

OFFICIAL DEVELOPMENT ASSISTANCE (ODA)

Target 8.B calls for “more generous ODA for countries committed to poverty reduction”. While the context of this specific commitment is enhancing support to the least developed countries (LDCs), subsequent commitments on aid quantity have been geographically broader in coverage, as have commitments on improving the quality and effectiveness of aid. The Millennium Declaration called on industrialized countries “to grant more generous development assistance, especially to countries that are genuinely making an effort to apply their resources to poverty reduction”. This was reaffirmed at the 2002 Monterrey Conference on Financing for Development and the World Summit on Sustainable Development when world leaders pledged to “make concrete efforts towards the target of 0.7 per cent” of their gross national income (GNI) as aid, and also called on recipient and donor countries as well as international institutions to make aid more effective. At their 2002 Summit, the G8 leaders stated that “no country genuinely committed to poverty reduction, good governance and economic reform will be denied the chance to achieve the Millennium Development Goals through lack of finance”. And in 2005, G8 summit leaders noted the various commitments to increase aid to developing countries by about \$50 billion a year by 2010 and committed, with other donors, that at least \$25 billion a year of the increase will go to Africa. To address the quality of ODA, the 2005 Paris Declaration on Aid Effectiveness formalized the actions that donor countries would take to improve the effectiveness of aid, emphasizing national ownership of development priorities, harmonization and alignment of donor activities, predictable and untied aid, programme-based approaches, improved procurement and financial management systems, results-oriented frameworks, and mutual accountability. Subsequent summits have reaffirmed the international community’s commitments and have made pledges to attend to the impact of the present global economic and food crises.

MDG Gap Task Force – Matrix of Global Commitments, ODA

Commitment / Initiative	Targets and indicators	Gap
<p>Millennium Summit, New York, 6-8 September 2000 – MDG-8</p>	<p>Target 8.B: “... and more generous ODA for countries committed to poverty reduction.”</p> <p>Indicators:</p> <p>8.1. Net ODA, total and to the least developed countries, as % of OECD/DAC donors’ GNI</p> <p>8.2. Proportion of total bilateral, sector allocable ODA of OECD/DAC donors to basic social services.</p> <p>8.3. Proportion of bilateral ODA of OECD/DAC donors that is untied</p> <p>8.4. ODA received in landlocked developing countries as a proportion of their GNI</p> <p>8.5. ODA received in small island developing States as a proportion of their GNI</p>	<p>No numerical targets were set.</p>
<p>Declaration and Programme of Action for the LDCs for the Decade 2001-2010, 2001 (also known as the Brussels Plan of Action)</p>	<p>(a) Donor countries providing more than 0.20 per cent of their GNI as ODA to LDCs: continue to do so and increase their efforts;</p> <p>(b) Other donor countries which have met the 0.15 per cent target: undertake to reach 0.20 per cent expeditiously;</p> <p>(c) All other donor countries which have committed themselves to the 0.15 per cent target: reaffirm their commitment and undertake either to achieve the target within the next five years or to make their best efforts to accelerate their endeavours to reach the target.</p>	<p>In 2008 ODA to LDCs was 0.09 of DAC donors’ GNI. The total annual flow to LDCs would have to increase by at least \$23 billion (in 2009 prices) to reach the lower bound of the target.</p> <p>Only 9 countries provide at least 0.15 per cent of their GNI to LDCs.</p>
<p>Monterrey Consensus on Financing for Development, Monterrey, 18-22 March 2002</p>	<p>Target: To make concrete efforts towards the target of 0.7 per cent of GNI as ODA to developing countries and 0.15 – 0.20 per cent of GNI of developed countries to least developed countries.</p>	<p>Aid resources were 0.31 per cent of the combined GNI of the DAC member countries in 2009. The average effort of DAC members was 0.48 per cent. Aid would have to increase by over \$150 billion to reach the target of 0.7 per cent of GNI.</p> <p>Only 5 countries have met the target.</p>

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<p>Paris Declaration on Aid Effectiveness, 2005</p>	<p>Target: Ownership, alignment of aid, harmonization, management for results and mutual accountability</p> <p>Indicators: 12 targets, 15 indicators</p> <p>For baseline results see page 22 of http://www.oecd.org/dataoecd/58/41/41202121.pdf</p>	<p>While progress has been made as measured by the 2008 Survey on Monitoring the Paris Declaration, the pace needs to be stepped up if the 2010 targets are to be met. Not enough progress has been made towards the targets to use local country systems, reduce transactions costs of providing aid, increase predictability and accountability of aid flows.</p>
<p>G8 Gleneagles Summit, July 2005</p>	<p>Target: “On the basis of donor commitments ... the OECD estimates that ODA from the G8 and other donors to all developing countries will increase by around \$50 billion a year by 2010, compared to 2004.”</p> <p>“The commitments of the G8 and other donors will lead to an increase in ODA to Africa of \$25 billion a year by 2010.”</p>	<p>ODA in 2009 was \$22 billion (in 2004 prices) short of the target, equivalent to \$26 billion in 2009 prices. Modest growth of ODA is projected for 2010 so that aid in 2010 will fall at least \$20 billion short of the target.</p> <p>Only \$11 billion of the \$25 billion promised for Africa is expected to be delivered by 2010, leaving a gap of \$14 billion in 2004 prices, or \$16 billion in 2009 prices.</p>
<p>European Union: 2002 Barcelona commitments and 2005 commitments</p>	<p>Target: For EU15 (“old” members), individual ODA target of 0.51 per cent of GNI by 2010 and collectively 0.7 per cent of GNI by 2015 For EU 10 (“new” members), individual target of 0.17 per cent of GNI by 2010 and collectively 0.33 per cent of GNI by 2015</p>	<p>EU 15 achieved 0.44 per cent in 2008. Eight countries had already passed the 0.51 per cent target for 2010.</p>
<p>2005 World Summit, 14-16 September 2005</p>	<p>Commitment to the global partnership for development set out in the Millennium Declaration, the Monterrey Consensus and the Johannesburg Plan of Implementation were reaffirmed.</p>	<p>No new numerical targets were set.</p>

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Accra Agenda for Action, 4 September 2008	Commitment to accelerate and deepen implementation of the aid effectiveness principles of the Paris Declaration.	No new numerical targets were set.
MDG High Level Event, 25 September 2008	Target: Commitments were made by donor countries amounting to about \$17.6 billion towards the MDG's.	It is not clear whether these were additional to previous commitments.
International Conference on Financing for Development, Doha, 29 November 2008	Commitments from the Monterey Consensus were reaffirmed.	No new numerical targets were set.
G 20 London Summit, 2 April 2009	Target: Leaders of the Group of Twenty (G-20) committed “to treble resources available to the IMF to \$750 billion, to support a new SDR allocation of \$250 billion, to support at least \$100 billion of additional lending by the MDBs, to ensure \$250 billion of support for trade finance, and to use the additional resources from agreed IMF gold sales for concessional finance for the poorest countries, [this would] constitute an additional \$1.1 trillion programme of support to restore credit, growth and jobs in the world economy.”	It is not clear whether these are additional to previous commitments.
G8 - L'Aquila Summit, 8-10 July 2009	Target: The G8 committed to mobilize \$20 billion over three years through a coordinated, comprehensive strategy focused on sustainable agriculture development, and to ensure adequate emergency food aid assistance.	It is not clear whether these are additional to previous commitments. The Initiative mobilized \$22 billion and, G8 members disbursed/allocated \$6.5 billion as of 30 April 2010.

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G-20 Pittsburg Summit, 24-25 September 2009	<p>G20 leaders reaffirmed commitments on ODA, including Aid for Trade and Gleneagles commitments, especially to sub-Saharan Africa.</p> <p>G20 leaders reaffirmed commitment to ensure that Multilateral Development Banks (MDB's) and their concessional lending facilities are appropriately funded.</p>	<p>No new numerical targets were set.</p> <p>For more information on MDBs replenishment, see the Matrix of Commitments for external debt.</p>
G8 Muskoka Summit, 25-26 June 2010	<p>G8 leaders reaffirmed commitments on ODA and enhancing aid effectiveness.</p> <p>The G8 remains committed to deliver the full amount of their individual commitments towards sustainable development as promised at L'Aquila by 2012.</p>	<p>For ODA and aid effectiveness, see above.</p> <p>For L'Aquila commitments, see above.</p>
G-20 Toronto Summit, 26-27 June 2010	<p>Reaffirm previous commitments to support development financing and assist the poorest countries and to ensure replenishment for concessional lending facilities of the MDBs.</p>	<p>No new numerical targets were set.</p> <p>For more information on MDBs replenishment, see the Matrix of Commitments for external debt.</p>