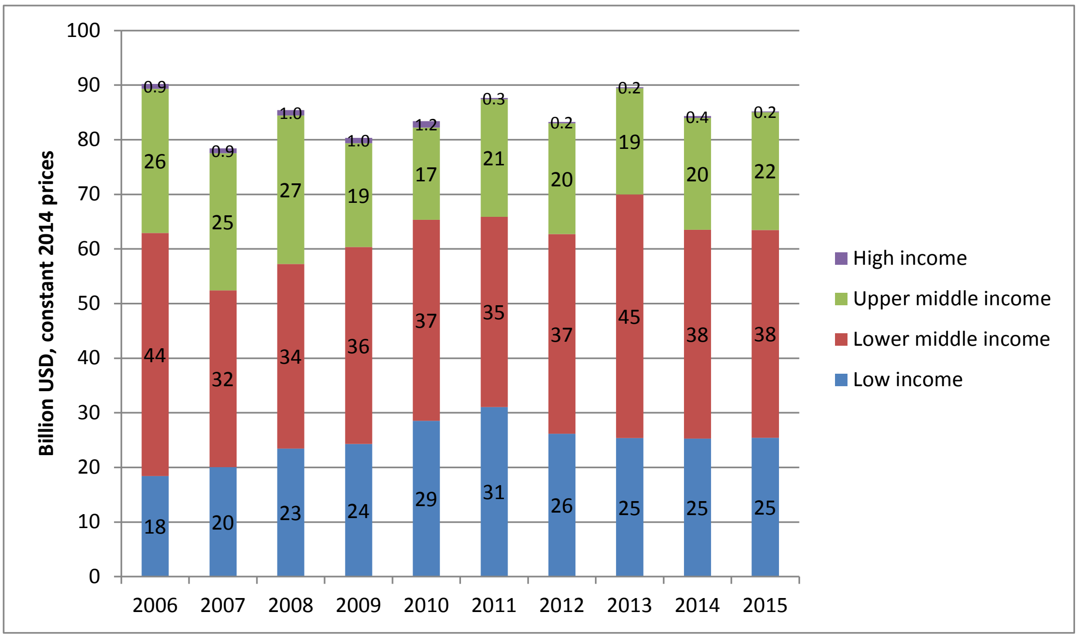
DAC MEMBERS' GROSS ODA BY WORLD BANK INCOME CLASSIFICATIONS

This flyer presents DAC members' Official Development Assistance (ODA) in recent years according to **World Bank income classifications**[1,2], instead of according to the groups in the DAC List of ODA Recipients where the United Nations' Least Developed Countries (LDCs) are listed separately. As the LDC category cuts across income categories, it includes some low income countries as well as some lower middle income countries, two of which are not eligible for World Bank IDA lending (Angola and Equatorial Guinea). All figures are gross bilateral disbursements.

Figure 1. DAC members' gross bilateral ODA by World Bank income classifications, 2006-2015

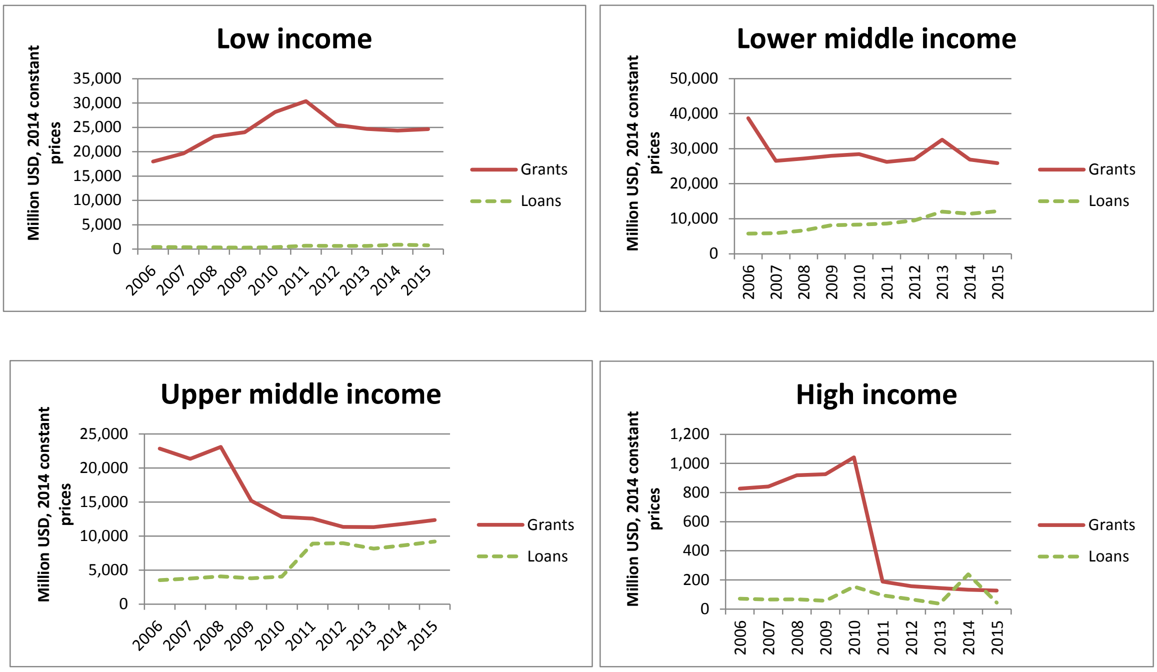


As shown in figure 1, aid to lower middle income countries has consistently represented the largest share of aid allocable by income over the last decade, totalling between USD 35 and 45 billion in constant 2014 prices over the last 5 years, and representing between 40 and 50 percent of bilateral aid allocable by income. As a result of exceptionally high debt relief to the Democratic Republic of the Congo, aid to the low income countries was at its highest in 2011 (USD 31 billion in constant 2014 prices), representing 35% of ODA allocable by income. Since then, aid to low income countries has been stable and represents about 30% of ODA allocable by income. After a low point in 2010, aid to upper middle income countries represented close to a quarter of aid allocable by income in the last 5 years. Aid to high income countries has been relatively insignificant, peaking in 2010 at USD 1.2 billion in constant 2014 prices, and averaging about USD 0.2 billion annually in constant 2014 prices over the last 5 years.

1. The income groups in this flyer are based on the World Bank classifications defined as follows: low-income economies are those with a GNI per capita, calculated using the World Bank Atlas method, of USD 1 025 or less in 2015; lower middle-income economies are those with a GNI per capita between USD 1 026 and USD 4 035; upper middle-income economies are those with a GNI per capita between USD 4 036 and USD 12 475; high-income economies are those with a GNI per capita of USD 12 476 or more.

2. More advanced developing countries and territories (MADCTs) classified as World Bank high income are included in the high income group. ODA to countries/territories which are not World Bank members (Anguilla, Cook Islands, Montserrat, Niue, Netherlands Antilles, Saint Helena, Tokelau, and Wallis and Futuna) has been insignificant in relation to other income categories over the last decade, averaging less than USD 0.3 billion annually in constant 2014 prices, and is not shown in the charts in this flyer...

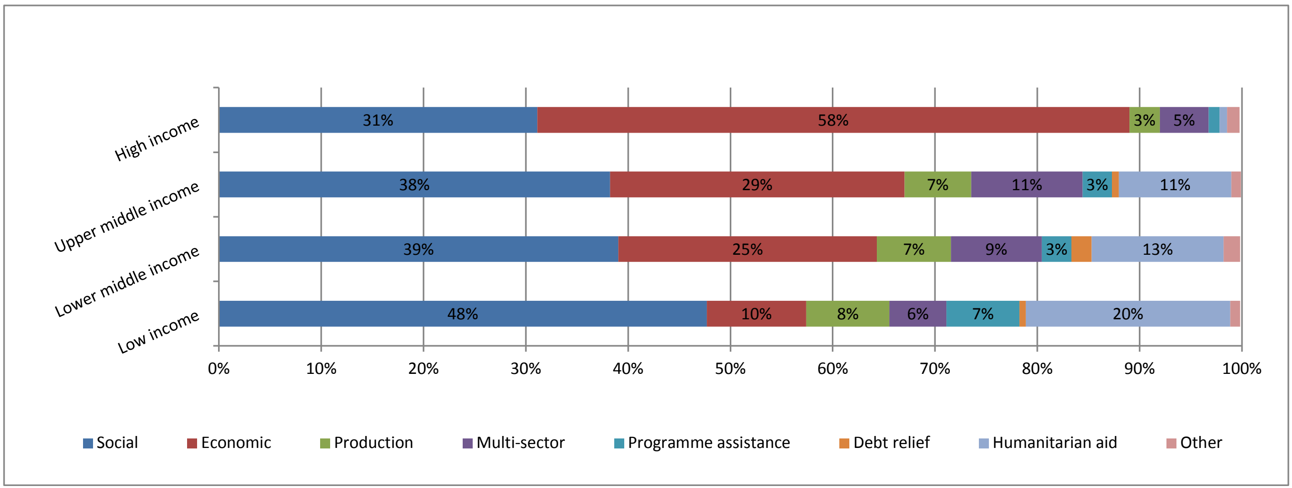
Figure 2. DAC members' gross bilateral ODA, grants and loans, World Bank income classifications



Grants represent the larger share of ODA to all income groups in 2015 (Figure 2). Aid to low income countries has been almost exclusively in the form of grants (between 96% and 99% of total ODA) over the last decade. Grants also make up the bulk of aid to lower middle income countries, although loans have been rising steadily over the last decade, more than doubling between 2006 and 2015, and representing about a third of gross ODA in 2015. Grants and loans to upper middle income countries have been relatively stable in recent years, after a steep decline in grants between 2006 and 2010 and the doubling of loan amounts between 2010 and 2011. High income countries saw a drastic drop in grants when Croatia and Mayotte left the DAC List of ODA Recipients in 2011.[3] As a result of high loans to Chile and Uruguay in 2014, grants to high income countries were surpassed by loans that year.

3. Barbados, Oman, and Trinidad and Tobago also left the DAC List of ODA Recipients in 2011.

Figure 3. Sector breakdown of DAC members' gross bilateral ODA by World Bank income classifications, 2014-2015 average



The social sectors account for the largest share of gross ODA in the low (almost half) and middle income groups, followed by humanitarian aid in low income countries (one fifth of aid) and the economic sectors in the middle income countries (Figure 3). Humanitarian aid is the third largest sector in the middle income countries. In high income countries, the majority of aid goes to the economic sectors, followed by the social sectors.

Figure 4. Top recipients of DAC members' gross bilateral ODA, 2014-2015 average

Recipient	World Bank Income group	USD billion	As % of all ODA	As % of ODA allocable by income
Afghanistan	Low	4,104	3.3%	5.1%
Turkey	Lower middle	3,717	3.0%	4.6%
India	Upper middle	3,377	2.7%	4.2%
Viet Nam	Lower middle	2,685	2.2%	3.3%
Ethiopia	Lower middle	2,141	1.7%	2.7%
Pakistan	Low	2,025	1.6%	2.5%
Indonesia	Lower middle	1,948	1.6%	2.4%
Syrian Arab Republic	Lower middle	1,929	1.6%	2.4%
Kenya	Upper middle	1,864	1.5%	2.3%
Jordan	Lower middle	1,839	1.5%	2.3%
South Sudan	Low	1,697	1.4%	2.1%
Morocco	Low	1,649	1.3%	2.1%
West Bank and Gaza Strip	Low	1,611	1.3%	2.0%
Tanzania	Lower middle	1,576	1.3%	2.0%
Democratic Republic of the Congo	Lower middle	1,549	1.3%	1.9%
Bangladesh	Upper middle	1,520	1.2%	1.9%
Myanmar	Lower middle	1,470	1.2%	1.8%
Mozambique	Upper middle	1,388	1.1%	1.7%
Ukraine	Upper middle	1,359	1.1%	1.7%
Colombia	Lower middle	1,307	1.1%	1.6%

The top 20 recipients of gross bilateral ODA from DAC members in 2014-2015 accounted for just over half of bilateral ODA allocable by income and include low, lower middle and upper middle income countries (Figure 4).

Figure 5. Ten largest DAC providers in terms of ODA grants allocable by income, World Bank income classifications, 2014-2015 average

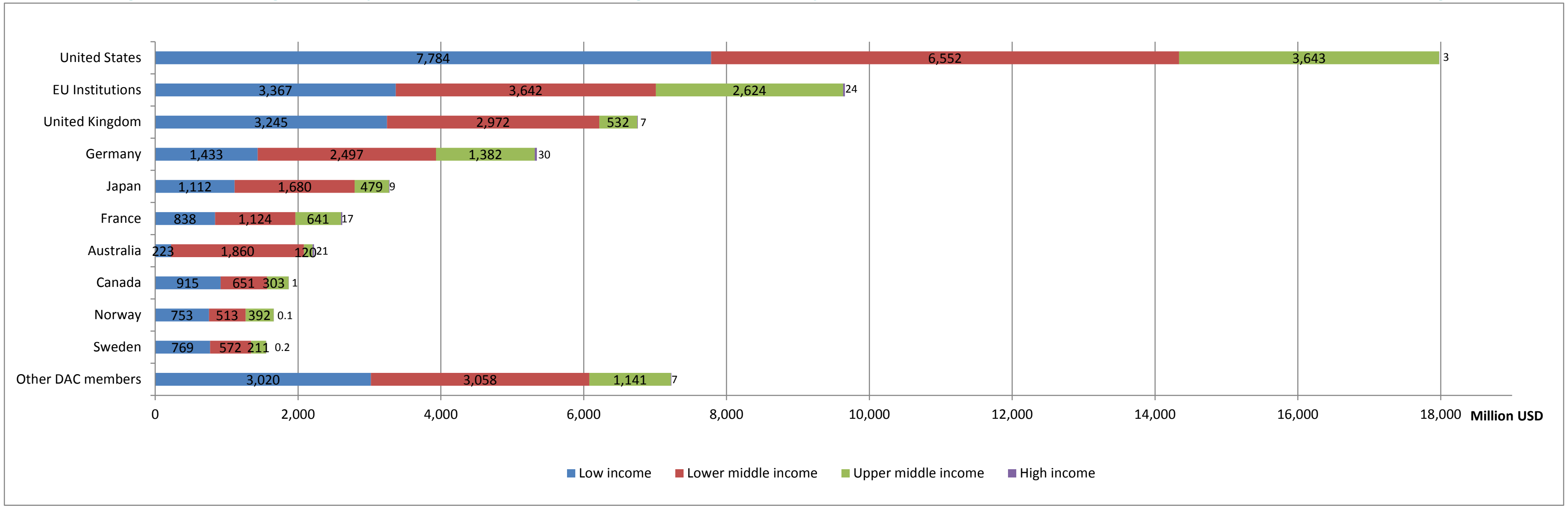


Figure 6. Five largest DAC providers in terms of gross ODA loans allocable by income, World Bank income classifications, 2014-2015 average

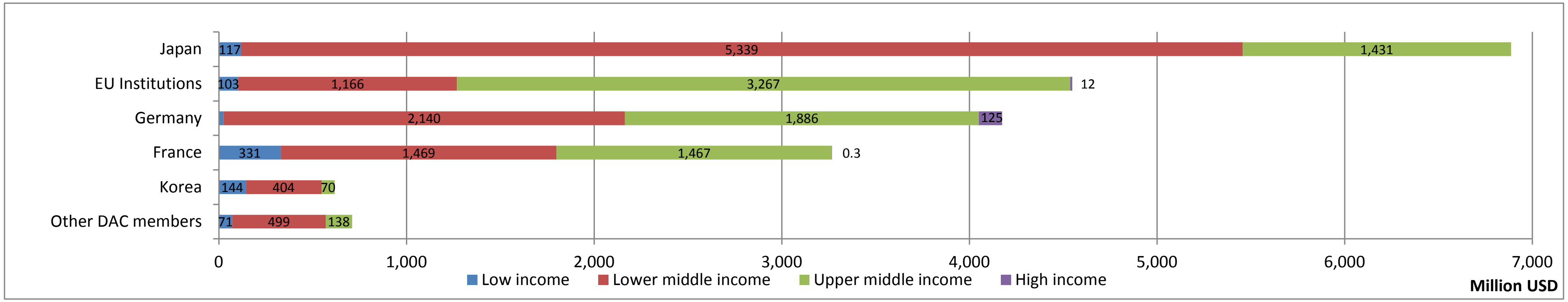


Figure 5 presents the ten largest DAC providers of grants allocable by income in 2014-2015. The low and lower middle income countries received 39% and 42% respectively of DAC members' grants allocable by income. Aid from the United States to low and upper middle income groups represented one third of total DAC members' grants to these groups. The United States also provided a quarter of DAC members' grants to lower middle income countries.

The largest DAC providers of ODA loans allocable by income in 2014-2015 are presented in figure 6. Over half (55%) of DAC members' gross loans allocable by income went to lower middle income countries and 41% went to upper middle income countries. Loans from Japan represented almost half (48%) of DAC members' lending to lower middle income countries and 34% of DAC members' total loans allocable by income. Low income countries received 4% of DAC members' ODA loans.

More information available at:
www.oecd.org/dac/financing-sustainable-development/