

What role for ODA in implementing the post-2015 agenda?

DCF study: Recalibrating ODA allocations post-2015

30th October
2014

Development
Initiatives exists
to end absolute
poverty by 2030



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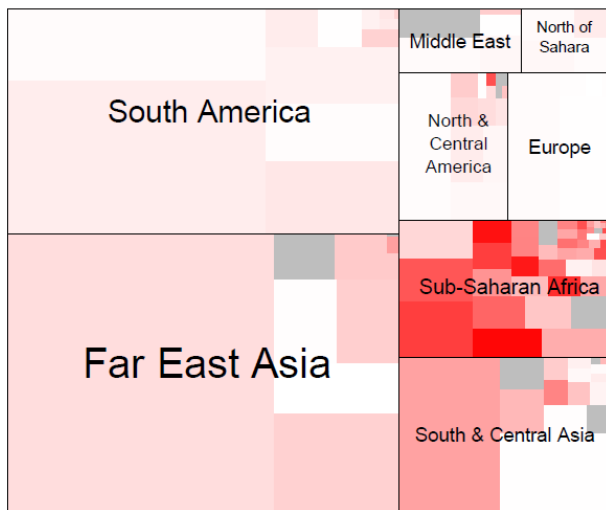
MDGs → post-2015: Key paradigm shifts for ODA

- From halving poverty
to ending poverty in all its forms everywhere
- From an aid-led agenda
to an all-resources agenda
- From the sustainability and development agendas
to a unified sustainable development agenda

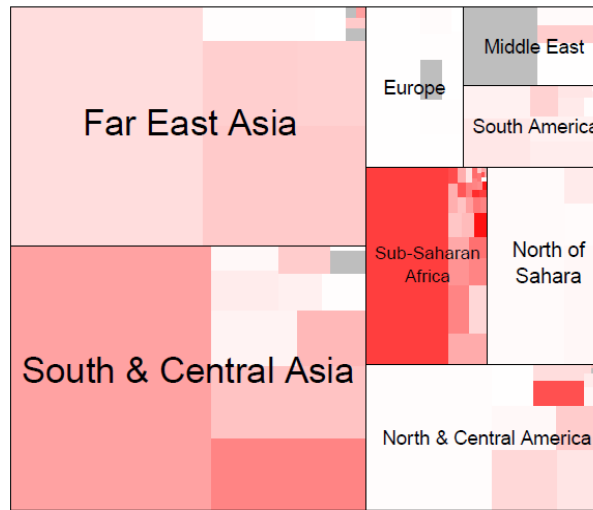
**From halving poverty
to ending poverty in all its
forms everywhere**

ODA is more poverty sensitive than other resources...

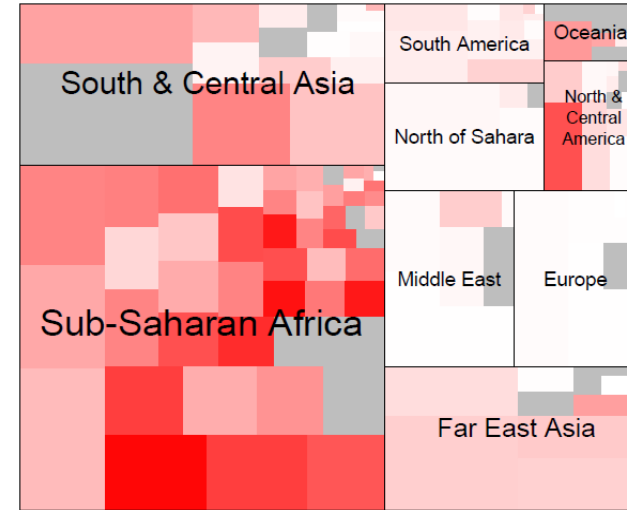
FDI



Remittances



ODA

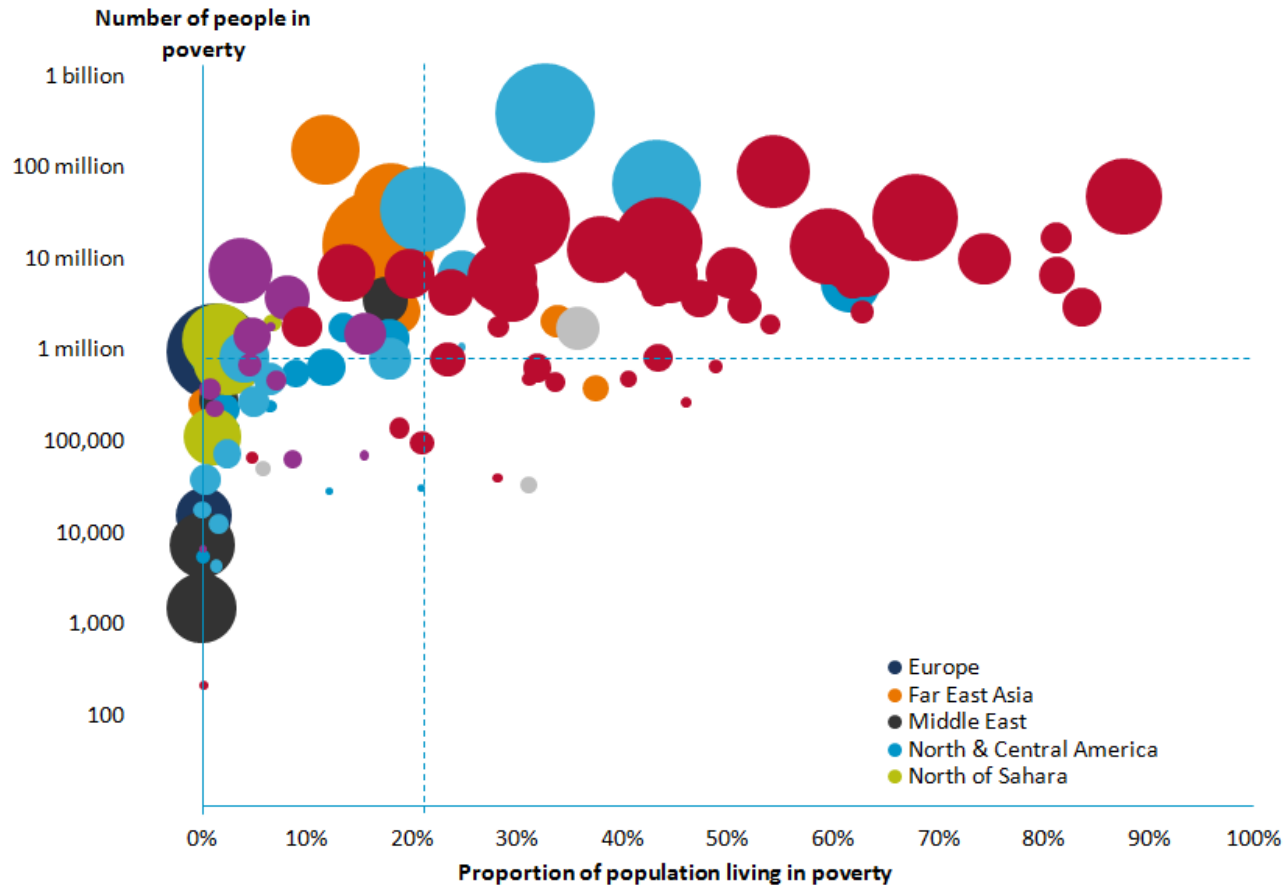


Proportion of population living in poverty in destination country:



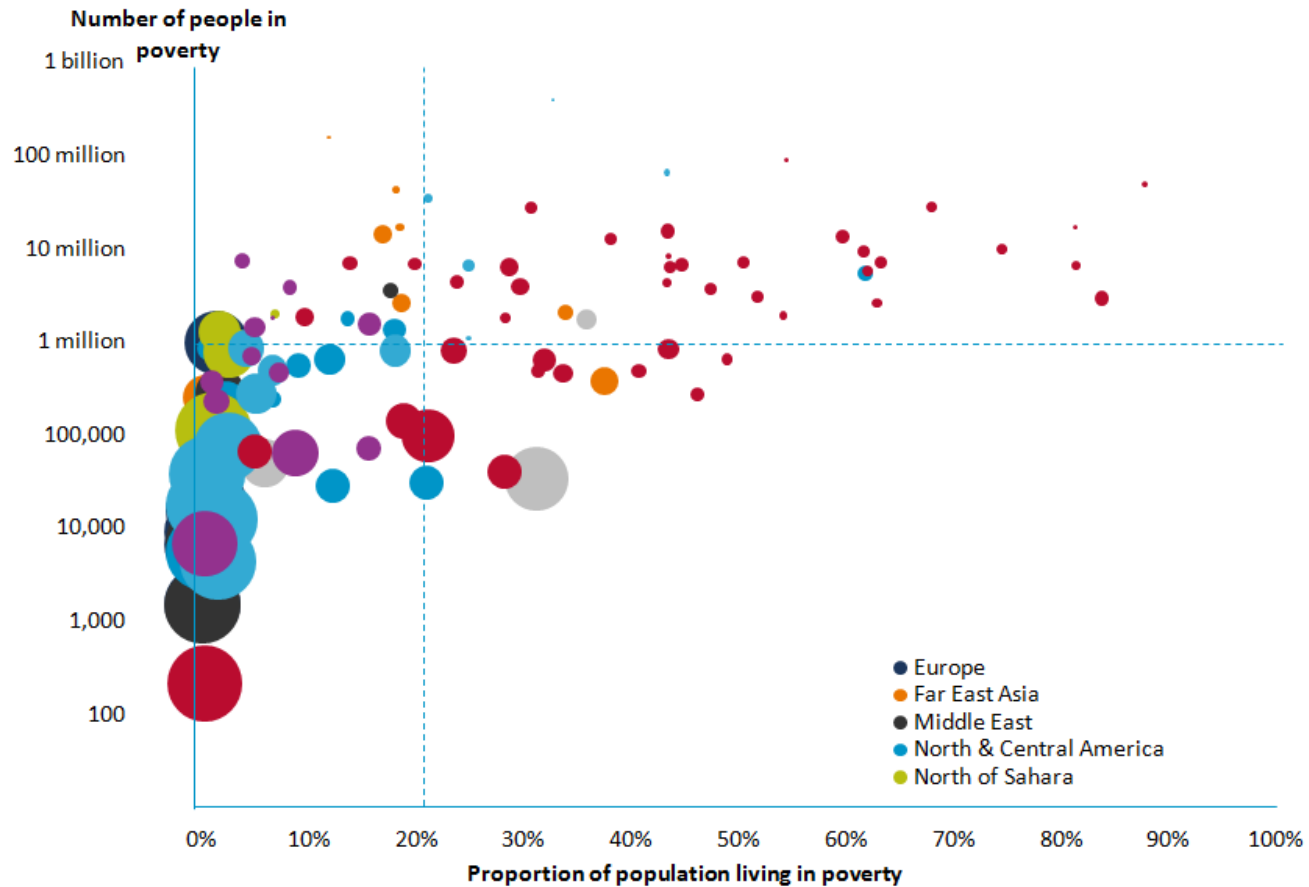
... but allocations do not respond effectively

While many of the largest recipients have high poverty



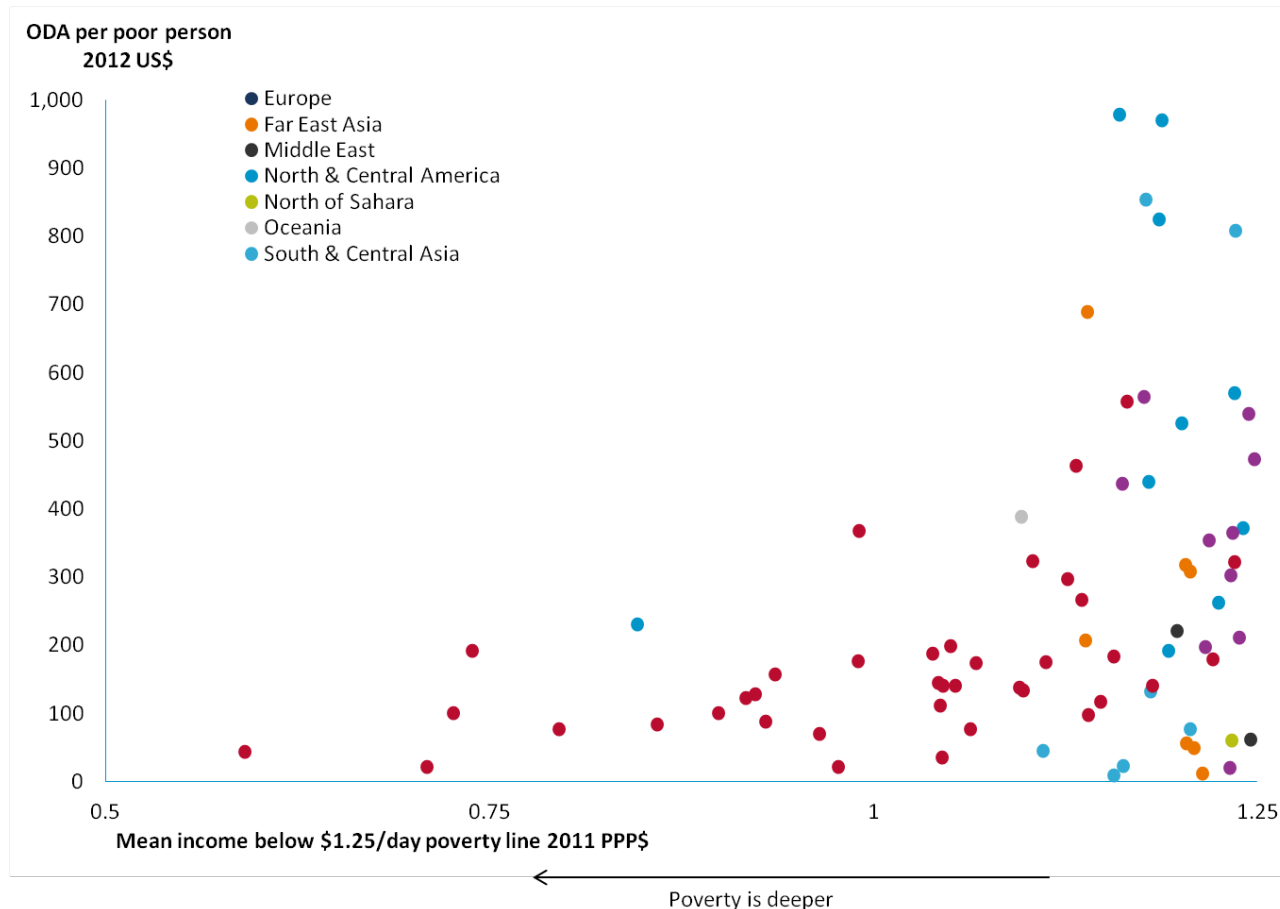
... but allocations do not respond effectively to poverty

ODA per poor person is lower where poverty is higher



... but allocations do not respond effectively to poverty

and ODA per poor person is lower where poverty is deeper

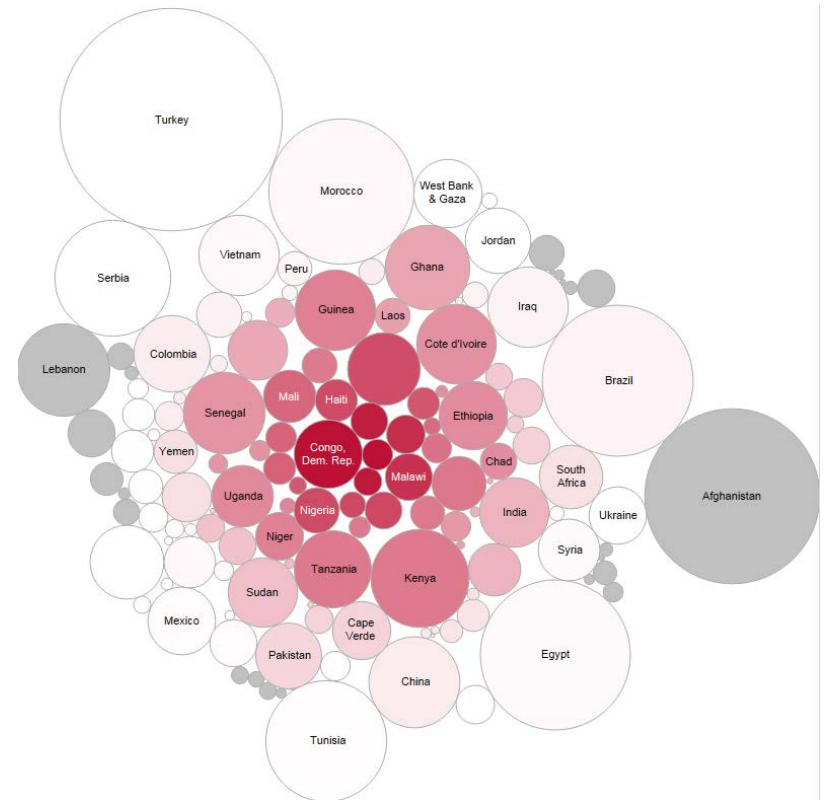
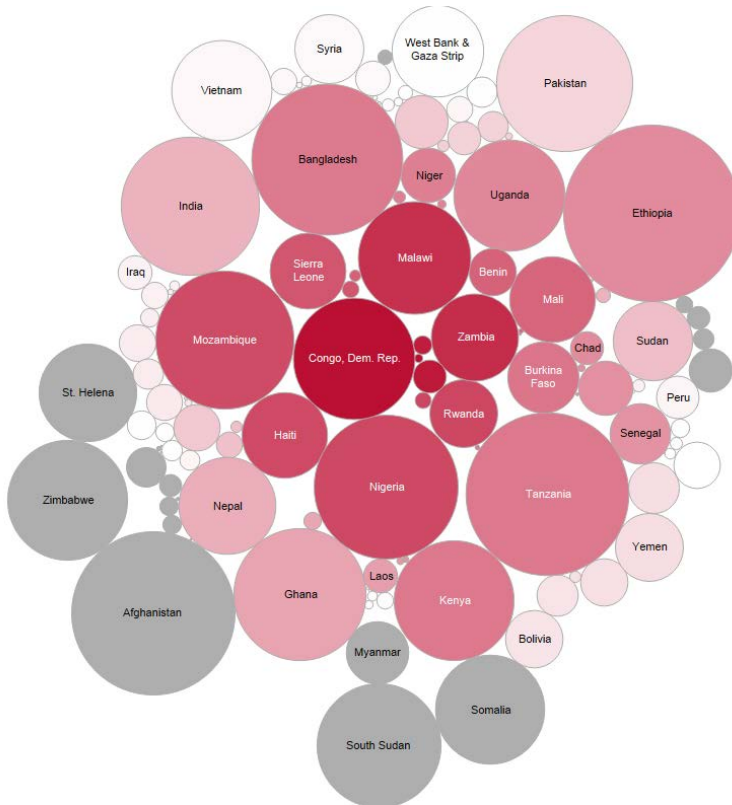


Agencies that have a clear mandate target ODA more effectively

ODA allocations from agencies:

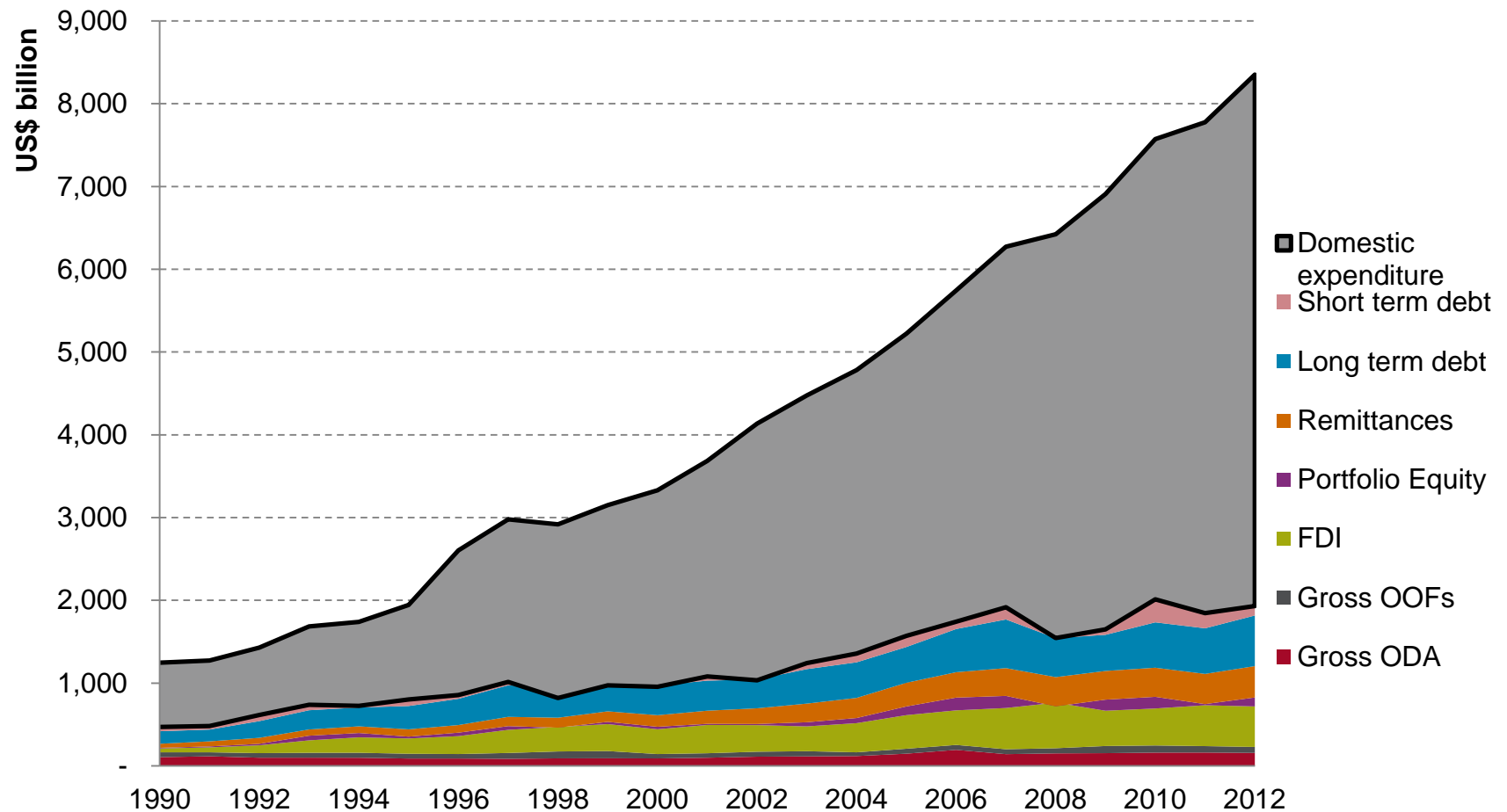
With a legal mandate for poverty reduction

Where poverty reduction is not a specified goal

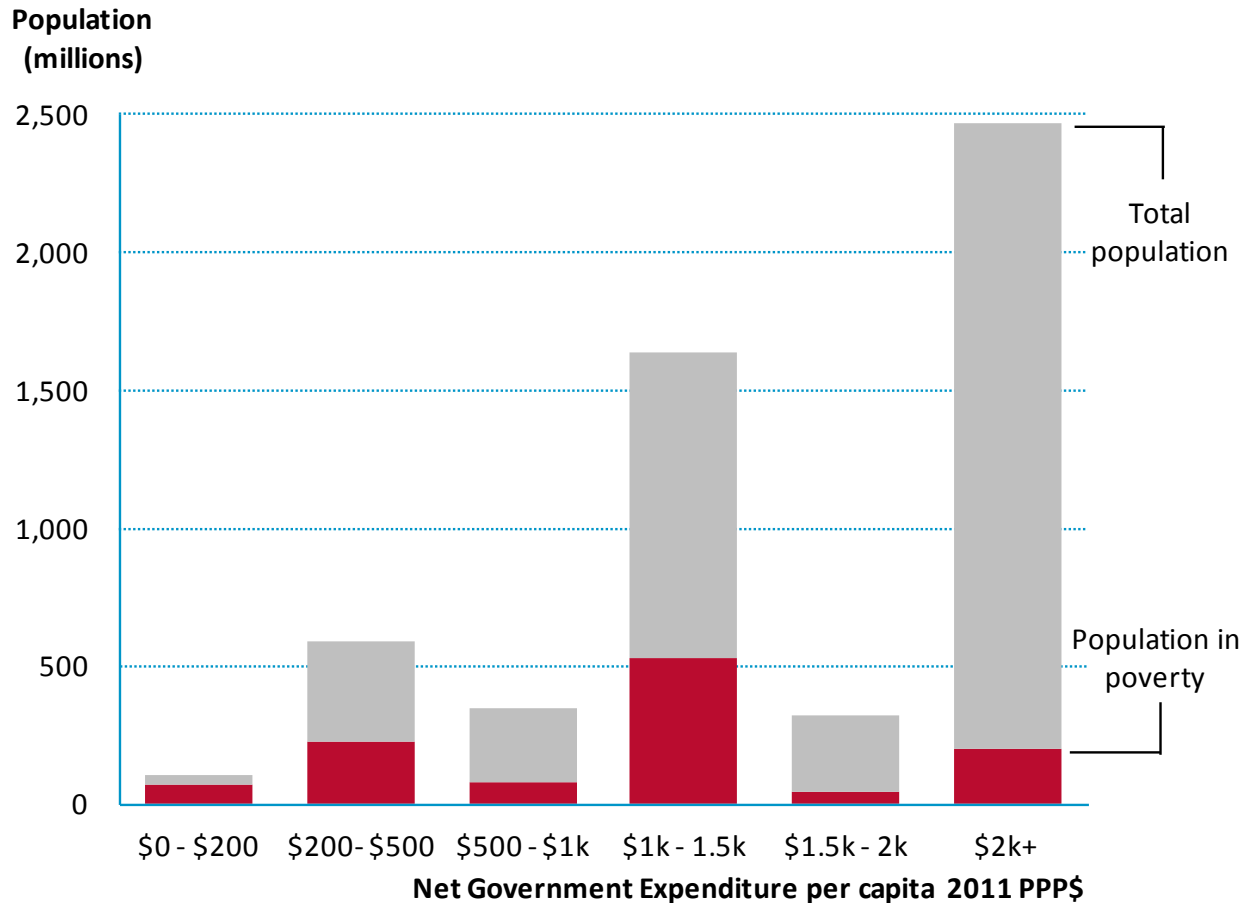


From an aid-led agenda to an all-resources agenda

Domestic resources are 3x international flows

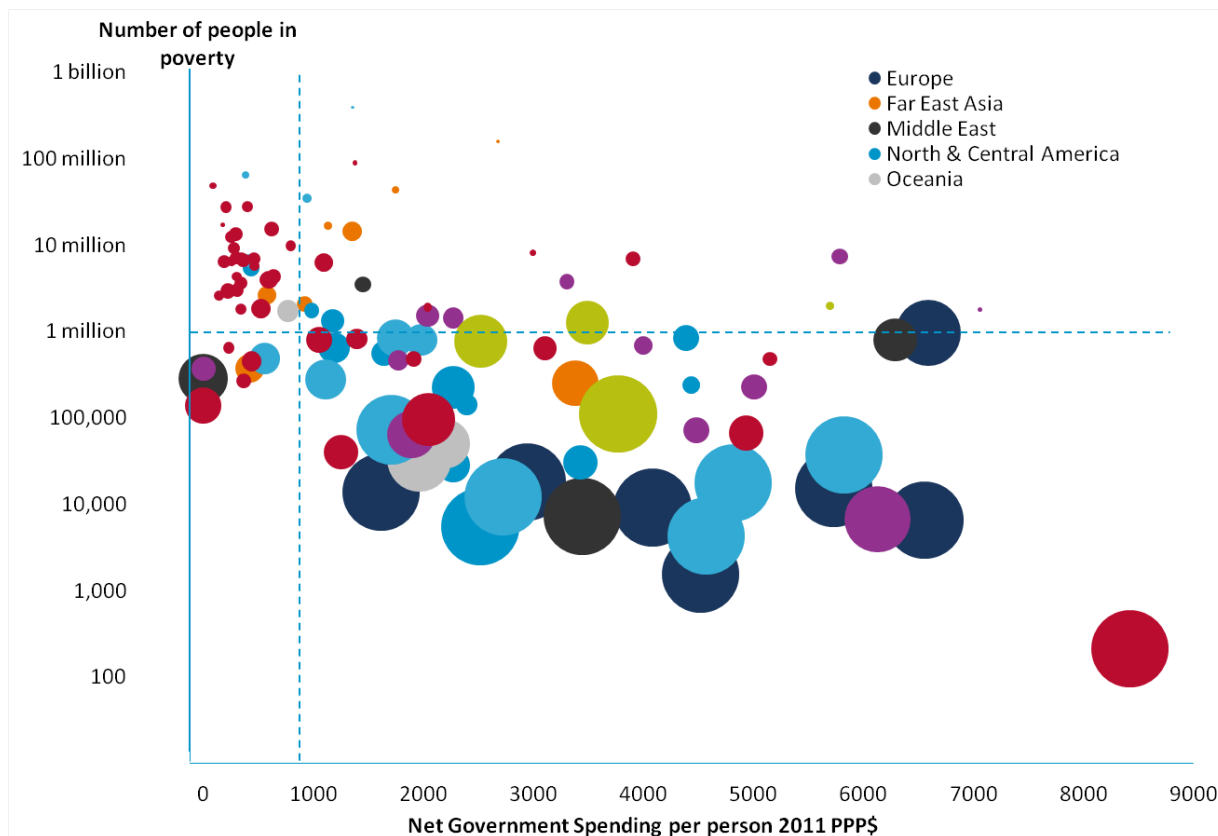


83% of the global poor live where spending is less than PPP\$ 1,500 per person



ODA does not respond to domestic resources

ODA per poor person is lower where government spending per person is lower

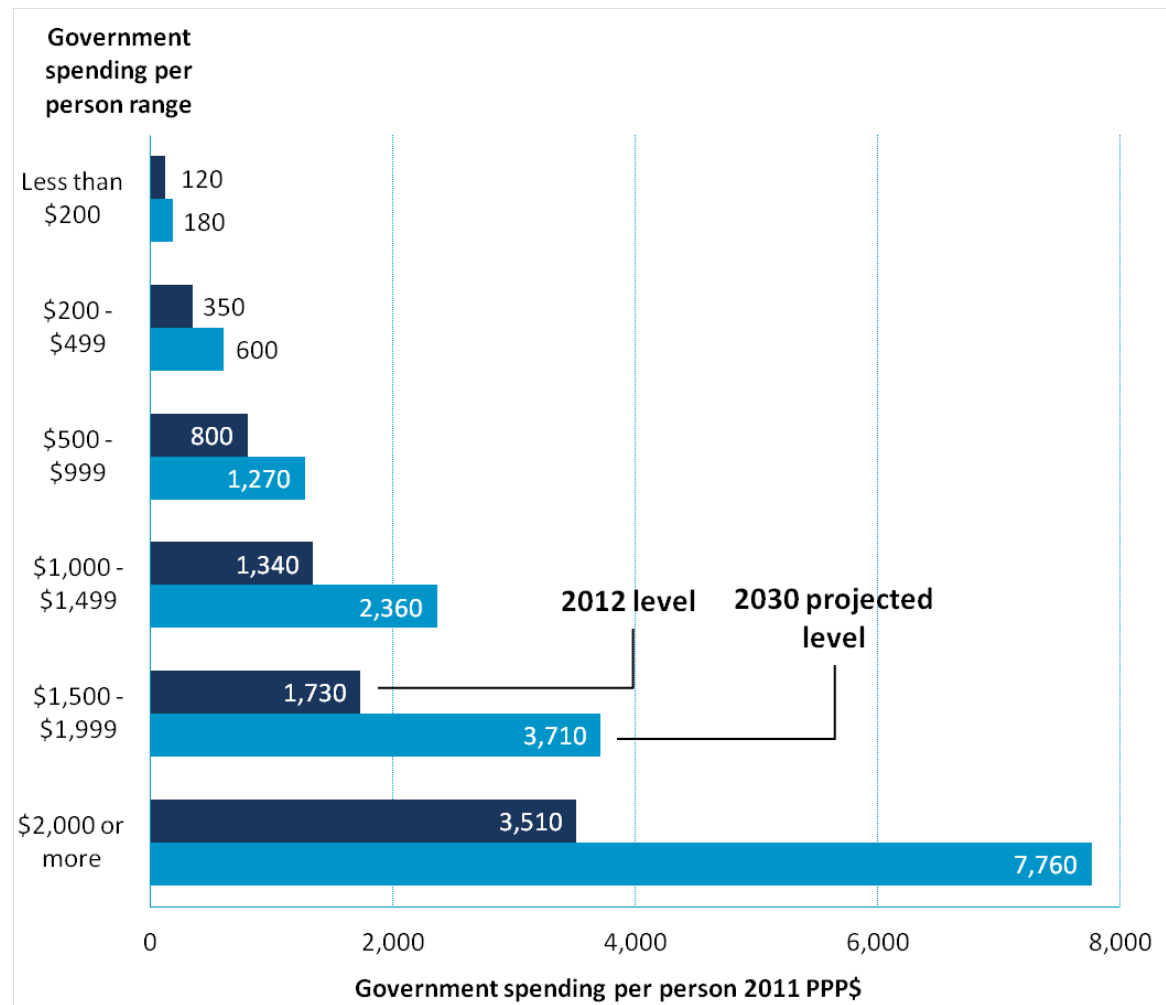


Domestic resources will grow slowest where they are lowest

ODA has a role:

-Mobilising resources where they are growing slowest

-Supporting effective spending where they are growing more rapidly



From sustainability & development agendas to a unified sustainable development agenda

To end poverty we must address sustainability

Politically fragile and environmentally vulnerable

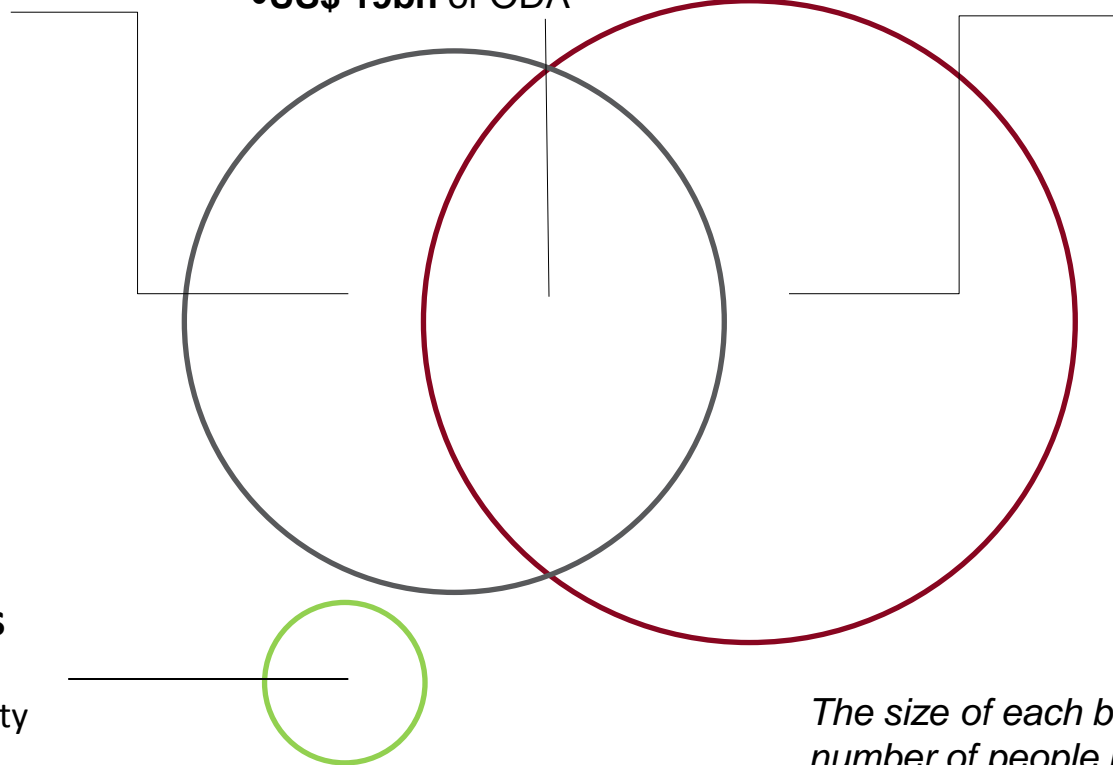
- 13 countries
- 258 million in extreme poverty
- US\$ 19bn of ODA

Politically fragile

- 55 countries
- 282 million in extreme poverty
- US\$ 55bn ODA

Environmentally vulnerable

- 33 countries
- 576 million in extreme poverty
- US\$ 38bn ODA



Other countries

- 47 million in extreme poverty

The size of each bubble represents the number of people in extreme poverty

Conclusions

What role for ODA post-2015?

- ODA should target the poorest 20% of people worldwide
 - Focus on poverty reduction
 - Appropriate assistance for the right context
 - Work with other resources
 - Reduce risk and increase resilience

Taken from forthcoming DCF study: Recalibrating ODA allocations post-2015

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