tanzania	4.2
5.6	Fiji	5.4	Kenya	7.0	India	4.4	Mozambique	4.1
5.4	Niue	5.4	Tanzania	5.4	Bangladesh	4.4	Palestinian adm. areas	3.5
5.4	Western Samoa	5.3	Pakistan	4.1	Kenya	4.4	Bangladesh	3.2
4.8	Papua New Guinea	4.5	Bangladesh	3.3	Pakistan	3.1	Bosnia-Herzegovina	3.1
3.8	Tonga	4.4	Uganda	2.7	Mozambique	2.4	Zambia	2.6
3.7	Solomon Islands	3.3	Zambia	2.1	Botswana	2.3	Angola	2.1
2.5	Tokelau	3.3	Nigeria	1.1	Sri Lanka	2.0	Nicaragua	2.0
2.3	Vanuatu	2.9	Madagascar	1.0	Zambia	2.0	Sri Lanka	1.8
1.8	Indonesia	2.8	Turkey	0.7	Sudan	1.7	Ethiopia	1.8
1.3	Philippines	1.8	Tunisia	0.4	Zimbabwe	1.2	Sts. ex-Yugoslavia Uns.	1.6
0.9	Viet Nam	1.7	Ghana	0.4	Turkey	1.1	Uganda	1.6
0.8	Kiribati	1.5	Ethiopia	0.4	Viet Nam	1.0	Rwanda	1.6
0.6	China	1.1	Congo, Dem. Rep.	0.3	Madagascar	0.9	Zimbabwe	1.5
0.6	Tuvalu	1.1	Korea	0.3	Jamaica	0.8	Indonesia	1.4
51.7	**Total above**	**49.9**	**Total above**	**38.3**	**Total above**	**40.6**	**Total above**	**36.0**
26.5	Multilateral ODA	18.5	Multilateral ODA	58.5	Multilateral ODA	42.4	Multilateral ODA	27.5
18.4	Unallocated	21.9	Unallocated	1.5	Unallocated	10.7	Unallocated	15.6
70	**Total ODA $ million**	**122**	**Total ODA $ million**	**40**	**Total ODA $ million**	**477**	**Total ODA $ million**	**1 281**
18.8	LLDCs	30.1	LLDCs	38.5	LLDCs	49.4	LLDCs	51.4
1.5	Other LICs	7.9	Other LICs	55.3	Other LICs	36.2	Other LICs	23.6
55.1	LMICs	49.9	LMICs	5.3	LMICs	14.3	LMICs	21.5
24.4	UMICs	11.5	UMICs	0.2	UMICs	0.0	UMICs	3.5
0.2	HICs	0.7	HICs	0.7	HICs	0.0	HICs	0.0
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
0.0	Europe	0.2	Europe	1.7	Europe	5.9	Europe	9.2
0.0	North of Sahara	–	North of Sahara	2.0	North of Sahara	0.7	North of Sahara	0.4
2.5	South of Sahara	3.9	South of Sahara	52.0	South of Sahara	54.3	South of Sahara	52.0
0.3	N. and C. America	0.6	N. and C. America	0.1	N. and C. America	2.1	N. and C. America	7.0
0.8	South America	0.9	South America	0.4	South America	0.6	South America	1.7
–	Middle East	0.1	Middle East	0.6	Middle East	0.1	Middle East	7.8
2.1	S. and C. Asia	2.6	S. and C. Asia	42.0	S. and C. Asia	30.1	S. and C. Asia	14.6
15.5	Far East Asia	17.3	Far East Asia	1.2	Far East Asia	4.8	Far East Asia	7.2
78.7	Oceania	74.5	Oceania	–	Oceania	1.3	Oceania	0.0
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Gross disbursements

Portugal 1970-71		Portugal 1980-81		Portugal 1995-96	
				Mozambique	24.3
				Sao Tome and Principe	12.2
				Angola	11.9
				Guinea-Bissau	9.1
				Cape Verde	5.8
				Namibia	0.7
				Egypt	0.6
				Turkey	0.2
				Brazil	0.2
				Algeria	0.1
				Senegal	0.1
				Morocco	0.1
				Sts. Ex-Yugoslavia Uns.	0.1
				Zimbabwe	0.1
				Haiti	0.1
Total above	**–**	**Total above**	**–**	**Total above**	**65.5**
Multilateral ODA	–	Multilateral ODA	–	Multilateral ODA	31.6
Unallocated	–	Unallocated	–	Unallocated	2.6
Total ODA $ million	**–**	**Total ODA $ million**	**–**	**Total ODA $ million**	**242**
LLDCs	–	LLDCs	–	LLDCs	96.3
Other LICs	–	Other LICs	–	Other LICs	0.4
LMICs	–	LMICs	–	LMICs	2.9
UMICs	–	UMICs	–	UMICs	0.4
HICs	–	HICs	–	HICs	0.0
Total Bilateral	**–**	**Total Bilateral**	**–**	**Total Bilateral**	**100.0**
Europe	–	Europe	–	Europe	0.4
North of Sahara	–	North of Sahara	–	North of Sahara	1.2
South of Sahara	–	South of Sahara	–	South of Sahara	97.7
N. and C. America	–	N. and C. America	–	N. and C. America	0.2
South America	–	South America	–	South America	0.3
Middle East	–	Middle East	–	Middle East	–
S. and C. Asia	–	S. and C. Asia	–	S. and C. Asia	0.0
Far East Asia	–	Far East Asia	–	Far East Asia	0.0
Oceania	–	Oceania	–	Oceania	–
Total Bilateral	**–**	**Total Bilateral**	**–**	**Total Bilateral**	**100.0**

Spain 1970-71		Spain 1980-81
Total above	**–**	**Total above**
Multilateral ODA	–	Multilateral ODA
Unallocated	–	Unallocated
Total ODA $ million	**–**	**Total ODA $ million**
LLDCs	–	LLDCs
Other LICs	–	Other LICs
LMICs	–	LMICs
UMICs	–	UMICs
HICs	–	HICs
Total Bilateral	**–**	**Total Bilateral**
Europe	–	Europe
North of Sahara	–	North of Sahara
South of Sahara	–	South of Sahara
N. and C. America	–	N. and C. America
South America	–	South America
Middle East	–	Middle East
S. and C. Asia	–	S. and C. Asia
Far East Asia	–	Far East Asia
Oceania	–	Oceania
Total Bilateral	**–**	**Total Bilateral**

Table 42

Major Recipients of Individual DAC Members' Aid
(continued)

Per cent of total ODA

	1995-96		Sweden 1970-71		Sweden 1980-81		Sweden 1995-96	
	Argentina	5.1	Pakistan	6.9	Viet Nam	8.7	Mozambique	3.1
	Congo, Rep.	3.9	India	6.5	Tanzania	8.2	Tanzania	3.0
	China	3.4	Tanzania	6.4	India	6.2	India	2.8
	Ecuador	3.4	Ethiopia	4.9	Mozambique	3.6	Nicaragua	2.2
	Indonesia	3.2	Kenya	2.3	Zambia	3.2	Viet Nam	2.2
	Nicaragua	2.4	Tunisia	2.2	Bangladesh	2.8	Ethiopia	2.1
	Colombia	2.2	Viet Nam	1.7	Ethiopia	2.7	Bosnia-Herzegovina	1.8
	Angola	2.1	Turkey	1.2	Sri Lanka	2.4	Zimbabwe	1.8
	Morocco	2.0	Brazil	0.9	Kenya	2.3	Zambia	1.7
	Bolivia	2.0	Sri Lanka	0.6	Angola	2.0	Iraq	1.7
	Peru	1.8	Zambia	0.5	Botswana	1.5	Angola	1.7
	Palestinian adm. areas	1.6	Afghanistan	0.4	Guinea-Bissau	1.2	Uganda	1.6
	Haiti	1.6	Sudan	0.4	Pakistan	1.2	Bangladesh	1.5
	Honduras	1.5	Nigeria	0.4	Zimbabwe	1.2	South Africa	1.4
	Mozambique	1.3	Korea	0.3	Laos	1.2	Palestinian adm. areas	1.2
–	**Total above**	**37.6**	**Total above**	**35.7**	**Total above**	**48.3**	**Total above**	**29.7**
–	Multilateral ODA	32.3	Multilateral ODA	52.6	Multilateral ODA	29.9	Multilateral ODA	30.2
100.0	Unallocated	11.6	Unallocated	10.4	Unallocated	14.9	Unallocated	20.1
169	**Total ODA $ million**	**1 386**	**Total ODA $ million**	**138**	**Total ODA $ million**	**941**	**Total ODA $ million**	**1 851**
–	LLDCs	15.2	LLDCs	35.3	LLDCs	51.1	LLDCs	41.4
–	Other LICs	25.2	Other LICs	49.8	Other LICs	41.2	Other LICs	30.1
–	LMICs	44.9	LMICs	11.4	LMICs	7.5	LMICs	23.5
–	UMICs	14.7	UMICs	2.6	UMICs	0.2	UMICs	4.9
–	HICs	0.0	HICs	0.9	HICs	0.0	HICs	0.1
–	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
–	Europe	1.4	Europe	3.1	Europe	1.8	Europe	7.7
–	North of Sahara	7.9	North of Sahara	5.7	North of Sahara	1.3	North of Sahara	1.5
–	South of Sahara	19.8	South of Sahara	39.8	South of Sahara	52.5	South of Sahara	44.4
–	N. and C. America	19.9	N. and C. America	0.5	N. and C. America	2.5	N. and C. America	8.7
–	South America	32.1	South America	2.4	South America	0.3	South America	5.3
–	Middle East	3.6	Middle East	0.2	Middle East	0.2	Middle East	7.1
–	S. and C. Asia	2.3	S. and C. Asia	36.6	S. and C. Asia	22.6	S. and C. Asia	13.3
–	Far East Asia	13.0	Far East Asia	11.6	Far East Asia	18.8	Far East Asia	11.9
–	Oceania	0.0	Oceania	–	Oceania	–	Oceania	0.0
–	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Gross disbursements

Switzerland 1970-71		Switzerland 1980-81		Switzerland 1995-96	
India	14.6	India	4.5	Mozambique	2.6
Bangladesh	5.0	Bangladesh	4.3	India	2.2
Nigeria	4.4	Tanzania	4.0	Bolivia	1.8
Rwanda	2.7	Nepal	3.6	Rwanda	1.7
Pakistan	2.1	Turkey	2.9	Bosnia-Herzegovina	1.7
Cameroon	1.9	Rwanda	2.6	Tanzania	1.6
Peru	1.7	Mali	1.6	Nepal	1.4
Turkey	1.7	Honduras	1.3	Nicaragua	1.4
Ecuador	1.6	Indonesia	1.3	Madagascar	1.4
Brazil	1.5	Senegal	1.1	Burkina Faso	1.3
Jordan	1.3	Peru	1.1	Pakistan	1.3
Paraguay	1.2	Madagascar	1.1	Benin	1.3
Nepal	1.2	Thailand	1.0	Albania	1.1
Tunisia	1.1	Bolivia	1.0	Bangladesh	1.1
Tanzania	1.0	Egypt	0.9	Indonesia	1.1
Total above	**42.8**	**Total above**	**32.3**	**Total above**	**23.1**
Multilateral ODA	34.3	Multilateral ODA	30.4	Multilateral ODA	28.7
Unallocated	9.7	Unallocated	20.7	Unallocated	23.7
Total ODA $ million	**30**	**Total ODA $ million**	**247**	**Total ODA $ million**	**1 059**
LLDCs	27.0	LLDCs	53.3	LLDCs	44.7
Other LICs	44.3	Other LICs	21.6	Other LICs	28.1
LMICs	22.1	LMICs	23.6	LMICs	22.6
UMICs	4.7	UMICs	1.1	UMICs	4.1
HICs	1.9	HICs	0.4	HICs	0.5
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
Europe	3.8	Europe	6.0	Europe	10.5
North of Sahara	3.4	North of Sahara	3.7	North of Sahara	2.5
South of Sahara	28.7	South of Sahara	40.9	South of Sahara	40.0
N. and C. America	1.6	N. and C. America	5.5	N. and C. America	8.7
South America	13.4	South America	7.2	South America	9.5
Middle East	5.1	Middle East	2.6	Middle East	3.3
S. and C. Asia	40.5	S. and C. Asia	27.4	S. and C. Asia	17.4
Far East Asia	3.5	Far East Asia	6.6	Far East Asia	8.1
Oceania	0.1	Oceania	0.0	Oceania	0.1
Total Bilateral	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

United Kingdom 1970-71		United Kingdom 1980-81	
India	20.5	India	
Kenya	4.0	Bangladesh	
Pakistan	3.6	Tanzania	
Nigeria	3.5	Sri Lanka	
Malawi	3.4	Kenya	
Malta	3.2	Sudan	
Singapore	3.0	Zimbabwe	
Malaysia	2.4	Pakistan	
Ghana	2.4	Zambia	
Turkey	2.2	Turkey	
Sri Lanka	2.0	Malawi	
Uganda	1.7	Ghana	
Indonesia	1.6	Egypt	
Zambia	1.5	Indonesia	
Botswana	1.4	Solomon Islands	
Total above	**56.6**	**Total above**	
Multilateral ODA	18.0	Multilateral ODA	
Unallocated	8.4	Unallocated	
Total ODA $ million	**629**	**Total ODA $ million**	
LLDCs	18.3	LLDCs	
Other LICs	53.3	Other LICs	
LMICs	15.0	LMICs	
UMICs	12.0	UMICs	
HICs	1.4	HICs	
Total Bilateral	**100.0**	**Total Bilateral**	
Europe	7.5	Europe	
North of Sahara	0.1	North of Sahara	
South of Sahara	30.7	South of Sahara	
N. and C. America	9.7	N. and C. America	
South America	2.1	South America	
Middle East	1.8	Middle East	
S. and C. Asia	33.9	S. and C. Asia	
Far East Asia	10.1	Far East Asia	
Oceania	4.0	Oceania	
Total Bilateral	**100.0**	**Total Bilateral**	

Table 42

Major Recipients of Individual DAC Members' Aid
(continued)

Per cent of total ODA

	1995-96		United States 1970-71		1980-81		1995-96	
12.1	India	5.2	India	13.9	Egypt	12.6	Israel	14.3
5.0	Zambia	2.3	Viet Nam	10.5	Israel	11.5	Egypt	7.6
2.9	Bangladesh	2.3	Indonesia	7.8	India	3.3	Haiti	2.4
2.9	Uganda	2.1	Pakistan	5.0	Turkey	2.8	India	1.5
2.7	Malawi	2.1	Korea	4.5	Bangladesh	2.2	Iraq	1.3
2.6	Pakistan	1.8	Brazil	3.6	Indonesia	2.1	Philippines	1.2
2.6	Sts. Ex-Yugoslavia Uns.	1.6	Turkey	3.6	Northern Marianas	1.7	Bosnia-Herzegovina	1.1
2.3	Indonesia	1.6	Colombia	3.0	Pakistan	1.4	Jordan	1.1
1.9	China	1.6	Israel	1.7	El Salvador	1.0	El Salvador	1.0
1.7	Tanzania	1.5	Laos	1.6	Peru	0.9	Palau	1.0
1.3	Kenya	1.2	Northern Marianas	1.5	Sudan	0.9	Bolivia	1.0
1.2	Zimbabwe	1.1	Morocco	1.4	Somalia	0.9	South Africa	1.0
1.0	Mozambique	1.1	Nigeria	1.3	Kenya	0.8	Peru	1.0
0.9	Ghana	0.9	Tunisia	1.3	Philippines	0.8	Turkey	0.9
0.9	Ethiopia	0.9	Thailand	1.1	Liberia	0.7	Micronesia	0.8
42.0	**Total above**	**27.4**	**Total above**	**61.8**	**Total above**	**43.7**	**Total above**	**37.2**
31.2	Multilateral ODA	43.7	Multilateral ODA	11.4	Multilateral ODA	30.4	Multilateral ODA	22.8
9.9	Unallocated	13.7	Unallocated	11.3	Unallocated	11.4	Unallocated	22.3
2 232	**Total ODA $ million**	**3 319**	**Total ODA $ million**	**3 328**	**Total ODA $ million**	**6 973**	**Total ODA $ million**	**9 291**
35.3	LLDCs	40.8	LLDCs	7.4	LLDCs	17.0	LLDCs	18.2
43.0	Other LICs	33.5	Other LICs	43.1	Other LICs	15.2	Other LICs	14.0
15.3	LMICs	19.8	LMICs	33.0	LMICs	43.1	LMICs	38.9
5.0	UMICs	5.7	UMICs	6.5	UMICs	0.7	UMICs	2.7
1.4	HICs	0.2	HICs	10.1	HICs	23.9	HICs	26.2
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
3.8	Europe	4.7	Europe	5.2	Europe	6.5	Europe	4.2
2.7	North of Sahara	0.7	North of Sahara	4.0	North of Sahara	22.4	North of Sahara	14.4
37.0	South of Sahara	45.3	South of Sahara	7.0	South of Sahara	15.9	South of Sahara	16.6
4.5	N. and C. America	5.7	N. and C. America	4.3	N. and C. America	8.0	N. and C. America	10.4
1.7	South America	4.7	South America	12.8	South America	3.2	South America	5.0
1.8	Middle East	2.5	Middle East	3.5	Middle East	21.8	Middle East	30.9
40.0	S. and C. Asia	26.1	S. and C. Asia	26.4	S. and C. Asia	12.9	S. and C. Asia	9.8
3.9	Far East Asia	9.3	Far East Asia	35.0	Far East Asia	6.3	Far East Asia	4.1
4.6	Oceania	1.0	Oceania	2.0	Oceania	3.0	Oceania	4.4
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Gross disbursements

TOTAL DAC 1970-71		1980-81
India	11.9	Egypt
Indonesia	7.4	India
Viet Nam	4.9	Bangladesh
Pakistan	4.8	Indonesia
Korea	3.5	Israel
Turkey	2.6	Turkey
Brazil	2.1	Tanzania
Papua New Guinea	1.9	Pakistan
Colombia	1.5	Sudan
Algeria	1.5	Kenya
Morocco	1.4	Thailand
Tunisia	1.3	Korea
Nigeria	1.3	Congo, Dem. Rep.
Israel	1.2	Sri Lanka
Congo, Dem. Rep.	1.0	Papua New Guinea
Total above	**48.5**	**Total above**
Multilateral ODA	16.7	Multilateral ODA
Unallocated	10.0	Unallocated
Total ODA $ million	**7 602**	**Total ODA $ million**
LLDCs	12.7	LLDCs
Other LICs	37.3	Other LICs
LMICs	34.3	LMICs
UMICs	6.4	UMICs
HICs	9.3	HICs
Total Bilateral	**100.0**	**Total Bilateral**
Europe	5.1	Europe
North of Sahara	6.6	North of Sahara
South of Sahara	17.1	South of Sahara
N. and C. America	3.9	N. and C. America
South America	8.7	South America
Middle East	3.3	Middle East
S. and C. Asia	24.5	S. and C. Asia
Far East Asia	26.3	Far East Asia
Oceania	4.7	Oceania
Total Bilateral	**100.0**	**Total Bilateral**

Table 42

Major Recipients of Individual DAC Members' Aid (continued)

Per cent of total ODA

	1995-96		CEC 1970-71		CEC 1980-81		CEC 1995-96	
4.4	China	3.7	Cameroon	9.0	India	9.6	Morocco	2.9
4.1	Indonesia	3.3	Congo, Dem. Rep.	8.4	Sudan	4.1	Sts. Ex-Yugoslavia Uns.	2.0
3.6	Egypt	3.0	Senegal	8.2	Egypt	3.6	Bangladesh	2.0
3.5	India	2.6	Madagascar	6.1	Bangladesh	3.5	Egypt	2.0
3.2	Israel	2.3	Côte d'Ivoire	4.9	Senegal	3.4	Bosnia-Herzegovina	1.9
2.6	Philippines	1.8	Burkina Faso	4.2	Somalia	3.1	Palestinian adm. areas	1.8
2.1	Thailand	1.6	India	3.7	Ethiopia	3.0	Jordan	1.6
1.7	Bangladesh	1.3	Niger	3.5	Congo, Dem. Rep.	2.8	Côte d'Ivoire	1.6
1.3	Côte d'Ivoire	1.2	Mali	3.3	Mali	2.7	Uganda	1.5
1.2	Pakistan	1.2	Gabon	3.0	Tanzania	2.6	Tunisia	1.5
1.2	Mozambique	1.1	Chad	3.0	Kenya	2.4	India	1.5
1.1	Bosnia-Herzegovina	1.0	Turkey	2.8	Zambia	1.9	Angola	1.5
1.1	Nicaragua	1.0	Togo	2.7	Madagascar	1.9	Mauritania	1.4
1.1	Tanzania	0.9	Algeria	2.2	Guinea	1.7	Haiti	1.4
1.1	Bolivia	0.9	Benin	2.2	Rwanda	1.6	Mali	1.3
33.4	**Total above**	**27.0**	**Total above**	**66.9**	**Total above**	**47.9**	**Total above**	**25.8**
30.1	Multilateral ODA	26.8	Multilateral ODA	0.0	Multilateral ODA	0.0	Multilateral ODA	7.7
9.1	Unallocated	13.9	Unallocated	3.6	Unallocated	11.2	Unallocated	20.0
27 568	**Total ODA $ million**	**64 824**	**Total ODA $ million**	**203**	**Total ODA $ million**	**1 244**	**Total ODA $ million**	**5 654**
30.1	LLDCs	23.6	LLDCs	46.6	LLDCs	53.0	LLDCs	36.6
20.5	Other LICs	29.1	Other LICs	31.7	Other LICs	28.1	Other LICs	23.1
34.5	LMICs	33.4	LMICs	13.7	LMICs	16.4	LMICs	32.8
4.2	UMICs	6.3	UMICs	5.3	UMICs	1.7	UMICs	6.6
10.7	HICs	7.6	HICs	2.8	HICs	0.8	HICs	0.9
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**
5.7	Europe	4.2	Europe	2.9	Europe	3.5	Europe	9.0
10.5	North of Sahara	7.7	North of Sahara	5.0	North of Sahara	6.8	North of Sahara	9.6
28.7	South of Sahara	28.3	South of Sahara	73.1	South of Sahara	60.4	South of Sahara	44.6
4.6	N. and C. America	6.8	N. and C. America	4.0	N. and C. America	4.3	N. and C. America	9.2
5.0	South America	6.4	South America	1.9	South America	1.1	South America	5.0
7.7	Middle East	7.6	Middle East	3.0	Middle East	1.7	Middle East	6.4
18.8	S. and C. Asia	12.3	S. and C. Asia	7.8	S. and C. Asia	17.2	S. and C. Asia	9.8
13.5	Far East Asia	22.2	Far East Asia	1.3	Far East Asia	3.4	Far East Asia	4.7
5.5	Oceania	4.5	Oceania	1.0	Oceania	1.6	Oceania	1.7
100.0	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**	**Total Bilateral**	**100.0**

Table 43

ODA from Non-DAC Donors

Net disbursements $ million

	1992	1993	1994	1995	1996
OECD non-DAC					
Czech Republic	. .	20	25	. .	. .
Greece	55	90[a]	122[a]	152[a]	184
Iceland	5	7	6	. .	. .
Korea	77	112	140	116	159
Turkey	87	73	58	107	. .
Arab countries					
Kuwait	203	395	555	371	412
Saudi Arabia	783	549	317	192	306
UAE	172	239	100	65	31
Other donors					
Chinese Taipei	106	61	79	92	89
India	86	25	28	. .	. .
TOTAL	**1 574**	**1 571**	**1 430**	**1 095**	**1 183**
of which: Bilateral					
OECD non-DAC					
Czech Republic	. .	15	21	. .	. .
Greece	27	13[a]	30[a]	27[a]	27
Iceland	2	3	2	. .	. .
Korea	45	60	60	71	123
Turkey	65	58	20	84	. .
Arab countries					
Kuwait	126	349	494	344	364
Saudi Arabia	472	343	176	134	177
UAE	168	232	92	55	29
Other donors					
Chinese Taipei	84	57	71	78	89
India	67	14	15	. .	. .
TOTAL	**1 056**	**1 144**	**982**	**793**	**809**

a) Comprises total aid disbursements to both Part I countries (ODA) and Part II countries (OA).
Note: China also provides aid, but does not disclose the amount.

	1995 GNP/CAP US$[a]
LLDCs[b]	
Afghanistan	. .
Angola	410
Bangladesh	240
Benin	360
Bhutan	380
Burkina Faso	210
Burundi	160
Cambodia	280
Cape Verde	1030
Central African Republic	350
Chad	160
Comoros	480
Congo, Dem. Rep.	110
Djibouti	. .
Equatorial Guinea	380
Eritrea	. .
Ethiopia	110
Gambia	320
Guinea	540
Guinea-Bissau	240
Haiti	250
Kiribati	780
Laos	350
Lesotho	650
Liberia	. .
Madagascar	230
Malawi	170
Maldives	990
Mali	250
Mauritania	460
Mozambique	80
Myanmar	. .
Nepal	210
Niger	200
Rwanda	180
Sao Tome and Principe	420
Sierra Leone	170
Solomon Islands	910
Somalia	. .
Sudan	. .
Tanzania	130
Togo	300
Tuvalu	. .
Uganda	240
Vanuatu	1 220
Western Samoa	1 140
Yemen	280
Zambia	400
LLDCs, TOTAL	**. .**

Table 44

GNP and Population of Developing Countries and Territories

1995 Population million	1970-95 Real growth rate % GNP/CAP	1995 Current GNP $ million
23.48	. .	. .
10.77	. .	2 801
119.77	1.5	28 227
5.48	0.1	1 964
0.70	5.4	264
10.38	1.5	2 336
6.26	0.6	1 050
10.02	. .	2 937
0.38	5.5	414
3.27	–1.5	1 115
6.45	–0.1	1 018
0.49	–0.7	234
43.85	–4.0	5 298
0.63	. .	. .
0.40	. .	151
3.57	. .	688
56.40	. .	5 836
1.11	0.2	356
6.59	0.1	3 537
1.07	. .	247
7.17	–1.3	2 100
0.08	. .	76
4.88	. .	1 763
1.98	2.3	1251
2.73	–3.0	. .
13.65	–2.5	3 023
9.76	–0.2	1 421
0.25	. .	251
9.79	0.2	2 401
2.27	–0.7	1 015
16.17	–0.2	1 278
45.11	. .	. .
20.80	1.3	4 493
9.03	–2.6	1 840
6.40	–0.2	1 235
0.13	–1.0	37
4.51	–1.0	809
0.38	2.8	350
9.49	–0.6	. .
26.71	–0.6	. .
29.65	. .	3 856
4.11	–1.1	1 249
0.01	. .	. .
19.17	. .	5 689
0.17	. .	213
0.16	. .	196
15.27	. .	4 010
8.98	–2.4	3 169
579.88	**. .**	**(100 198)**

	1995 GNP/CAP US$[a]	1995 Population million	1970-95 Real growth rate % GNP/CAP	1995 Current GNP $ million
OTHER LICs[c]				
Albania	640	3.25	. .	2 259
Armenia	730	3.76	–0.3	2 122
Azerbaijan	490	7.51	. .	3 750
Bosnia and Herzegovina	. .	4.38	. .	. .
Cameroon	570	13.29	1.5	7 295
China	620	1 200.24	7.0	685 873
Congo, Rep.	630	2.63	1.7	1 699
Côte d'Ivoire	620	13.98	. .	9 054
Georgia	750	5.40	–1.9	4 180
Ghana	350	17.07	–1.2	6 052
Guyana	580	0.84	–2.5	533
Honduras	640	5.92	0.2	3 872
India	350	929.36	2.4	322 938
Kenya	280	26.69	1.0	8 778
Kyrgyz Republic	700	4.52	. .	3 028
Mongolia	350	2.46	. .	943
Nicaragua	380	4.38	–5.2	1 574
Nigeria	220	111.27	–0.9	22 907
Pakistan	470	129.90	2.9	60 762
Senegal	530	8.47	–0.6	4 712
Sri Lanka	700	18.11	3.2	12 776
Tajikistan	360	5.84	. .	2 145
Viet Nam	250	73.96	. .	20 239
Zimbabwe	540	11.01	–0.3	6 280
OTHER LICs, TOTAL	**. .**	**2 604.24**	**. .**	**(1 193 771)**
LMICs[d]				
Algeria	1 590	27.96	0.6	39 066
Belize	2 620	0.22	3.0	555
Bolivia	880	7.41	–0.7	5 809
Botswana	3 020	1.45	7.3	4 277
Colombia	1 970	36.81	1.9	78 555
Costa Rica	2 610	3.40	0.7	9 126
Cuba	. .	11.01	. .	. .
Dominica	2 990	0.07	2.5	217
Dominican Republic	1 460	7.82	1.3	11 658
Ecuador	1 390	11.48	1.5	16 597
Egypt	990	58.18	3.7	60 333
El Salvador	1 610	5.62	–0.8	9 709
Fiji	2 350	0.79	0.9	1 877
Grenada	2 980	0.09	. .	267
Guatemala	1 300	10.62	–0.3	14 472
Indonesia	990	193.28	4.7	192 474
Iran	. .	64.12	–2.4	. .
Iraq	. .	20.10	. .	. .
Jamaica	1 660	2.52	–0.8	3 528
Jordan	1 570	4.21	. .	6 475

	1995 GNP/CAP US$[a]	1995 Population million	1970-95 Real growth rate % GNP/CAP	1995 Current GNP $ million
Kazakstan	1 360	16.61	..	22 586
Korea, Dem.	..	23.87	..	..
Lebanon	2 660	4.01	..	11 624
Macedonia (FYROM)	860	2.12	..	1 925
Marshall Islands	1 860	0.06	..	107
Micronesia, Fed. States	2 010	0.11	..	216
Morocco	1 110	26.56	1.9	31 202
Namibia	2 090	1.55	..	3 499
Niue	..	..	..	..
Palau	..	0.02	..	..
Palestinian Adm. Areas	..	2.09	..	..
Panama	2 750	2.63	0.8	7 082
Papua New Guinea	1 210	4.30	0.2	4 796
Paraguay	1 790	4.83	2.1	9 062
Peru	2 300	23.82	–1.1	57 043
Philippines	1 050	68.60	0.6	76 565
St.Vincent and Grenadines	2 270	0.11	3.7	246
Suriname	880	0.41	4.3	355
Swaziland	1 170	0.90	1.3	1 120
Syria	1 150	14.11	1.4	15 853
Thailand	2 740	58.24	5.2	163 399
Timor	..	0.71	..	..
Tokelau	..	0.00	..	..
Tonga	1 620	0.10	..	165
Tunisia	1 820	8.99	2.3	17 141
Turkey	2 800	61.06	1.7	166 739
Turkmenistan	980	4.51	..	3 320
Uzbekistan	990	22.77	..	23 081
Venezuela	3 020	21.67	–1.1	73 183
Wallis and Futuna	..	0.01	..	..
Yugoslavia, Fed. Rep.	..	10.52	..	..
LMICs, TOTAL	**..**	**852.43**	**..**	**(1 145 304)**
UMICs[e]				
Anguilla	..	0.01	..	..
Antigua and Barbuda	6 950	0.07	5.1	454
Argentina	8 030	34.67	–0.4	276 456
Bahrain	7 840	0.58	–2.2	4 456
Barbados	6 550	0.27	1.9	1 683
Brazil	3 750	159.22	1.3	675 893
Chile	4 160	14.23	1.8	65 812
Cook Islands	..	0.02	..	..
Croatia	3 280	4.78	..	18 023
Gabon	3 800	1.10	–2.9	4 347
Libya	..	5.41	–4.8	..
Malaysia	3 890	20.14	4.0	80 813
Malta	..	0.37	6.1	..

	1995 GNP/CAP US$[a]
Mauritius	3 390
Mayotte	..
Mexico	3 790
Montserrat	..
Nauru	..
Oman	4 810
Saudi Arabia	7 030
Seychelles	6 770
Slovenia	8 230
South Africa	3 150
St. Helena	..
St. Kitts and Nevis	5 420
St. Lucia	3 370
Trinidad and Tobago	3 760
Turks and Caicos Islands	..
Uruguay	5 170
UMICs, TOTAL	**..**
HICs[f]	
Aruba	..
Bermuda	..
Cayman Islands	..
Chinese Taipei	12 770
Cyprus	..
Falkland Islands	..
French Polynesia	..
Gibraltar	..
Hong Kong, China	22 970
Israel	15 900
Korea, Rep.	9 710
Macao	..
Netherlands Antilles	..
New Caledonia	..
Northern Marianas	..
Virgin Islands (U.K.)	..
HICs, TOTAL	**..**
OVERALL TOTAL	**..**

Table 44

GNP and Population of Developing Countries and Territories *(continued)*

1995 Population million	1970-95 Real growth rate % GNP/CAP	1995 Current GNP $ million
1.13	0.7	3 912
0.11	. .	. .
91.83	0.9	237 089
0.01	. .	. .
0.01	. .	. .
2.20	3.3	10 531
18.98	–3.0	128 036
0.07	3.3	515
1.99	. .	18 679
41.46	–0.5	131 450
0.01	. .	. .
0.04	5.2	219
0.16	. .	525
1.29	–0.1	4 721
0.01	. .	. .
3.18	0.2	17 670
403.32	**. .**	**(1 681 284)**
0.08	. .	. .
0.06	1.3	. .
0.03	. .	. .
21.14	. .	263 626
0.73	5.5	. .
0.00	. .	. .
0.23	. .	. .
0.03	. .	. .
6.19	5.7	140 204
5.52	2.0	90 828
44.85	10.0	452 473
0.45	. .	. .
0.20	. .	. .
0.19	. .	. .
0.07	. .	. .
0.10	. .	. .
79.87	**. .**	**(947 131)**
4519.75	**. .**	**(5 067 688)**

Definition of country categories:

a) World Bank Atlas basis (except data in parentheses, Secretariat estimate).
b) Least developed countries (LLDCs) are the 48 countries in the current United Nations list.
c) Other low-income countries (LICs) comprise all non-LLDCs with a per capita income in 1995 of $765 or below.
d) Lower middle-income countries (LMICs) comprise recipients with a per capita income in 1995 between $766 and $3 035.
e) Upper middle-income countries (UMICs) comprise all recipients with a per capita income in 1995 between $3 036 and $9 385.
f) High income countries (HICs) comprise recipients with a per capita income in 1995 above $9 385.

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

Table 45

Debt Service Ratios[a] by Region

	1985	1988	1990	1991	1992	1993	1994	1995
SUB-SAHARAN AFRICA	31	29	21	19	20	20	18	20
of which:								
LLDCs	27	25	20	21	17	17	17	32
Nigeria	32	39	22	16	23	10	13	12
Other countries	25	30	22	20	21	27	22	16
LATIN AMERICA AND CARIBBEAN	41	37	24	25	31	33	27	25
of which:								
Argentina	61	40	25	36	25	90	35	36
Brazil	43	43	26	22	40	29	32	35
Jamaica	38	36	28	46	34	23	21	20
Mexico	54	42	23	27	37	33	27	24
Peru	42	15	11	21	25	60	17	12
SOUTH AND EAST ASIA	23	17	16	14	13	15	13	13
of which:								
China	8	9	11	12	10	11	9	11
India	26	28	27	27	26	23	26	28
Indonesia	30	37	32	31	30	32	31	30
Korea	32	15	10	8	8	10	7	6
Malaysia	31	17	9	8	6	8	7	8
Pakistan	24	26	32	25	24	25	35	31
Philippines	42	31	27	24	25	23	18	16
Thailand	32	19	16	11	12	17	15	14
NORTH AFRICA AND MIDDLE EAST[b]	16	24	27	24	22	21	21	16
of which:								
Egypt	38	39	37	26	24	18	25	20
Morocco	37	31	32	32	30	35	33	29
Tunisia	29	24	29	28	21	22	20	19
OVERALL TOTAL	**26**	**24**	**21**	**20**	**20**	**21**	**18**	**17**
of which:								
Major debtor countries[c]	32	28	21	20	21	22	18	17
LLDCs	27	25	20	20	16	15	15	24

a) Long and short-term interest plus amortization payments (including IMF) as a per cent of exports of goods and services (including private transfers).
b) Excluding Iraq.
c) Algeria, Argentina, Brazil, China, Egypt, India, Indonesia, Israel, Korea, Malaysia, Mexico, Philippines, Thailand, Turkey.
Source: OECD, *World Debt Tables and International Financial Statistics*, 1997.

Table 46

Economic Indicators for DAC Member Countries

1996 data

	GNP per capita $	Real GDP growth %	Inflation[a] %	Unemployment rate %	Budget surplus (+) or deficit (–) as % of GDP	Current external balance as % of GDP	Total government receipts as % of GDP
Australia	20 600	4.0	1.9	8.5	–1.4	–3.7	35.1
Austria	28 300	1.1	1.8	6.2	–3.9	–1.8	47.8
Belgium	26 300	1.4	1.7	12.9	–3.4	6.0[b]	50.9
Canada	18 900	1.5	1.3	9.7	–1.8	–0.2	42.9
Denmark	32 300	2.5	1.9	8.8	–1.6	1.1	59.9
Finland	23 200	3.3	1.0	16.3	–2.6	3.5	54.8
France	26 300	1.5	1.2	12.4	–4.2	1.3	50.4
Germany	28 500	1.4	1.0	10.3	–3.8	–0.6	45.2
Ireland	16 000	7.3	1.0	11.3	–0.9	1.2	36.7
Italy	21 100	0.7	4.5	12.1	–6.7	3.5	46.2
Japan	36 900	3.6	0.0	3.3	–4.4	1.4	31.8
Luxembourg	45 200	3.9	2.2	3.3	. .	6.0[b]	. .
Netherlands	25 800	2.7	1.4	6.7	–2.4	4.7	47.6
New Zealand	16 200	2.1	1.9	6.1	3.1	–4.2	50.1
Norway	35 500	4.8	3.5	4.9	5.9	7.4	51.5
Portugal	10 700	3.0	3.3	7.3	–4.0	–0.4	43.1
Spain	14 600	2.2	3.3	22.7	–4.5	0.5	38.8
Sweden	26 900	1.1	0.9	8.0	–3.6	2.4	61.1
Switzerland	42 900	–0.7	0.1	4.7	. .	7.0	. .
United Kingdom	19 900	2.1	3.1	7.4	–4.4	0.0	37.6
United States	28 500	2.4	2.0	5.4	–1.6	–2.2	31.7
TOTAL DAC	**27 000**	**2.6**	**1.8**	**7.5**	**–2.9**	**–0.2**	**37.4**

a) GDP deflators.
b) Data combined for Belgium-Luxembourg.
Source: *OECD Economic Outlook*, June 1997 and country submissions.

	1979	1980	1981
Australia	62.39	70.09	78.03
Austria	41.40	45.01	38.95
Belgium	54.34	56.52	46.62
Canada	60.72	67.31	72.71
Denmark	51.41	51.94	45.23
Finland	46.59	53.40	51.30
France	50.62	56.89	49.27
Germany	48.44	51.35	42.95
Ireland	51.42	59.28	54.70
Italy	44.96	54.58	48.95
Japan	33.39	33.75	35.99
Luxembourg	43.63	47.21	39.85
Netherlands	55.61	59.22	49.71
New Zealand	48.12	52.97	54.83
Norway	55.55	65.28	64.01
Portugal	32.68	38.65	36.93
Spain	51.22	54.40	47.60
Sweden	59.28	67.12	61.43
Switzerland	40.67	41.47	37.82
United Kingdom	51.48	67.07	65.15
United States	52.06	56.94	62.46
TOTAL DAC	**47.07**	**51.45**	**49.21**

Table 47

Deflators for Resource Flows from DAC Countries[a] (1995 = 100)

1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1996
76.31	72.54	74.61	63.50	64.95	73.15	89.05	95.31	96.89	98.34	93.80	87.78	96.12	107.73
38.60	38.10	35.86	35.75	50.51	62.48	65.01	62.40	75.01	75.97	84.04	82.09	86.45	97.02
40.56	38.27	35.62	36.77	50.74	62.13	64.19	62.77	76.25	76.58	84.25	81.58	86.46	96.80
76.80	80.59	79.10	76.99	77.45	84.98	95.86	104.51	109.28	114.39	109.83	103.99	98.82	101.95
42.75	41.93	39.12	39.89	54.62	67.65	71.07	68.21	82.74	81.81	88.40	83.23	86.81	98.87
50.01	46.98	47.41	48.42	61.90	74.73	84.05	86.93	103.25	100.06	90.82	72.91	80.78	96.31
45.63	43.13	40.35	41.54	56.76	67.39	70.09	67.74	81.91	81.67	88.84	85.16	88.08	99.22
41.76	40.99	37.56	37.07	51.85	63.80	66.21	63.42	76.14	76.94	85.56	83.15	86.51	96.28
55.42	53.85	49.89	51.44	68.45	77.65	82.33	80.70	93.59	92.32	99.65	89.22	92.09	100.85
48.23	49.42	47.67	47.75	65.97	80.43	85.41	86.04	106.06	110.27	115.98	94.82	95.75	110.30
32.51	34.44	35.24	35.63	51.32	59.82	67.72	64.13	62.44	68.54	73.85	84.83	92.46	86.49
35.89	34.25	31.65	31.71	44.62	53.62	57.03	56.71	68.47	70.01	78.10	79.91	85.46	97.32
48.95	46.75	42.17	41.46	56.28	67.57	70.06	66.10	78.76	78.79	85.68	82.77	86.45	96.45
52.41	50.41	47.02	46.40	57.33	72.77	87.30	83.21	85.31	83.80	77.94	79.07	88.21	106.95
62.73	58.87	56.00	55.82	63.97	75.24	81.22	81.50	93.68	92.85	96.40	86.66	87.32	102.24
34.55	30.85	29.11	30.53	42.17	49.29	53.45	54.56	68.01	76.59	93.05	83.90	85.38	101.44
45.57	38.96	38.82	39.53	53.34	63.98	71.68	75.52	94.13	98.89	107.24	90.02	88.84	102.15
53.59	48.34	48.20	49.41	63.77	75.06	82.71	84.92	100.67	106.09	111.27	85.46	88.78	107.35
39.16	39.01	35.82	35.31	50.05	61.93	64.64	60.22	74.97	76.62	80.20	77.85	85.31	95.78
60.59	55.32	50.89	52.28	61.01	71.59	82.52	81.39	94.26	99.22	103.03	90.99	94.72	101.68
66.29	68.89	71.61	74.10	75.94	78.29	81.31	84.87	88.42	91.53	93.75	95.59	97.56	101.95
47.48	**47.01**	**45.86**	**46.20**	**58.43**	**67.81**	**73.25**	**72.24**	**80.49**	**83.33**	**88.46**	**87.05**	**90.99**	**96.84**

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

Table 48

Gross National Product and Population of DAC Member Countries

	Gross National Product ($ billion)				Population (thousands)			
	1985-86 average	1994	1995	1996	1985-86 average	1994	1995	1996
Australia	158	320	335	377	15 903	17 840	18 050	18 290
Austria	80	196	233	228	7 561	8 020	8 030	8 060
Belgium	98	229	270	267	9 860	10 050	10 050	10 160
Canada	342	527	548	566	25 277	29 360	29 730	29 970
Denmark	67	141	169	170	5 117	5 220	5 250	5 260
Finland	61	94	122	119	4 910	5 100	5 120	5 130
France	617	1 329	1 538	1 537	55 358	58 000	58 000	58 380
Germany	761	2 033	2 403	2 331	77 679	82 000	82 000	81 880
Ireland	19	43	54	58	3 540	3 590	3 590	3 620
Italy	511	1 008	1 080	1 214	57 174	57 060	57 060	57 470
Japan	1 646	4 629	5 152	4 648	121 120	125 030	125 570	125 860
Luxembourg	6	15	18	19	190	389	390	420
Netherlands	149	331	397	399	14 531	15 300	15 500	15 490
New Zealand	23	46	54	59	3 275	3 526	3 580	3 640
Norway	63	108	144	155	4 161	4 350	4 370	4 370
Portugal	25	88	103	106	4 951	10 000	10 000	9 940
Spain	196	471	555	574	19 334	40 230	39 240	39 270
Sweden	113	189	223	239	8 360	8 781	8 837	8 900
Switzerland	119	270	316	304	6 553	7 020	7 060	7 090
United Kingdom	507	1 040	1 120	1 167	56 690	58 200	58 400	58 780
United States	4 104	6 922	7 238	7 567	239 979	262 000	264 000	265 560
TOTAL DAC	**9 664**	**20 027**	**22 070**	**22 104**	**741 528**	**811 066**	**813 827**	**817 540**
of which:								
EU Members	3 209	7 205	8 282	8 427	325 259	361 940	361 467	362 760

Table 49

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

	$ million					As % of GNP				
	1992	1993	1994	1995	1996[b]	1992	1993	1994	1995	1996[b]
Australia	5	6	4	4	10	0.00	0.00	0.00	0.00	0.00
Austria	349	389	261	313	226	0.19	0.21	0.13	0.13	0.10
Belgium	135	81	86	89	70	0.06	0.04	0.04	0.03	0.03
Canada	260	80	73	250	181	0.05	0.01	0.01	0.05	0.03
Denmark	82	175	37	152	120	0.06	0.14	0.03	0.09	0.07
Finland	40	38	51	76	57	0.04	0.05	0.05	0.06	0.05
France	364	606	650	770	709	0.03	0.05	0.05	0.05	0.05
Germany	3344	2416	2527	4514	1329	0.17	0.13	0.12	0.19	0.06
Ireland	10	9	16	21	1	0.02	0.02	0.04	0.04	0.00
Italy	334	242	196	286	294	0.03	0.02	0.02	0.03	0.02
Japan	238	530[a]	247	250	184	0.01	0.01	0.01	0.00	0.00
Luxembourg	5	7	7	. .	2	0.04	0.05	0.05	. .	0.01
Netherlands	152	272	118	305	13	0.05	0.09	0.04	0.08	0.00
New Zealand	1	1	1	. .	0	0.00	0.00	0.00	. .	0.00
Norway	64	74	79	90	50	0.06	0.07	0.07	0.06	0.03
Portugal	18	13	28	22	18	0.02	0.02	0.03	0.02	0.02
Spain	102	87	157	. .	2	0.02	0.02	0.03	. .	0.00
Sweden	337	41	91	105	178	0.14	0.02	0.05	0.05	0.07
Switzerland	90	93	124	102	97	0.04	0.04	0.05	0.03	0.03
United Kingdom	337	285	293	406	362	0.03	0.03	0.03	0.04	0.03
United States	682	1 647	2 422	1 280	1 694	0.01	0.03	0.03	0.02	0.02
TOTAL DAC	**6 948**	**7 092**	**7 468**	**9 037**	**5 596**	**0.04**	**0.04**	**0.04**	**0.04**	**0.03**
of which:										
EU Members	5 608	4 662	4 518	7 060	3 385	0.08	0.07	0.06	0.09	0.04

a) Including aid to Part I CEECs/NIS Countries.
b) Including aid to the Bahamas, Brunei, Kuwait, Qatar, Singapore and the United Arab Emirates.

NET DISBURSEMENTS	Australia 1994	Australia 1995	Australia 1996	Austria 1994	Austria 1995	Austria 1996
I. Official Aid (OA) (A + B)	4	4	10	261	313	226
OA as % of GNP	**0.00**	**0.00**	**0.00**	**0.13**	**0.13**	**0.10**
A. Bilateral	0	2	7	231	235	185
1. Grants	0	2	7	231	235	185
of which: Technical Co-operation	0	2	7	33	21	21
Food Aid	–	–	–	0	0	–
2. Loans	–	–	–	–	–	–
B. Multilateral OA	4	2	2	30	79	40
Grants and Capital Subscriptions	4	–	–	30	–	3
of which: to CEC	–	–	–	–	52	37
to EBRD	4	2	2	30	19	0
II. Other Official Flows (OOF)	–	–	–	64	15	4
1. Official Export Credits	–	–	–	–	–	0
2. Other	–	–	–	64	–	4
III. Grants by NGOs	–	–	–	5	7	5
IV. Private Flows	–	–	–	381	522	355
1. Direct Investment	–	–	–	381	522	355
2. Portfolio Investment	–	–	–	–	–	0
3. Export Credits	–	–	–	–	–	–
V. Total Resource Flows	**4**	**4**	**10**	**710**	**858**	**590**
Memo:						
Change in claims (long- and short-term)						
Banks: financial (export credits)	–	–	–	–	–	–
Banks: other portfolio	–	–	–	–428	1 325	905
Non-bank export credits	–3	–	–	–	–	–
TOTAL	**–3**	**–**	**–**	**– 428**	**1 325**	**905**

NET DISBURSEMENTS	France 1994	France 1995	France 1996	Germany 1994	Germany 1995	Germany 1996
I. Official Aid (OA) (A + B)	650	770	709	2 527	4 514	1 329
OA as % of GNP	**0.05**	**0.05**	**0.05**	**0.12**	**0.19**	**0.06**
A. Bilateral	344	365	–	1 967	4 107	842
1. Grants	333	355	–	2 031	4 027	832
of which: Technical Co-operation	81	66	–	391	490	647
Food Aid	–	–	–	–	–	–
2. Loans	11	11	–	–64	81	11
B. Multilateral OA	305	404	293	560	407	442
Grants and Capital Subscriptions	305	–	293	560	–	–
of which: to CEC	225	334	–	497	347	415
to EBRD	61	67	–	61	59	28
II. Other Official Flows (OOF)	–	–	–	2 711	4 124	908
1. Official Export Credits	–	–	–	55	73	–
2. Other	–	–	–	2 655	–	908
III. Grants by NGOs	–	–	–	72	74	61
IV. Private Flows	–2 964	2 229	4 860	4 604	–995	4 671
1. Direct Investment	234	1 197	1 192	1 667	2 834	3 648
2. Portfolio Investment	–2 453	16	3 886	1 641	–	171
3. Export Credits	–745	–	–218	1 297	–	852
V. Total Resource Flows	**–2 315**	**2 999**	**709**	**9 913**	**7 718**	**6 969**
Memo:						
Change in claims (long- and short-term)						
Banks: financial (export credits)	–277	–134	–87	1 706	710	618
Banks: other portfolio	–448	907	–40	–5 208	–632	2 259
Non-bank export credits	72	15	–23	30	108	93
TOTAL	**–653**	**788**	**–150**	**–3 472**	**186**	**2 970**

Table 50

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

$ million

Belgium 1994	Belgium 1995	Belgium 1996	Canada 1994	Canada 1995	Canada 1996	Denmark 1994	Denmark 1995	Denmark 1996	Finland 1994	Finland 1995	Finland 1996
86	89	70	73	250	181	37	152	120	51	76	57
0.04	**0.03**	**0.03**	**0.01**	**0.05**	**0.03**	**0.03**	**0.09**	**0.07**	**0.05**	**0.06**	**0.05**
11	14	14	46	225	180	–	138	117	32	42	40
1	14	14	46	225	180	–	105	109	32	40	37
1	14	14	–	0	22	–	75	68	21	18	27
–	–	0	–	–	–	–	4	3	–	–	–
9	–	–	–	–	–	–	33	9	–	2	3
76	75	56	26	25	–	37	14	11	19	35	7
76	–	–	26	–	–	37	–	7	19	–	3
58	57	55	–	–	–	28	18	–	–	19	–
18	18	1	26	25	–	9	9	4	14	11	4
0	41	–4	33	–9	–132	–	–	26	109	–3	–7
0	0	–	33	17	–4	–	–	19	32	–6	–8
–	–	–4	–	–	–127	–	–	7	77	–	1
0	2	0	–	–	–	–	2	5	–	–	–
236	258	4 109	26	–	3	–	192	248	–127	78	145
51	180	169	–	–	–	–	192	248	64	103	194
155	–	4 007	–	–	0	–	–	0	–122	–	–64
30	–	–67	26	–	3	–	–	0	–69	–	16
322	**391**	**4 175**	**132**	**241**	**52**	**37**	**347**	**398**	**33**	**152**	**195**
10	–1	2	–	–	–	–8	–9	–9	–1	16	7
–83	256	–136	–108	–25	–91	25	18	–3	–159	–59	–42
6	5	4	0	0	3	–8	–16	–16	–1	–1	0
–67	**260**	**–130**	**–108**	**–25**	**–88**	**9**	**–7**	**–28**	**–161**	**–44**	**–35**

$ million

Ireland 1994	Ireland 1995	Ireland 1996	Italy 1994	Italy 1995	Italy 1996	Japan 1994	Japan 1995	Japan 1996	Luxembourg 1994	Luxembourg 1995	Luxembourg 1996
16	21	1	196	286	294	247	250	184	7	–	2
0.04	**0.04**	**0.00**	**0.02**	**0.03**	**0.02**	**0.01**	**0.00**	**0.00**	**0.05**	**–**	**0.01**
0	2	1	13	12	12	133	144	151	2	–	2
0	2	1	13	5	12	129	141	141	2	–	2
0	1	1	4	2	5	39	45	44	1	–	–
–	–	–	7	–	5	–	–	–	–	–	–
–	–	–	–	7	–	5	3	10	–	–	–
15	19	–	183	274	283	114	106	27	5	–	–
15	–	–	183	–	1	114	–	7	5	–	–
13	19	–	118	199	268	–	–	–	4	–	–
2	–	–	63	72	14	107	100	20	1	–	–
–	–	–	1 066	2 109	64	417	386	898	–	–	–
–	–	–	1	2	–	238	110	68	–	–	–
–	–	–	1 065	–	64	179	–	830	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–2 200	–2 445	218	–1 422	212	1 928	–	–	–
–	–	–	–	104	153	86	163	1 315	–	–	–
–	–	–	103	–	706	–1 370	85	1 652	–	–	–
–	–	–	–2 303	–	–641	–138	–	–1 039	–	–	–
16	**–**	**1**	**–939**	**–49**	**577**	**–758**	**848**	**3 010**	**7**	**–**	**2**
–	–	–	1 541	–284	–356	–6	–21	–18	1	0	0
18	61	354	–2 183	3	–217	–1 284	–914	–602	–1 147	–362	204
–	–	–	–382	–99	–134	185	–329	–989	–	–	–
18	**61**	**354**	**–1 024**	**–380**	**–707**	**–1 105**	**–1 264**	**–1 609**	**–1 146**	**–362**	**204**

Note: A substantial part of the increase in private flows to Part II countries in 1996 is due to the transfer of the Bahamas, Brunei, Kuwait, Qatar, Singapore and the United Arab Emirates from Part I to Part II on 1 January 1996. For details of flows to these countries, see our publication "Geographical Distribution of Financial Flows to Aid Recipients", (also available on CD-Rom).

NET DISBURSEMENTS	Netherlands 1994	1995	1996	New Zealand 1994	1995	1996
I. Official Aid (OA) (A + B)	118	305	13	1	–	0
OA as % of GNP	**0.04**	**0.08**	**0.00**	**0.00**	**–**	**0.00**
A. Bilateral	–	149	13	–	–	–
1. Grants	–	76	13	–	–	–
of which: Technical Co-operation	–	65	–	–	–	–
Food Aid	–	–	–	–	–	–
2. Loans	–	73	–	–	–	–
B. Multilateral OA	118	156	–	1	–	–
Grants and Capital Subscriptions	118	–	–	1	–	–
of which: to CEC	100	126	–	–	–	–
to EBRD	18	19	–	1	–	–
II. Other Official Flows (OOF)	–	–	–6	–	–	–
1. Official Export Credits	–	–	–6	–	–	–
2. Other	–	–	–	–	–	–
III. Grants by NGOs	–	–	–	–	–	0
IV. Private Flows	–	–16	–36	–	–	–
1. Direct Investment	–	–	45	–	–	–
2. Portfolio Investment	–	–	–78	–	–	–
3. Export Credits	–	–	–2	–	–	–
V. Total Resource Flows	**118**	**290**	**–29**	**1**	**–**	**0**
Memo:						
Change in claims (long- and short-term)						
Banks: financial (export credits)	2	23	2	–	–	–
Banks: other portfolio	–585	481	1 080	–	–	–
Non-bank export credits	–11	–39	–15	–	–	–
TOTAL	**– 594**	**465**	**1 067**	**–**	**–**	**–**

NET DISBURSEMENTS	Switzerland 1994	1995	1996	United Kingdom 1994	1995	1996
I. Official Aid (OA) (A + B)	124	102	97	293	406	362
OA as % of GNP	**0.05**	**0.03**	**0.03**	**0.03**	**0.04**	**0.03**
A. Bilateral	98	88	76	101	127	133
1. Grants	98	88	76	101	127	133
of which: Technical Co-operation	34	30	28	98	119	129
Food Aid	4	0	0	–	–	–
2. Loans	–	–	–	–	–	–
B. Multilateral OA	26	14	21	191	279	228
Grants and Capital Subscriptions	26	–	8	191	–	–
of which: to CEC	–	–	–	161	246	228
to EBRD	14	14	13	31	33	0
II. Other Official Flows (OOF)	11	2	4	–	–	–
1. Official Export Credits	11	2	4	–	–	–
2. Other	–	–	0	–	–	–
III. Grants by NGOs	10	12	–	30	4	13
IV. Private Flows	–204	–32	705	353	1 410	3 952
1. Direct Investment	–	–	705	153	789	390
2. Portfolio Investment	–	–	0	200	–	3 500
3. Export Credits	–204	–	–	0	–	62
V. Total Resource Flows	**–68**	**83**	**807**	**676**	**1 820**	**4 327**
Memo:						
Change in claims (long- and short-term)						
Banks: financial (export credits)	–	–	–	–41	20	161
Banks: other portfolio	–368	–187	–213	–642	1 957	3 284
Non-bank export credits	–172	–76	–84	–9	–3	–29
TOTAL	**–540**	**–263**	**–297**	**–692**	**1 974**	**3 416**

Table 51

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

$ million

Norway 1994	Norway 1995	Norway 1996	Portugal 1994	Portugal 1995	Portugal 1996	Spain 1994	Spain 1995	Spain 1996	Sweden 1994	Sweden 1995	Sweden 1996
79	90	50	28	22	18	157	–	2	91	105	178
0.07	**0.06**	**0.03**	**0.03**	**0.02**	**0.02**	**0.03**	**–**	**0.00**	**0.05**	**0.05**	**0.07**
63	79	50	–	0	0	–	–	2	78	98	127
63	79	50	–	0	0	–	–	2	72	98	127
41	57	50	–	0	0	–	–	2	65	52	84
–	–	–	–	–	–	–	–	–	0	–	–
–	–	–	–	–	–	–	–	–	6	–	–
16	11	–	28	22	18	157	–	–	13	7	51
16	–	–	28	–	–	157	–	–	13	–	1
–	–	–	25	18	17	133	–	–	–	–	50
12	10	–	3	3	1	24	–	–	0	2	–
2	–	–	–	–	3	–	–	–	–	9	23
–	–	–	–	–	–	–	–	–	–	–	–
2	–	–	–	–	3	–	–	–	–	–	23
–	–	–	–	–	–	–	–	–	–	–	–
0	–	–193	–5	166	–4	–	–	–102	41	303	–107
–	–	–201	0	0	3	–	–	–102	44	307	–84
–	–	0	–	–	0	–	–	0	–	–	0
0	–	8	–5	–	–7	–	–	–	–3	–	–22
81	**90**	**–143**	**24**	**188**	**17**	**157**	**–**	**–100**	**132**	**416**	**94**
–3	60	–2	–	–	–	15	50	4	–40	–9	–16
–5	–25	15	–	–	–	–33	–42	–32	31	–1	61
–1	–3	11	–4	–2	–	7	0	–	14	8	–11
–9	**32**	**24**	**–4**	**–2**	**–**	**–11**	**8**	**–28**	**5**	**–2**	**34**

$ million

United States 1994	United States 1995	United States 1996	Total DAC Countries 1994	Total DAC Countries 1995	Total DAC Countries 1996	CEC 1994	CEC 1995	CEC 1996
2 422	1 280	1694	7 468	9 037	5 596	1 280	1 241	1 434
0.03	**0.02**	**0.02**	**0.04**	**0.04**	**0.03**	**–**	**–**	**–**
2 353	1 280	1 643	5 473	7 108	3 597	1 235	1 216	–
2 220	1 166	1 612	5 373	6 784	3 534	1 189	1 323	–
929	1 080	830	1 739	2 135	1 981	–	1 064	–
74	43	26	85	47	34	–	3	–
133	114	31	100	324	63	46	–107	–
69	–	82	1 993	1 928	1 561	45	25	–
69	–	–	1 993	–	322	45	–	–
–	–	–	1 362	1 434	1 070	–	–	–
69	–	82	567	463	169	21	25	–
87	–8	–24	4 498	6 666	1 758	365	–51	387
–802	–19	–23	–432	179	50	–	–	–
889	–	–1	4 930	–	1 708	365	–	387
294	297	295	411	398	379	–	–	–
146	1 744	2 652	–1 134	3 628	23 405	–	–	–
443	1 335	2 226	3 122	7 727	10 255	–	–	–
1 183	–	578	–664	101	14 358	–	–	–
–1 480	–	–152	–3 592	–	–1 207	–	–	–
2 949	**3 313**	**4 617**	**11 231**	**19 708**	**26 279**	**1 645**	**1 190**	**1 822**
604	604	466	3 503	1 024	771	–	–	–
–2 296	137	1 142	–14 903	2 899	7 929	–	–	–
4	4	4	–273	–426	–1 186	–	–	–
–1 688	**745**	**1 612**	**–11 673**	**3 497**	**7 514**	**–**	**–**	**–**

Note: A substantial part of the increase in private flows to Part II countries in 1996 is due to the transfer of the Bahamas, Brunei, Kuwait, Qatar, Singapore and the United Arab Emirates from Part I to Part II on 1 January 1996. For details of flows to these countries, see our publication "Geographical Distribution of Financial Flows to Aid Recipients", (also available on CD-Rom).

Part I: Developing Countries and Territories (Official Development Assistance)						Part II: Countries and Territories in Transition (Official Aid)	
LLDCs	Other LICs (per capita GNP < $765 in 1995)	LMICs (per capita GNP $766-$3 035 in 1995)		UMICs (per capita GNP $3 036-$9 385 in 1995)	HICs (per capita GNP > $9 385 in 1995)[1]	CEECs/NIS	More Advanced Developing Countries and Territories[2]
Afghanistan	* Albania	Algeria	Palau Islands	Brazil	● Aruba[1]	* Belarus	Bahamas
Angola	* Armenia	Belize	Palestinian Administered Areas	Chile	● French Polynesia[1]	* Bulgaria	● Bermuda
Bangladesh	* Azerbaijan	Bolivia	Panama	Cook Islands	● Gibraltar[1]	* Czech Republic	Brunei
Benin	Bosnia and Herzegovina	Botswana	Papua New Guinea	Croatia	Korea, Rep. of[1]	* Estonia	● Cayman Islands
Bhutan	Cameroon	Colombia	Paraguay	Gabon	● Macao[1]	* Hungary	Chinese Taipei
Burkina Faso	China	Costa Rica	Peru	Malaysia	● Netherlands Antilles[1]	* Latvia	Cyprus
Burundi	Congo, Rep.	Cuba	Philippines	Mauritius	● New Caledonia[1]	* Lithuania	● Falkland Islands
Cambodia	Côte d'Ivoire	Dominica	St Vincent and Grenadines	● Mayotte	Northern Marianas[1]	* Poland	● Hong Kong, China
Cape Verde	* Georgia	Dominican Republic	Suriname	Mexico	● Virgin Islands (UK)[1]	* Romania	Israel
Central African Republic	Ghana	Ecuador	Swaziland	Nauru		* Russia	Kuwait
Chad	Guyana	Egypt	Syria	South Africa		* Slovak Republic	Qatar
Comoros	Honduras	El Salvador	Thailand	St Lucia		* Ukraine	Singapore
Congo, Dem. Rep.	India	Fiji	● Timor	Trinidad and Tobago			United Arab Emirates
Djibouti	Kenya	Grenada	● Tokelau	Uruguay			
Equatorial Guinea	* Kyrgyz Rep.	Guatemala	Tonga	**Threshold for World Bank Loan Eligibility ($5 295 in 1995)**			
Eritrea	Mongolia	Indonesia	Tunisia	● Anguilla			
Ethiopia	Nicaragua	Iran	Turkey	Antigua and Barbuda			
Gambia	Nigeria	Iraq	* Turkmenistan	Argentina			
Guinea	Pakistan	Jamaica	* Uzbekistan	Bahrain			
Guinea Bissau	Senegal	Jordan	Venezuela	Barbados			
Haiti	Sri Lanka	* Kazakstan	● Wallis and Futuna	Libya[1]			
Kiribati	* Tajikistan	Korea, Democratic Republic of	Yugoslavia, Federal Republic	Malta			
Laos	Viet Nam	Lebanon		● Montserrat			
Lesotho	Zimbabwe	Macedonia (former Yugoslav Republic)		Oman			
Liberia		Marshall Islands		Saudi Arabia			
Madagascar		Micronesia, Federated States		Seychelles			
Malawi		* Moldova[3]		Slovenia			
Maldives		Morocco		● St Helena			
Mali		Namibia		St Kitts and Nevis			
Mauritania		Niue		● Turks and Caicos Islands			
Mozambique							
Myanmar							
Nepal							
Niger							
Rwanda							
Sao Tome and Principe							
Sierra Leone							
Solomon Islands							
Somalia							
Sudan							
Tanzania							
Togo							
Tuvalu							
Uganda							
Vanuatu							
Western Samoa							
Yemen							
Zambia							

* Central and Eastern European Countries and New Independent States of the former Soviet Union (CEECs/NIS) ● Territory

1. These countries and territories will progress to Part II on 1 January 2000 unless an exception is agreed.
2. The recipients shown in blue in this column were in Part I of the DAC List up until the end of 1996. Aid to them up to and including 1996 is included in Official Development Assistance to High Income Countries. They were transferred to Part II on 1 January 1997. The other recipients in this column transferred to Part II on 1 January 1996. Aid to them up to and including 1995 is included in Official Development Assistance to High Income Countries.
3. Moldova transferred to Part I on 1 January 1997. Aid to Moldova up to and including 1996 is included in Official Aid to CEECs/NIS.

Note: Under the policy adopted by the DAC in 1993, the DAC List of Aid Recipients is in two parts, with periodic reviews under established criteria which may result in the transfer of particular recipients from one part to another, notably from Part I to Part II (see the *Development Co-operation Report* 1996, p. A101).

The statistics presented in this Report include the latest data which relate to 1996, and thus reflect the DAC List as it was in 1996. The List presented here is effective as of 1 January 1997. The notes above explain *inter alia* the differences between the 1996 and 1997 DAC Lists.

MAIN SALES OUTLETS OF OECD PUBLICATIONS
PRINCIPAUX POINTS DE VENTE DES PUBLICATIONS DE L'OCDE

AUSTRALIA – AUSTRALIE
D.A. Information Services
648 Whitehorse Road, P.O.B 163
Mitcham, Victoria 3132 Tel. (03) 9210.7777
Fax: (03) 9210.7788

AUSTRIA – AUTRICHE
Gerold & Co.
Graben 31
Wien I Tel. (0222) 533.50.14
Fax: (0222) 512.47.31.29

BELGIUM – BELGIQUE
Jean De Lannoy
Avenue du Roi, Koningslaan 202
B-1060 Bruxelles Tel. (02) 538.51.69/538.08.41
Fax: (02) 538.08.41

CANADA
Renouf Publishing Company Ltd.
5369 Canotek Road
Unit 1
Ottawa, Ont. K1J 9J3 Tel. (613) 745.2665
Fax: (613) 745.7660

Stores:
71 1/2 Sparks Street
Ottawa, Ont. K1P 5R1 Tel. (613) 238.8985
Fax: (613) 238.6041

12 Adelaide Street West
Toronto, QN M5H 1L6 Tel. (416) 363.3171
Fax: (416) 363.5963

Les Éditions La Liberté Inc.
3020 Chemin Sainte-Foy
Sainte-Foy, PQ G1X 3V6 Tel. (418) 658.3763
Fax: (418) 658.3763

Federal Publications Inc.
165 University Avenue, Suite 701
Toronto, ON M5H 3B8 Tel. (416) 860.1611
Fax: (416) 860.1608

Les Publications Fédérales
1185 Université
Montréal, QC H3B 3A7 Tel. (514) 954.1633
Fax: (514) 954.1635

CHINA – CHINE
Book Dept., China National Publications
Import and Export Corporation (CNPIEC)
16 Gongti E. Road, Chaoyang District
Beijing 100020 Tel. (10) 6506-6688 Ext. 8402
(10) 6506-3101

CHINESE TAIPEI – TAIPEI CHINOIS
Good Faith Worldwide Int'l. Co. Ltd.
9th Floor, No. 118, Sec. 2
Chung Hsiao E. Road
Taipei Tel. (02) 391.7396/391.7397
Fax: (02) 394.9176

CZECH REPUBLIC – RÉPUBLIQUE TCHÈQUE
National Information Centre
NIS – prodejna
Konviktská 5
Praha 1 – 113 57 Tel. (02) 24.23.09.07
Fax: (02) 24.22.94.33
E-mail: nkposp@dec.niz.cz
Internet: http://www.nis.cz

DENMARK – DANEMARK
Munksgaard Book and Subscription Service
35, Nørre Søgade, P.O. Box 2148
DK-1016 København K Tel. (33) 12.85.70
Fax: (33) 12.93.87

J. H. Schultz Information A/S,
Herstedvang 12,
DK – 2620 Albertslung Tel. 43 63 23 00
Fax: 43 63 19 69
Internet: s-info@inet.uni-c.dk

EGYPT – ÉGYPTE
The Middle East Observer
41 Sherif Street
Cairo Tel. (2) 392.6919
Fax: (2) 360.6804

FINLAND – FINLANDE
Akateeminen Kirjakauppa
Keskuskatu 1, P.O. Box 128
00100 Helsinki

Subscription Services/Agence d'abonnements :
P.O. Box 23
00100 Helsinki Tel. (358) 9.121.4403
Fax: (358) 9.121.4450

***FRANCE**
OECD/OCDE
Mail Orders/Commandes par correspondance :
2, rue André-Pascal
75775 Paris Cedex 16 Tel. 33 (0)1.45.24.82.00
Fax: 33 (0)1.49.10.42.76
Telex: 640048 OCDE
Internet: Compte.PUBSINQ@oecd.org

Orders via Minitel, France only/
Commandes par Minitel, France exclusivement :
36 15 OCDE

OECD Bookshop/Librairie de l'OCDE :
33, rue Octave-Feuillet
75016 Paris Tel. 33 (0)1.45.24.81.81
33 (0)1.45.24.81.67

Dawson
B.P. 40
91121 Palaiseau Cedex Tel. 01.89.10.47.00
Fax: 01.64.54.83.26

Documentation Française
29, quai Voltaire
75007 Paris Tel. 01.40.15.70.00

Economica
49, rue Héricart
75015 Paris Tel. 01.45.78.12.92
Fax: 01.45.75.05.67

Gibert Jeune (Droit-Économie)
6, place Saint-Michel
75006 Paris Tel. 01.43.25.91.19

Librairie du Commerce International
10, avenue d'Iéna
75016 Paris Tel. 01.40.73.34.60

Librairie Dunod
Université Paris-Dauphine
Place du Maréchal-de-Lattre-de-Tassigny
75016 Paris Tel. 01.44.05.40.13

Librairie Lavoisier
11, rue Lavoisier
75008 Paris Tel. 01.42.65.39.95

Librairie des Sciences Politiques
30, rue Saint-Guillaume
75007 Paris Tel. 01.45.48.36.02

P.U.F.
49, boulevard Saint-Michel
75005 Paris Tel. 01.43.25.83.40

Librairie de l'Université
12*a*, rue Nazareth
13100 Aix-en-Provence Tel. 04.42.26.18.08

Documentation Française
165, rue Garibaldi
69003 Lyon Tel. 04.78.63.32.23

Librairie Decitre
29, place Bellecour
69002 Lyon Tel. 04.72.40.54.54

Librairie Sauramps
Le Triangle
34967 Montpellier Cedex 2 Tel. 04.67.58.85.15
Fax: 04.67.58.27.36

A la Sorbonne Actual
23, rue de l'Hôtel-des-Postes
06000 Nice Tel. 04.93.13.77.75
Fax: 04.93.80.75.69

GERMANY – ALLEMAGNE
OECD Bonn Centre
August-Bebel-Allee 6
D-53175 Bonn Tel. (0228) 959.120
Fax: (0228) 959.12.17

GREECE – GRÈCE
Librairie Kauffmann
Stadiou 28
10564 Athens Tel. (01) 32.55.321
Fax: (01) 32.30.320

HONG-KONG
Swindon Book Co. Ltd.
Astoria Bldg. 3F
34 Ashley Road, Tsimshatsui
Kowloon, Hong Kong Tel. 2376.2062
Fax: 2376.0685

HUNGARY – HONGRIE
Euro Info Service
Margitsziget, Európa Ház
1138 Budapest Tel. (1) 111.60.61
Fax: (1) 302.50.35
E-mail: euroinfo@mail.matav.hu
Internet: http://www.euroinfo.hu//index.html

ICELAND – ISLANDE
Mál og Menning
Laugavegi 18, Pósthólf 392
121 Reykjavik Tel. (1) 552.4240
Fax: (1) 562.3523

INDIA – INDE
Oxford Book and Stationery Co.
Scindia House
New Delhi 110001 Tel. (11) 331.5896/5308
Fax: (11) 332.2639
E-mail: oxford.publ@axcess.net.in

17 Park Street
Calcutta 700016 Tel. 240832

INDONESIA – INDONÉSIE
Pdii-Lipi
P.O. Box 4298
Jakarta 12042 Tel. (21) 573.34.67
Fax: (21) 573.34.67

IRELAND – IRLANDE
Government Supplies Agency
Publications Section
4/5 Harcourt Road
Dublin 2 Tel. 661.31.11
Fax: 475.27.60

ISRAEL – ISRAËL
Praedicta
5 Shatner Street
P.O. Box 34030
Jerusalem 91430 Tel. (2) 652.84.90/1/2
Fax: (2) 652.84.93

R.O.Y. International
P.O. Box 13056
Tel Aviv 61130 Tel. (3) 546 1423
Fax: (3) 546 1442
E-mail: royil@netvision.net.il

Palestinian Authority/Middle East:
INDEX Information Services
P.O.B. 19502
Jerusalem Tel. (2) 627.16.34
Fax: (2) 627.12.19

ITALY – ITALIE
Libreria Commissionaria Sansoni
Via Duca di Calabria, 1/1
50125 Firenze Tel. (055) 64.54.15
Fax: (055) 64.12.57
E-mail: licosa@ftbcc.it

Via Bartolini 29
20155 Milano Tel. (02) 36.50.83

Editrice e Libreria Herder
Piazza Montecitorio 120
00186 Roma Tel. 679.46.28
Fax: 678.47.51

Libreria Hoepli
Via Hoepli 5
20121 Milano Tel. (02) 86.54.46
Fax: (02) 805.28.86

Libreria Scientifica
Dott. Lucio de Biasio 'Aeiou'
Via Coronelli, 6
20146 Milano Tel. (02) 48.95.45.52
Fax: (02) 48.95.45.48

JAPAN – JAPON
OECD Tokyo Centre
Landic Akasaka Building
2-3-4 Akasaka, Minato-ku
Tokyo 107 Tel. (81.3) 3586.2016
Fax: (81.3) 3584.7929

KOREA – CORÉE
Kyobo Book Centre Co. Ltd.
P.O. Box 1658, Kwang Hwa Moon
Seoul Tel. 730.78.91
Fax: 735.00.30

MALAYSIA – MALAISIE
University of Malaya Bookshop
University of Malaya
P.O. Box 1127, Jalan Pantai Baru
59700 Kuala Lumpur
Malaysia Tel. 756.5000/756.5425
Fax: 756.3246

MEXICO – MEXIQUE
OECD Mexico Centre
Edificio INFOTEC
Av. San Fernando no. 37
Col. Toriello Guerra
Tlalpan C.P. 14050
Mexico D.F. Tel. (525) 528.10.38
Fax: (525) 606.13.07

E-mail: ocde@rtn.net.mx

NETHERLANDS – PAYS-BAS
SDU Uitgeverij Plantijnstraat
Externe Fondsen
Postbus 20014
2500 EA's-Gravenhage Tel. (070) 37.89.880
Voor bestellingen: Fax: (070) 34.75.778

Subscription Agency/Agence d'abonnements :
SWETS & ZEITLINGER BV
Heereweg 347B
P.O. Box 830
2160 SZ Lisse Tel. 252.435.111
Fax: 252.415.888

NEW ZEALAND – NOUVELLE-ZÉLANDE
GPLegislation Services
P.O. Box 12418
Thorndon, Wellington Tel. (04) 496.5655
Fax: (04) 496.5698

NORWAY – NORVÈGE
NIC INFO A/S
Ostensjoveien 18
P.O. Box 6512 Etterstad
0606 Oslo Tel. (22) 97.45.00
Fax: (22) 97.45.45

PAKISTAN
Mirza Book Agency
65 Shahrah Quaid-E-Azam
Lahore 54000 Tel. (42) 735.36.01
Fax: (42) 576.37.14

PHILIPPINE – PHILIPPINES
International Booksource Center Inc.
Rm 179/920 Cityland 10 Condo Tower 2
HV dela Costa Ext cor Valero St.
Makati Metro Manila Tel. (632) 817 9676
Fax: (632) 817 1741

POLAND – POLOGNE
Ars Polona
00-950 Warszawa
Krakowskie Prezdmiescie 7 Tel. (22) 264760
Fax: (22) 265334

PORTUGAL
Livraria Portugal
Rua do Carmo 70-74
Apart. 2681
1200 Lisboa Tel. (01) 347.49.82/5
Fax: (01) 347.02.64

SINGAPORE – SINGAPOUR
Ashgate Publishing
Asia Pacific Pte. Ltd
Golden Wheel Building, 04-03
41, Kallang Pudding Road
Singapore 349316 Tel. 741.5166
Fax: 742.9356

SPAIN – ESPAGNE
Mundi-Prensa Libros S.A.
Castelló 37, Apartado 1223
Madrid 28001 Tel. (91) 431.33.99
Fax: (91) 575.39.98

E-mail: mundiprensa@tsai.es
Internet: http://www.mundiprensa.es

Mundi-Prensa Barcelona
Consell de Cent No. 391
08009 – Barcelona Tel. (93) 488.34.92
Fax: (93) 487.76.59

Libreria de la Generalitat
Palau Moja
Rambla dels Estudis, 118
08002 – Barcelona
(Suscripciones) Tel. (93) 318.80.12
(Publicaciones) Tel. (93) 302.67.23
Fax: (93) 412.18.54

SRI LANKA
Centre for Policy Research
c/o Colombo Agencies Ltd.
No. 300-304, Galle Road
Colombo 3 Tel. (1) 574240, 573551-2
Fax: (1) 575394, 510711

SWEDEN – SUÈDE
CE Fritzes AB
S–106 47 Stockholm Tel. (08) 690.90.90
Fax: (08) 20.50.21

For electronic publications only/
Publications électroniques seulement
STATISTICS SWEDEN
Informationsservice
S-115 81 Stockholm Tel. 8 783 5066
Fax: 8 783 4045

Subscription Agency/Agence d'abonnements :
Wennergren-Williams Info AB
P.O. Box 1305
171 25 Solna Tel. (08) 705.97.50
Fax: (08) 27.00.71

Liber distribution
Internatinal organizations
Fagerstagatan 21
S-163 52 Spanga

SWITZERLAND – SUISSE
Maditec S.A. (Books and Periodicals/Livres et périodiques)
Chemin des Palettes 4
Case postale 266
1020 Renens VD 1 Tel. (021) 635.08.65
Fax: (021) 635.07.80

Librairie Payot S.A.
4, place Pépinet
CP 3212
1002 Lausanne Tel. (021) 320.25.11
Fax: (021) 320.25.14

Librairie Unilivres
6, rue de Candolle
1205 Genève Tel. (022) 320.26.23
Fax: (022) 329.73.18

Subscription Agency/Agence d'abonnements :
Dynapresse Marketing S.A.
38, avenue Vibert
1227 Carouge Tel. (022) 308.08.70
Fax: (022) 308.07.99

See also – Voir aussi :
OECD Bonn Centre
August-Bebel-Allee 6
D-53175 Bonn (Germany) Tel. (0228) 959.120
Fax: (0228) 959.12.17

THAILAND – THAÏLANDE
Suksit Siam Co. Ltd.
113, 115 Fuang Nakhon Rd.
Opp. Wat Rajbopith
Bangkok 10200 Tel. (662) 225.9531/2
Fax: (662) 222.5188

TRINIDAD & TOBAGO, CARIBBEAN
TRINITÉ-ET-TOBAGO, CARAÏBES
Systematics Studies Limited
9 Watts Street
Curepe
Trinidad & Tobago, W.I. Tel. (1809) 645.3475
Fax: (1809) 662.5654

E-mail: tobe@trinidad.net

TUNISIA – TUNISIE
Grande Librairie Spécialisée
Fendri Ali
Avenue Haffouz Imm El-Intilaka
Bloc B 1 Sfax 3000 Tel. (216-4) 296 855
Fax: (216-4) 298.270

TURKEY – TURQUIE
Kültür Yayinlari Is-Türk Ltd.
Atatürk Bulvari No. 191/Kat 13
06684 Kavaklidere/Ankara
Tel. (312) 428.11.40 Ext. 2458
Fax : (312) 417.24.90

Dolmabahce Cad. No. 29
Besiktas/Istanbul Tel. (212) 260 7188

UNITED KINGDOM – ROYAUME-UNI
The Stationery Office Ltd.
Postal orders only:
P.O. Box 276, London SW8 5DT
Gen. enquiries Tel. (171) 873 0011
Fax: (171) 873 8463

The Stationery Office Ltd.
Postal orders only:
49 High Holborn, London WC1V 6HB

Branches at: Belfast, Birmingham, Bristol, Edinburgh, Manchester

UNITED STATES – ÉTATS-UNIS
OECD Washington Center
2001 L Street N.W., Suite 650
Washington, D.C. 20036-4922 Tel. (202) 785.6323
Fax: (202) 785.0350

Internet: washcont@oecd.org

Subscriptions to OECD periodicals may also be placed through main subscription agencies.

Les abonnements aux publications périodiques de l'OCDE peuvent être souscrits auprès des principales agences d'abonnement.

Orders and inquiries from countries where Distributors have not yet been appointed should be sent to: OECD Publications, 2, rue André-Pascal, 75775 Paris Cedex 16, France.

Les commandes provenant de pays où l'OCDE n'a pas encore désigné de distributeur peuvent être adressées aux Éditions de l'OCDE, 2, rue André-Pascal, 75775 Paris Cedex 16, France.

12-1996

OECD PUBLICATIONS, 2, rue André-Pascal, 75775 PARIS CEDEX 16
PRINTED IN FRANCE
(43 98 01 1 P) ISBN 92-64-16019-1 – No. 49861 1998