



FUTURE AID FLOWS

The OECD-DAC conducts a yearly Survey on Donors' Forward Spending Plans to reduce some of the uncertainty around future aid levels at the global, regional and country levels. The Survey helps to identify gaps and opportunities in forward aid allocations.

What is the Survey on Donors' Forward Spending Plans?

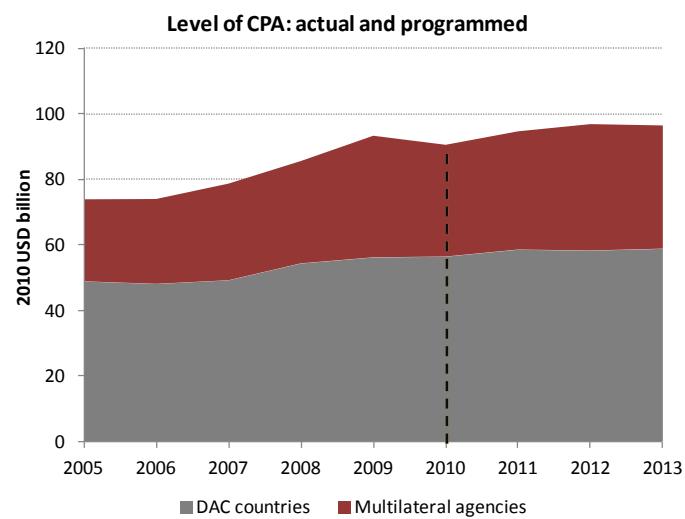
In December 2007, at the DAC Senior Level Meeting, donors agreed to provide annual information on donors' aid allocation policies and forward spending plans. The Survey on donors' Forward Spending Plans is the only regular process at the global level that brings together most bilateral and multilateral aid spending plans for the upcoming one to three years, helping to identify potential aid gaps resulting from donors' allocation decisions.

The Survey traces what is known as country programmable aid (CPA)¹, a core subset of ODA. Basically, CPA is the portion of aid on which recipient countries have, or could have, a significant say on and for which donors should be accountable for delivering "as programmed". CPA is critical for the delivery of international aid commitments in support of the MDGs. It also provides a good idea of the overall flows expected to appear in country aid information systems, and therefore contributes to transparency and predictability. Over the past five years, CPA has corresponded to roughly half of DAC donors' gross bilateral ODA; two-thirds of CPA is spent in priority partner countries, i.e. countries that benefit from long-term donor engagements.

Why is the 2011 Survey important?

The 2011 edition of the Survey provides a first indication of the collective forward programming of bilateral and major multilateral donors' up to 2013, only two years before the MDG milestone year of 2015. The 2011 Survey covers all DAC members as well as the largest 23 multilateral agencies including multilateral development banks, UN agencies and global funds.

The Survey results will be discussed by the DAC Informal Group of Aid Allocation Specialists in May 2011 following a data validation process. This will help to shape donor headquarter-level discussions on future aid allocations.



¹ CPA is a core subset of ODA and excludes non-programmable items such as humanitarian aid, debt relief, and in-donor costs like administration costs and refugees in donor countries.



AID ARCHITECTURE AND FINANCING



Preliminary findings of the 2011 Survey: Looking beyond 2010

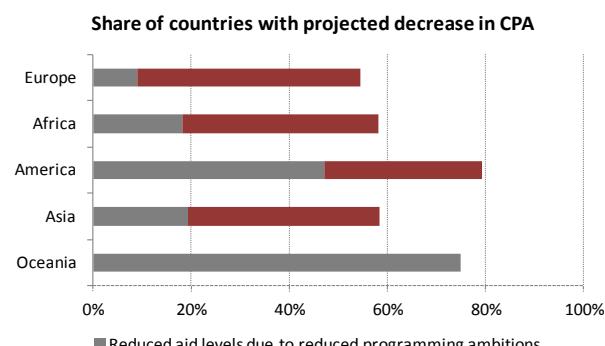
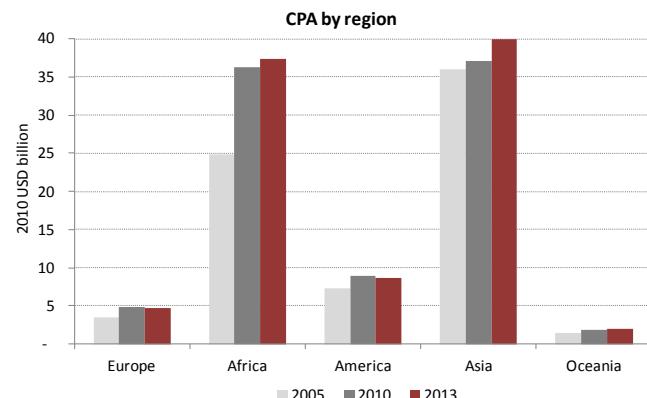
Total CPA in 2010 is provisionally estimated at USD 90.4 USD billion, representing a decline of nearly 3 USD billion in real terms compared to 2009. This reduced level in CPA is mostly due to extraordinary disbursements by multilateral agencies to help countries mitigate the impact of the financial crisis.

Looking beyond 2010, the preliminary Survey findings show that donors' aid efforts are decelerating. Global CPA is programmed to grow at a real rate of 2% per year up to 2013, compared to 8% per year on average over the previous three years. The increase in CPA is mostly driven by outflows from multilateral agencies. For DAC countries' bilateral aid the projected increase is slightly lower: 1.3% per year. Although this increase is small, it is encouraging in the light of the current climate of fiscal austerity in most member countries.

The projected deceleration is likely to be more marked for low-income countries and for Africa, where CPA is projected to increase at about 1% per year in real terms, compared to a 13% annual growth rate over the past three years. Thus, additional aid to these countries is likely to be outpaced by population increases. Despite this overall small increase for Africa, the majority of African countries are projected to receive lower aid levels by 2013, reversing the patterns from previous surveys; in more than two thirds of the cases, this is linked to phase-out decisions by donors. It is noteworthy that this year's survey shows that most countries in all regions are projected to receive lower levels of aid by 2013 (98 countries out of 152). The country with the largest programmed decrease in CPA by 2013 is Afghanistan.

The region receiving the fastest growing amount of CPA is Asia, with a projected annual growth rate of 3%. The top four countries with the largest increases in CPA volumes are also Asian countries.

Most of the increases stem from multilateral sources and are expected to be allocated to rapidly growing countries.



CPA change 2010-2013

Top 10 increases	Region	Income group
Bangladesh	Asia	LICs
India	Asia	LMICs
Viet Nam	Asia	LICs
Pakistan	Asia	LMICs
Kenya	Africa	LICs
Ethiopia	Africa	LICs
Madagascar	Africa	LICs
Congo, Dem. Rep.	Africa	LICs
Uzbekistan	Asia	LMICs
Egypt	Africa	LMICs

Bottom 10 decreases	Region	Income group
Afghanistan	Asia	LICs
Indonesia	Asia	LMICs
Haiti	America	LICs
Tanzania	Africa	LICs
Rwanda	Africa	LICs
Brazil	America	UMICs
Bosnia-Herzegovina	Europe	UMICs
Cote d'Ivoire	Africa	LMICs
Burundi	Africa	LICs
Iraq	Asia	LMICs

For more information: please visit www.oecd.org/dac/scalingup or dac.contact@oecd.org