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Operational activities of the United Nations for international development cooperation

Review of trends and perspectives in funding for development cooperation

Note by the Secretary-General

I. Introduction

1. In paragraph 23 of its resolution 59/250, the General Assembly requested the Economic and Social Council to undertake a comprehensive triennial review of trends and perspectives in funding for development cooperation. The present note was prepared in compliance with that request.

II. Trends and perspectives of bilateral official development assistance

2. Official development assistance (ODA) supplements a developing country's resources for development. During the early 1990s, the share of ODA in gross national income shrank to a low of 0.21 per cent. The pledges made by donors to increase ODA at the International Conference on Financing for Development, held in Monterrey, Mexico, in 2000, stemmed the fall in ODA and by 2005 it had recovered to reach a high of $106.5 billion, with the share of ODA to gross national income equal to 0.33 per cent. ODA for development programmes and projects, excluding debt relief and emergency aid, recorded the largest increase in many years, marking a reversal of a declining trend that had begun in 1985.

3. The recent recovery in aid flows, however, has been mainly the result of debt relief for Iraq and Nigeria and emergency aid to the tsunami-affected countries in the Indian Ocean. Meanwhile, most donors have indicated their aid commitments to 2010 (to 2015 by European Union donors); if they deliver on their pledges, further

* E/2006/100.

substantial increases in ODA from donors of the Organization for Economic Cooperation and Development (OECD) will generate around $130 billion (measured at 2004 prices and exchange rates) by 2010, with half of the increase to Africa.[1] Forecast ODA, however, still falls short of the $150 billion which, according to estimates, is needed to meet the Millennium Development Goals. Moreover, the Development Assistance Committee of OECD has warned that ODA projections should be treated with caution, as pressure on government budgets could make delivery of commitments difficult. It is also important to recognize that, to increase the chances of meeting the Millennium Development Goals, higher priority will need to be given to aid to the poorest developing and least developed countries, preferably in the form of grants, as those countries are furthest from achieving the goals. The composition of ODA must also be changed to finance specific expenditures needed to meet the goals. The drop in ODA (excluding special purpose grants) leads to less ODA available as a source of budgetary resources, thereby limiting the efforts of developing countries to pursue the goals. The trend must be reversed. The volatility and conditionality of aid flows also determine the impact of aid. In that regard, the conventional view is that too much conditionality is associated with a lesser degree of "ownership" of development programmes by the recipient country, and therefore seen as an ineffective way to attain the objectives of development assistance.

4. In recent years, increasing attention has been given to the quality and quantity of ODA. The High-Level Forum on Aid Effectiveness, held in Paris from 28 February to 2 March 2005, produced a system to monitor and measure progress on the delivery of pledges to enhance aid effectiveness. The Development Assistance Committee Working Party on Aid Effectiveness agreed on targets for the 11 indicators set out in the Paris Declaration on Aid Effectiveness. Performance on the targets and indicators will be reviewed at the next Forum, to be held in Accra in 2008. Efforts to improve aid effectiveness by building capacity, among other means, continue at the regional level.

III. Funding United Nations development cooperation

5. The total value of contributions received by the United Nations system for development cooperation activities in 2004 amounted to $12.3 billion (see table 1), an increase over 2003 of 17.1 per cent in nominal terms which, when account is taken of both inflation and exchange rate movements, translates into a 7.6 per cent increase in real terms. Yearly contributions to the system have risen steadily over the past five years. By 2004, the long-term evolution of the flow of resources to the United Nations system had resulted in a near doubling of the 1993-1994 benchmark figure in real terms.

[1] The European Union and its member States continue to be the largest source of aid, providing more than half of total ODA. Denmark, Luxembourg, the Netherlands, Norway and Sweden have already met and exceeded the 0.7 per cent target of their national income allocated to official assistance.

Table 1
Contributions to the United Nations system for development cooperation activities and multilateral and bilateral official development assistance
(Millions of current United States dollars)

	1993-1994 average	*2000*	*2001*	*2002*	*2003*	*2004*	*Increase between 2003 and 2004 in real terms*[a] *(percentage)*
United Nations system	5 346	7 278	7 775	8 138	10 493	12 274	7.6
Non-United Nations multilateral ODA	13 371	12 500	12 078	12 906	14 660	20 456	28.3
Multilateral ODA subtotal	18 717	19 778	19 853	21 044	25 153	32 730	19.7
Bilateral ODA	41 021	36 847	36 033	40 752	52 946	57 671	0.2

Sources: OECD/Development Assistance Committee, *Development Cooperation Report 2004*, Development Assistance Committee databases and A/61/77-E/2006/59, annex, table A-1.
[a] Taking account of both inflation and exchange rate movements.

6. Table 1 shows that each of the other ODA categories (non-United Nations multilateral ODA and ODA from bilateral donors to partner countries) also increased in nominal terms, but by different degrees. In 2004, the non-United Nations multilateral ODA category, which includes multilateral organizations such as the World Bank Group and regional development banks, received a total value of contributions amounting to $20.5 billion. The amount represented an increase over 2003 of 39.5 per cent in nominal terms which, when account is taken of both inflation and exchange rate movements, is equal to an increase of 28.3 per cent in real terms. Until 2002, yearly contributions to non-United Nations multilateral organizations had been steady. Though an upward trend began in 2003, the figure for 2004 was still only a quarter greater than the earlier benchmark figure of 1993-1994.

7. The third category (ODA from bilateral donors to partner countries), which increased markedly in 2003, also rose in 2004, though by a much smaller proportion. The 2004 figure of $57.7 billion represents an increase over 2003 of 8.9 per cent in nominal terms; however, when account is taken of inflation and exchange rate movements, the real figure is almost unchanged. The 2004 bilateral figure in constant 2003 dollar terms ($53 billion) is only 18 per cent greater than the benchmark figure of 1993-1994 ($44.8 billion) in constant 2003 dollar terms.

8. The two multilateral categories add up to $32.7 billion for 2004, an increase over 2003 of 30.1 per cent in nominal terms which, when account is taken of inflation and exchange rate movements, is equal to an increase of 19.7 per cent in real terms. Total ODA, including all categories, increased in real terms by 5.9 per cent from 2003 to 2004.

9. Overall, the share of ODA contributions to the organizations of the United Nations development system has hovered between 13 and 14 per cent over the past five years as against 9 per cent in the early nineties, amounting to an average of 11 per cent of total ODA for the period 1993-2003 (over 13.4 per cent in 2003). Such positive trends should, however, be interpreted with caution as they are mostly the result of an increase in supplementary funding. Notwithstanding the commitment of a few donors to the core budgets of the United Nations funds and programmes, core resources of the United Nations system did not grow significantly over the period, falling substantially in 2004. Contributions to core resources represented only about half of total contributions from 2000 to 2003, the other half being contributions to supplementary funding or "other contributions". In 2003, the share of core resources fell further from 50.9 per cent of total contributions to the United Nations development system to 41.1 per cent of total contributions in 2004.

10. In 2004, core resources were only 70 per cent of other resources. Even the current dollar amount of core resources fell, while the current dollar amount of other resources registered its biggest annual increase. Such a trend would have significant implications for the funding of the United Nations system if it were to continue. The General Assembly has repeatedly highlighted the need to enhance the core or regular part of the contributions to the United Nations development system in order to guarantee the availability of the capacities required to promote sustainable development cooperation.

11. The role of supplementary resources has increased for all organizations of the system, with some organizations (such as the United Nations Development Programme (UNDP) and a few specialized agencies) becoming more dependent on "non-core" or "supplementary" resources than others. The regular budgets of the specialized agencies, based on assessed contributions, have been locked at historically low levels because of the application of zero or no nominal growth policies. In addition, given the instability of funding of the United Nations funds and programmes, the agencies can no longer rely on them exclusively to fund extrabudgetary activities, as used to be the case until the early 1990s. This has constrained their ability to adjust core capacity to support their response to the new demands emerging from the United Nations development agenda, such as the Millennium Development Goals.

12. Organizations of the United Nations development system are exploring funding modalities that enhance the predictability, long-term stability, reliability and adequacy of funding for the operational activities of the system focused on long-term development challenges.[2] Those efforts were analysed in detail in the report of the Secretary-General on the funding options and modalities for financing operational activities for development of the United Nations system submitted to the Economic and Social Council in 2005.[3] The report concluded that, as they gear themselves to respond to the evolving needs of programme countries and seek to meet the internationally agreed development goals, United Nations organizations would need to continue to explore and promote the appropriate mixes of contributions to fund their operational activities for development.

[2] See General Assembly resolution 59/250, paras. 15 and 24.

[3] A/60/83-E/2005/72 prepared in compliance with paragraph 24 of General Assembly resolution 59/250. Relevant data and analysis can also be found in E/2006/59.

IV. Multilateral and regional development banks

13. Multilateral development banks perform a wide array of financial functions, such as channelling funds to low-income countries, lending to middle-income countries, acting as counter-cyclical balance to private market fluctuations and catalysing private sector investment. After major reforms in the 1990s, the financial bases of the regional and subregional development banks grew substantially, allowing them to increase lending. Their growth has led to greater cooperation, but also more intense competition with the World Bank.[4]

14. The relative roles of loans and grants have long been debated in the context of assistance by multilateral development banks to developing countries. While the trend seems to be towards increasing the share of grants over loans, especially in the case of poorer developing countries, the continued provision of grants will depend on the recipient country's performance in the areas of economic policy, governance and poverty reduction. Recently, however, more attention has been focused on combining concessional aid with other types of assistance tailored to meet specific country needs.

15. Multilateral development banks play different roles in different regions. Their expansion has focused on middle-income countries, where their combined net flows surpass those from the World Bank.[5] Over the period 1991-2002, net flows from the World Bank and regional development banks represented, respectively, 50 per cent and 41 per cent of total long and medium-term net flows to developing countries from multilateral sources, with other institutions providing the rest.[6] The emphasis placed on certain operations by regional and subregional institutions reflects the diversity of their constituencies' financial needs. This, in turn, supports the general idea behind the creation of regional and subregional institutions which are able to perform specific and localized services not always covered by global or even regional institutions. The need for collective action to address regional problems and the absence of supranational institutions indicate the importance of regional and subregional development banks in supporting regional strategies.

16. In recent years, the role of multilateral development banks has come under increasing scrutiny, and different stakeholders have expressed diverging views. The Meltzer Commission, for instance, proposed phasing the banks out, while the United States Department of the Treasury defended the financial role of the multilateral development banks vis-à-vis low and middle-income countries. In the communiqué issued following its ministerial meeting in April 2005, the Intergovernmental Group of Twenty-four on International Monetary Affairs and Development expressed its concern over the marked increase in net negative transfers from multilateral development banks to developing countries, and urged the World Bank to reduce that trend. The most controversial issue since the 1980s, however, is the role of lending-associated conditionality, particularly structural conditionality, and the most recent governance conditionality.

17. The Monterrey Consensus recognized the need to strengthen the role of multilateral development banks, and urged that although actions may be associated with past practices (especially in respect of low-income countries), emerging issues

[4] See *World Economic and Social Survey 2005*, chap. IV.

[5] Ibid.

[6] Ibid., table IV.4.

should be addressed as well. Such issues can be related to the role that the trade financing facilities of multilateral development banks can play during crises, when trade finance becomes scarce, better leveraging their resources in providing guarantees, or the design of counter-cyclical facilities. Furthermore, the role of multilateral development banks as “market makers”, as reflected in the support of private-public partnerships in infrastructure, can be further strengthened. This is a promising area with regard to South-South cooperation.

V. The role of global funds

18. Global funds constitute a growing source of financing for development cooperation. While new initiatives have attracted a significant amount of resources in recent years, well-established global funds, such as the International Development Association of the World Bank and the European Development Fund have also substantially increased financing for development cooperation. Pledges by the International Development Association, for example, increased from $23 billion in 2002-2005 to $33 billion for 2005-2008, while those by the European Development Fund increased from €13.5 billion in 2001-2007 to €22.7 billion for 2008-2013. Resources allocated to the Global Environment Facility, another well-established fund, have experienced slower growth, amounting to $3 billion for 2002-2006 as against $2.75 billion for the previous cycle (1998-2002) (see table 2).

Table 2
Global funds

Fund	Financial resources: Latest cycle	Pledges	Previous cycle	Pledges
International Development Association	2005-2008	$33 billion	2002-2005	$23 billion
European Development Fund	2008-2013	€22.7 billion	2001-2007	€13.5 billion
Global Fund to Fight AIDS, Tuberculosis and Malaria	2005-2008	$5.4 billion[7]	2001-2004	$3.4 billion
Global Environment Facility	2002-2006	$3.0 billion	1998-2002	$2.75 billion
Millennium Challenge Account	2006	$1.77 billion	2005	$1.5 billion
Global Alliance for Vaccines and Immunization	2006-2015	$1.6 billion[8]	2000-2005	$1.7 billion
International Finance Facility for Immunization	2006-2015	$4.0 billion[9]		
Global Alliance for Improved Nutrition	2003-2007	$100 million[10]		

19. The global fund concept has evolved over the past few years. Many of the newer initiatives can best be described as issue-based public-private partnerships with governance arrangements that do not provide for sole control by member Governments. The new funds generally operate independently of any institution or international organization. Prominent recent initiatives include the Global Fund to Fight AIDS, Tuberculosis and Malaria, the Global Alliance for Vaccines and Immunization and the Global Alliance for Improved Nutrition. More than $7.1 billion have been pledged to these three initiatives for the latest funding cycle (see table 2). In 2004, the largest of these funds, the Global Fund to Fight AIDS, Tuberculosis and Malaria, is estimated to have accounted for 45, 66 and 20 per cent

[7] See www.theglobalfund.org.
[8] See www.gavialliance.org.
[9] The Governments of the United Kingdom of Great Britain and Northern Ireland, France, Italy, Spain, Sweden and Norway have pledged nearly $4 billion for the Facility. See www.iffim.com.
[10] As at March 2006, the Alliance had secured $100 million in funding from the Bill and Melinda Gates Foundation, the United States Agency for International Development and the Inter-American Committee for Agricultural Development. Its work has also convinced the food industry to invest $353 million in fortification.

of all international funding to address malaria, tuberculosis and HIV/AIDS, respectively.

20. One of the newest global funds is the International Finance Facility for Immunization, which will use pledges of future aid to leverage resources from international capital markets for immediate use to expand child immunization in developing countries. The Facility has already received pledges amounting to more than $4 billion for the period 2006-2015.

21. The new global funds have been particularly successful in three important ways: in mobilizing a significant amount of additional resources to address important socio-economic challenges of a worldwide scale; in promoting strong country ownership of programme activities; and in operating in a more cost-efficient manner than many established institutions. At the same time, the new global funds have been subject to some criticism for not adequately involving the Governments of developing countries in the formation, design and governance of those initiatives. A number of other concerns have also been raised by various stakeholders. They include the unclear interface of the new funds with United Nations agencies, in terms of both the potential duplication of country-level structures and competition over resources; sustainability of financial resources, particularly considering that the challenges being addressed by the new global funds often require a 10-to-15-year time horizon, while funding commitments may be for a much shorter period; the relatively low level of participation of the private sector in the initiatives; and the possible negative impact of the proliferation of global funds on the already fragmented development cooperation system.

VI. Innovative sources of financing for development

22. Innovative financing mechanisms are another potential source of financing for development cooperation. Although it would be optimistic to think that those new sources alone would provide the possibility for closing the financing gap to achieve the Millennium Development Goals, they can nonetheless contribute to reducing that gap and more importantly provide continuity in providing the resources necessary for development after 2015.

23. At the international conference on the theme "Solidarity and globalization: innovative financing for development and against pandemics", held in Paris from 28 February to 1 March 2006, 13 countries agreed to initiate procedures to levy a tax on airline tickets to fund the fight against HIV/AIDS, tuberculosis and malaria. The tax is expected to generate more than $250 million annually in France alone. An additional 25 countries pledged to contribute funds in lieu of an air tax to a central account created for the proceeds from the tax. A proposal for the establishment of a new global fund, the international drug purchase facility, was also reviewed at the conference. The purpose of the fund would be to facilitate access to drugs to combat HIV/AIDS, tuberculosis and malaria.

24. Another proposal that is well advanced is the International Finance Facility, launched in the context of a pilot project on immunization. The project could raise $4 billion over 10 years, a smaller but significant amount than initial estimates for a full-blown International Finance Facility. The United Kingdom will hypothecate part of the revenue from its existing Air Passenger Duty to finance the project. Evaluations from the *World Economic and Social Survey 2005: Financing for*

Development and elsewhere show that other measures, such as a tax on carbon emissions and a tax on financial transactions, would generate the most revenues: low estimates range from $16.8 billion to $19.2 billion for a one basis point tax on financial transactions, while a $21 tax per ton of carbon (equal to 5 cents per gallon of gasoline) restricted to rich countries could raise $61 billion per annum.

25. Donations could also be fostered, as they account for a small but growing share of funds geared towards development. Within the European Union, the yield of credit card gifts equivalent to 1 per cent of Visa debits would reach $10 billion per annum. A "humanitarian lottery to free children from hunger" is also advocated by the World Food Programme, according to which up to $100 million could be levied per game worldwide with only the participation of 1 per cent of potential players.

26. Other major innovative financing proposals include advance market commitments for vaccines, currently being studied in the context of recent efforts by Group of Eight members; using special drawing rights for development that could involve their allocation by developed countries to a dedicated trust fund by gift or through a redistribution of quotas; global premium bonds; facilitating and lowering remittance costs for migrant workers; and other taxes, such as an arms tax, that could be earmarked for development objectives.

27. At the World Summit on 14 September 2005, 79 countries backed the Declaration on innovative sources of financing for development encouraging further work on an international solidarity contribution. Building on the World Summit Outcome,[11] the General Assembly, in its resolution 60/487, recognized the ongoing international efforts, contributions and discussions to increase and supplement traditional sources of financing within the context of the follow-up to the International Conference on Financing for Development. Against that background, the above-mentioned international conference on solidarity and globalization intensified political efforts to progress towards implementation and consensus. A total of 93 countries, 18 international organizations and 60 non-governmental organizations participated in the conference, organized on the initiative of the French President. Participants also reviewed a proposal to create an international drug purchase facility. They welcomed the creation of the "Leading group on solidarity levies to fund development", which includes 38 countries, with the aim of contributing to the emergence and circulation of innovative financing for development projects and promoting the idea of solidarity levies among partners and international forums, in particular to develop the international air-ticket solidarity contribution. According to the Chair's summary of the conference, innovative financing for development should remain on the agenda of the United Nations and other major international forums.

VII. South-South financial cooperation

28. South-South cooperation has major growth potential as an important dimension of international development cooperation. Over the past decade, South-South cooperation has gained momentum owing to increasing flows of South-South trade and investment, as well as integration into regional and subregional economic

[11] General Assembly resolution 60/1.

communities.[12] Moreover, new trends in South-South cooperation have emerged, including better organization of major developing countries in the delivery of development assistance and improved integration of aid and trade. New alliances in the South are creating new perspectives to take full advantage of the greater diversity in the capacities and experiences in developing countries. The increase in economic growth of several countries has created a demand for new markets and added economic and political incentives for mutual cooperation. At the 2005 World Summit, world leaders strongly encouraged regional efforts to explore new ways for South-South cooperation, exchange views, learn from each other and strengthen trade, investment and technical cooperation.[13]

29. Efforts towards South-South financial and monetary cooperation are increasing. At the international level, the Group of Twenty-four on International Monetary Affairs and Development has continued to strengthen its work among its member countries. A network of finance ministers from heavily indebted poor countries has been created in an effort to enhance cooperation and exchange of experiences among those countries in relation to the process of obtaining debt relief.[14] There are various regional South-South financial and monetary cooperation arrangements including: (a) initiatives in sub-Saharan Africa, in particular in the context of the Economic Community of West African States and the Southern African Development Community; (b) the Islamic Development Bank and the Arab Monetary Fund; (c) subregional developments in Latin America and the Caribbean and the six-member Latin American Reserve Fund; (d) the Asian Clearing Union; and (e) the Chiang Mai Initiative adopted by the Association of Southeast Asian Nations, China, Japan and the Republic of Korea.

30. South-South technical cooperation is a valuable contribution to the development of national capacities in developing countries. For example, China established a voluntary trust fund for the promotion of South-South cooperation; India has spent $2 billion over the years in different areas of South-South cooperation; Cuba provides medical training in Latin America and the Caribbean; and Japan, through the Japan International Cooperation Agency, is an active supporter of third country training programmes.[15] Although comprehensive data on South-South development assistance are not available, more advanced developing countries like Brazil, China and India have been active in providing technical assistance to low-income countries.[16] Several developing countries are combining their efforts by providing grant assistance to other developing countries; for example, the India-Brazil-South Africa[17] financial facility provides aid in the form of non-reimbursable grants.

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[12] See A/60/257.

[13] See General Assembly resolution 60/1.

[14] For more detailed information on the network, see http://www.dri.org.uk/pages/hipcen.html.

[15] For more details, see the *World Economic and Social Survey 2005: Financing for Development*, chap. IV.

[16] See World Bank, *Global Development Finance 2005: Mobilizing Finance and Managing Vulnerability*, chap. V.

[17] This is intercontinental cooperation with a larger scope than trade and potential to attract other developing countries. It is drawing together the three most powerful economies of the southern hemisphere in a regional axis for the first time. The concrete target is to boost collective trade and investment levels.

31. Trade and investment among developing countries have also been growing rapidly. According to the United Nations Conference on Trade and Development (UNCTAD), trade within and among all developing country regions has recently grown faster than world trade (on average, three times as fast as in the past decade). The share of South-South trade in developing country agricultural commodity exports increased to 40 per cent in 2003; while for South-South agricultural imports, the share was 47 per cent (in both cases, an increase of 10 per cent from 1990). Around half of the exports of Brazil, China and India are now to other developing countries. To effectively contribute to the achievement of the Millennium Development Goals and broaden the donor base, actors from the North (multilateral agencies, the private sector and civil society organizations) are supporting the goals of South-South cooperation by participating in triangular cooperation.[18]

32. South-South cooperation received further impetus in 2005. At the second South Summit from 14 to 16 June 2005, in Doha, developing countries adopted the Doha Plan of Action, which included the creation of the South Fund for Development and Humanitarian Assistance to support economic and social development. At the same time, China announced a package of measures to support financial flows to least developed countries,[19] while the Bolivarian Republic of Venezuela announced the extension of its PetroCaribe programme to ease the impact of rising oil prices on the Caribbean region.

33. South-South cooperation now covers a broad spectrum of areas and issues. The recent positive trends indicate that South-South cooperation has great growth potential. The emerging and dynamic new economies of the South provide opportunities for taking South-South cooperation to a higher level of collective self-reliance through trade, investment and technological cooperation. However, such cooperation remains dispersed and fragmented. In 2005, the OECD/Development Assistance Committee and UNDP jointly organized a partnership forum for the first time that brought together members of the Committee with a wide range of non-member Governments and institutions in development cooperation dealing with South-South initiatives, to discuss how to harmonize aid delivery activities as a dimension of collaboration under triangular cooperation. Despite the visible progress in South-South cooperation, there is still a need to harmonize the design and implementation of policies and tools, with a view to optimizing the overall impact of development cooperation.

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[18] Triangular cooperation is a form of technical cooperation between two or more developing countries that is supported financially by northern donors or international organizations. For example, the United Nations Development Programme (UNDP) Special Unit for South-South cooperation promotes triangular cooperation. This takes a broad-based approach that promotes technical cooperation partnerships with various actors that include traditional donors, multilateral agencies, the private sector, academic institutions and civil society organizations.

[19] During the 2005 World Summit, the President of China announced new measures to strengthen South-South cooperation: (a) increased aid to developing countries for the prevention and treatment of malaria and other infectious diseases; (b) debt exemption for heavily indebted poor countries; (c) a wide range of 3-year training programmes for 30,000 trainees from developing countries; and (d) a 3-year $10 billion preferential loan programme for developing countries.

VIII. Private grants

34. Private grants are also a source of financing for development. Private grants from member countries of the Development Assistance Committee in 2003-2004 averaged over $10 billion annually, equivalent to 0.04 per cent of gross national income of these countries.[20] The ratio was basically the same as that in 1993-1994, although the amount of private grants increased steadily in the 1990s. Private grants included private foundation expenditure on development, estimated at an annual average of $3 billion in the period from 2000 to 2003. In addition, corporate donations to low-income countries of major global corporations were estimated to be between $2 billion and $4 billion annually. However, it is well known that corporate donations tend to be substantially underestimated.[21]

35. The issues of private resource flows to developing countries, including remittances, which represent important flows but are not related to development cooperation, are covered in other documents. In this respect, the report of the Secretary-General on the international financial system and development (A/60/163) contains relevant information and analysis. Reports with updated information on such flows, including on the Financing for Development follow-up, will be issued in the latter part of 2006.

[20] Defined as net grants by non-governmental organizations, namely grants by organizations net of subsidies received from the official sector. See OECD/Development Assistance Committee, *Development Cooperation Report 2005*, tables 2 and 7.

[21] See *Building on the Monterrey Consensus: The growing role of Public-Private Partnerships in Mobilizing Resources for Development*, Geneva, 2005, annex 1.