



AID FOR TRADE

KEY FACTS

March 2021

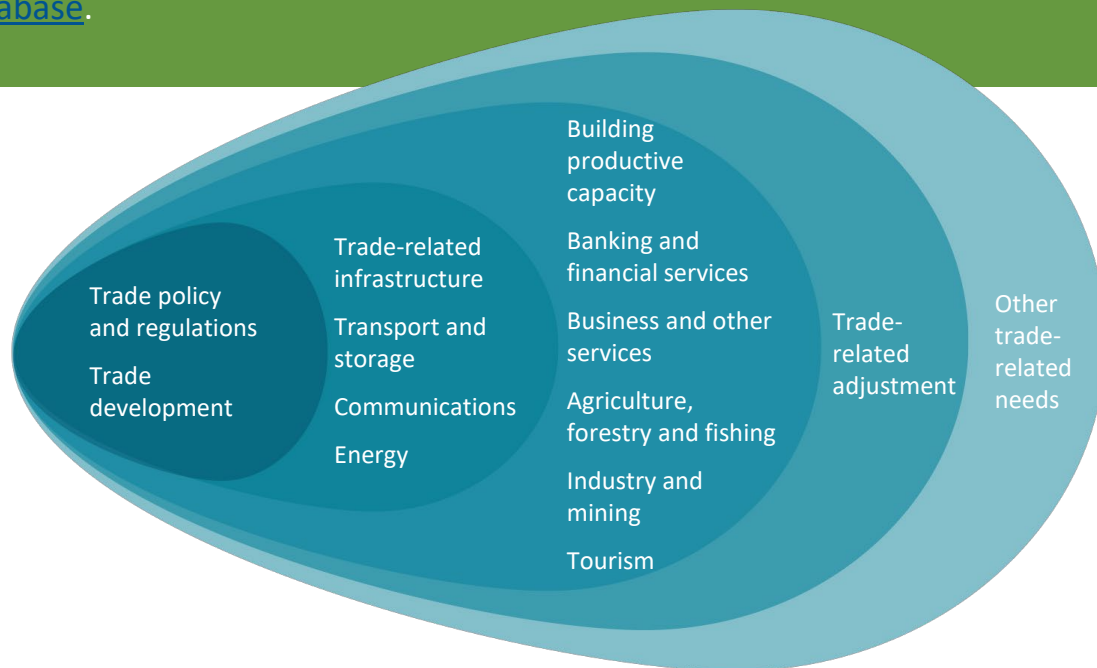


Methodology: How is Aid for Trade measured?

OECD statistics on Aid for Trade draw from the Creditor Reporting System (CRS) and include all official development assistance (ODA) activities pertaining to (i) technical assistance for trade policy and regulations, (ii) economic infrastructure, (iii) productive capacity building, including trade development, (iv) trade-related adjustment, and (v) other trade-related needs.

See additional details [here](#).

This fact sheet presents data on ODA disbursements. Data on commitments are also available in the [CRS database](#).

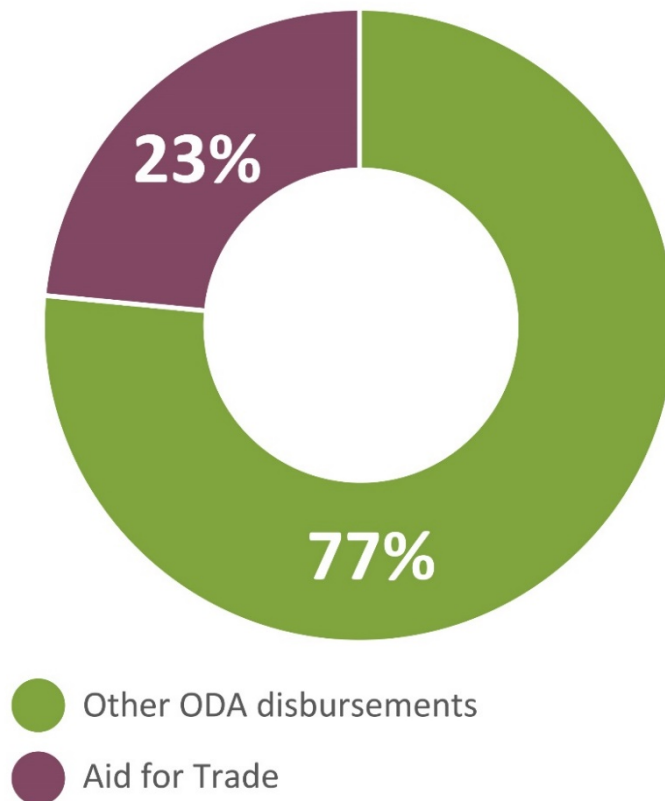


Aid for Trade amounted to USD 46.6 billion in 2019

Aid for Trade (A4T) represented almost **one quarter of total ODA** in 2019.¹

1. Data on ODA is not yet available for 2020. Hence, it is impossible to measure the impact of the COVID-19 crisis on aid and A4T in particular. Nonetheless, OECD explored three scenarios: (i) a continuous growth of ODA in support of the recovery, (ii) a standstill of ODA nominal levels, and (iii) a standstill of ODA relative to GDP levels (see details [here](#)).

A4T as share of total ODA, USD disbursements, current prices (2019)



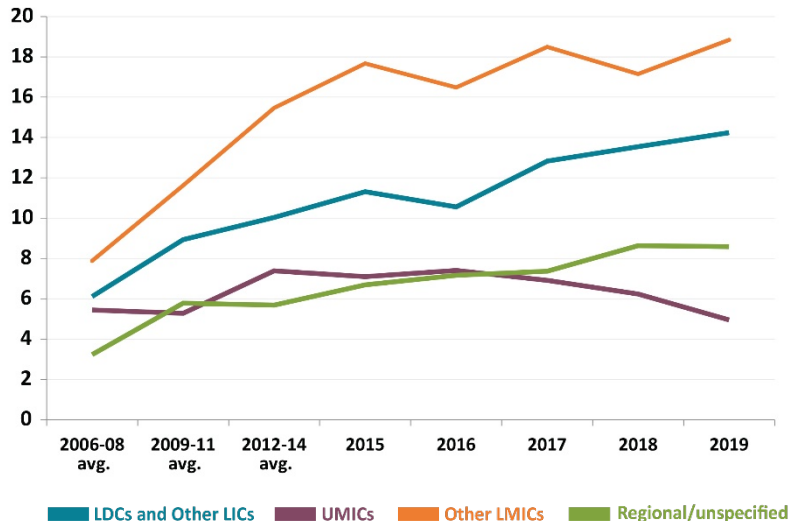
Source: OECD (2021), Creditor Reporting System
<https://stats.oecd.org/Index.aspx?DataSetCode=crs1>.

Aid for Trade has steadily grown since 2006

Over 2006-19, A4T disbursements have increased on an average **6.6%** per year, with regional/unspecified allocations growing fastest (**10.4%** per year). While support to least developed countries (LDCs), other low-income countries (LICs) and lower middle-income countries (LMICs) has also grown at a sustained pace (respectively at **8.2%** and **8.4%** per year on average), A4T to upper middle-income countries (UMICs) has declined (**-1.7%** per year on average).

A4T disbursements by region (2006-2019)

USD billion disbursements, 2018 prices



Aid for Trade trends (2006-19), average annual growth rates of disbursements

8.2%

LDCs and
Other LICs

-1.7%

UMICs

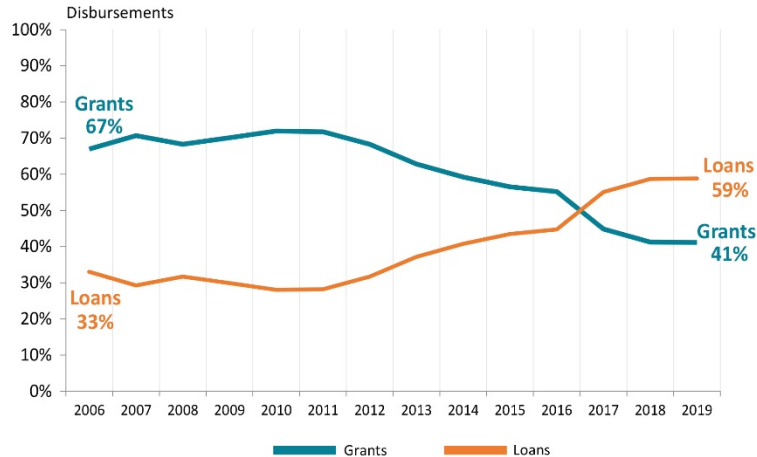
8.4%

LMICs

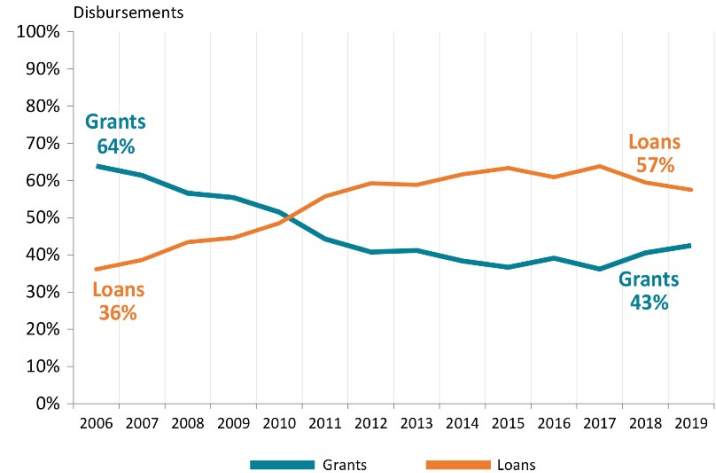
10.4%

Regional
unspecified

A4T grants and concessional loans to LDCs (2006-2019)



A4T grants and concessional loans to other developing countries (2006-2019)

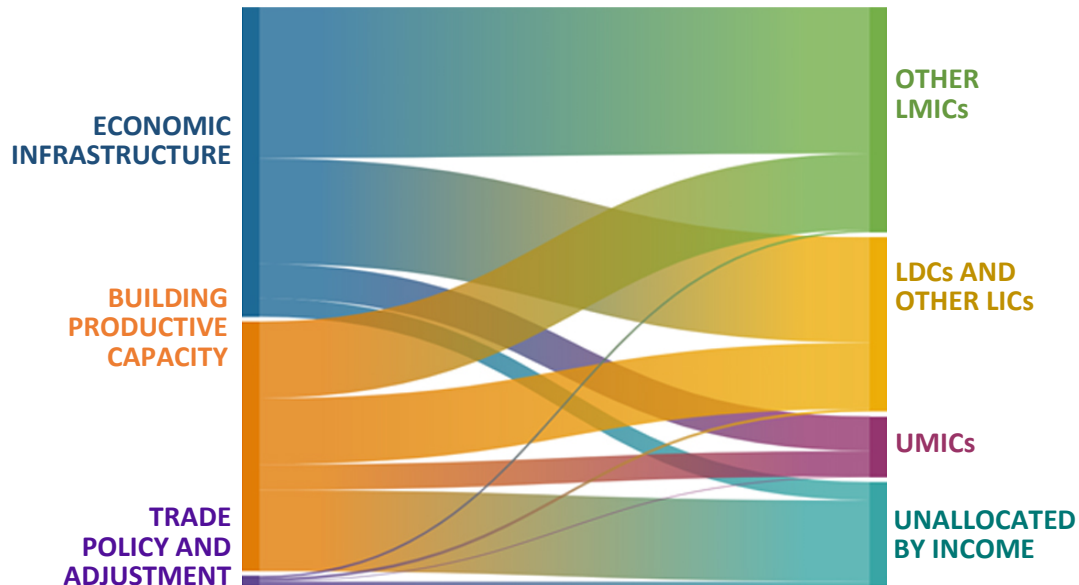


Over the years Aid for Trade has become less concessional

In 2017, the share of ODA loans in A4T to LDCs surpassed the share of grants, which dropped from **67%** in **2006** to **41%** in **2019**. In other developing countries, this substitution took place earlier (**2010**), and the share of grants dropped from **64%** to **43%**.

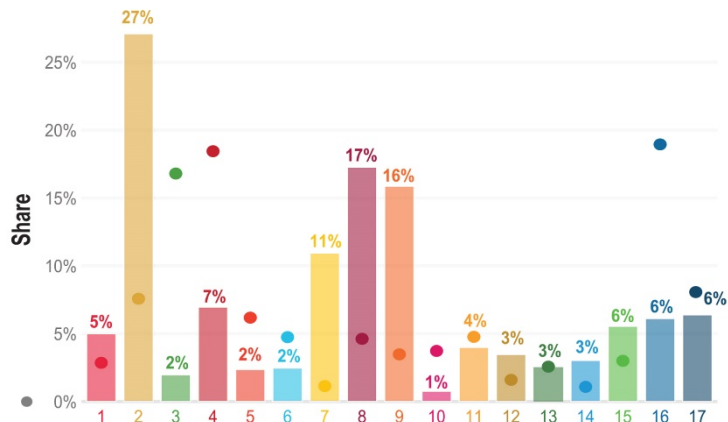
Aid for Trade focuses on infrastructure and productive capacity

Economic infrastructure represented the bulk of total A4T disbursements in 2019 (**USD 25.3 billion**), together with **economic capacity building** (**USD 20.4 billion**). Trade policy adjustments accounted only for **USD 0.9 billion**.

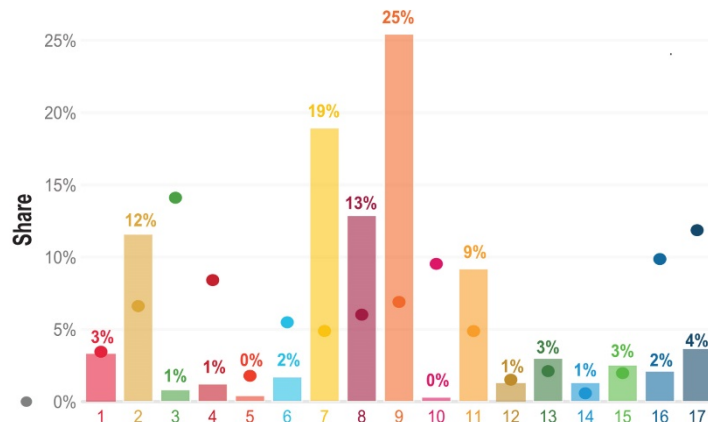


Source: OECD (2021), Creditor Reporting System,
<https://stats.oecd.org/Index.aspx?DataSetCode=crs1>.

A4T projects by SDG (2012-17)



A4T disbursements by SDG (2012-17)



Aid for Trade contributes to all Sustainable Development Goals



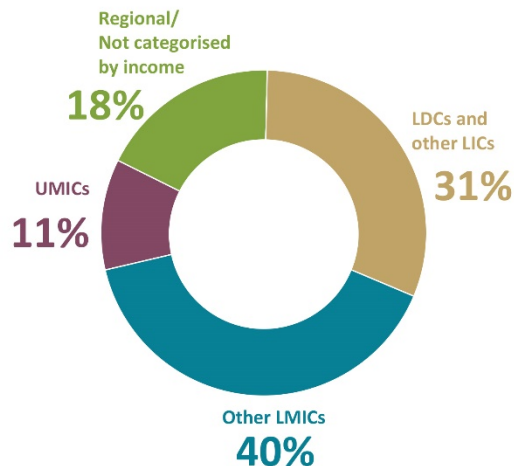
In terms of number of projects, **27%** of A4T projects in the CRS contributed to **SDG 2** (Zero Hunger) through their contribution to improving food and agriculture production and distribution. Another **17%** contributed to **SDG 8** (Decent Work and Economic Growth), **16%** to **SDG 9** (Industry, Innovation and Infrastructure) and **11%** to **SDG 7** (Affordable and Clean Energy).

In terms of the value of projects, **SDG 9** represented **25%** of total A4T, **SDG7 19%** and **SDG8 13%**, reflecting the higher cost of infrastructure projects. **SDG 2** and **SDG 11** (Sustainable cities and communities) followed with respectively **12%** and **9%** of **total A4T value**.

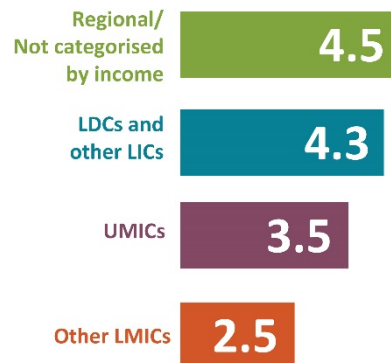
Aid for Trade flows per capita are highest in LDCs and other LICs

LMICs not in the LDC category (“other LMICs”) attracted the largest share of A4T, followed by LDCs and other LICs. Per capita, LDCs and other LICs benefited most from A4T disbursements, with an average **USD 13.3** per **inhabitant**, compared to **USD 6.8** for other **LMICs** and **USD 2.0** for **UMICs** in 2019.

Share of Aid for Trade disbursements by level of income, 2019



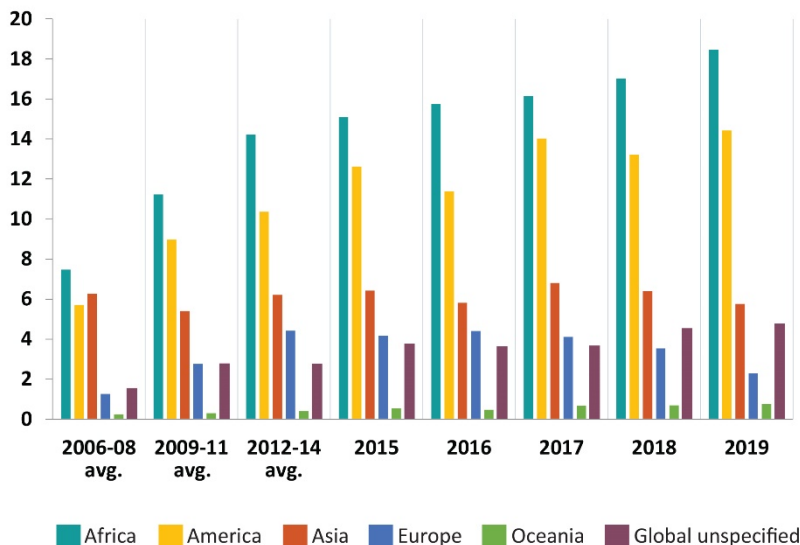
Per capita Aid for Trade disbursements, USD, 2019



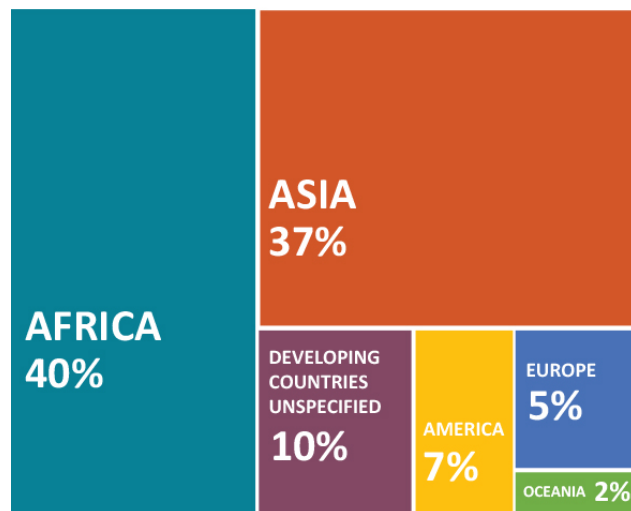
Aid for Trade goes primarily to Africa and Asia

Since tracking of A4T began in 2006, **Africa** and **Asia** have been the main recipients. In 2019, **Africa** represented **40%** of geographically specified A4T disbursements, compared to **37%** for **Asia**, and **23%** for the **rest of the world**.

A4T disbursements by region, USD billion,
2018 prices (2006-2019)



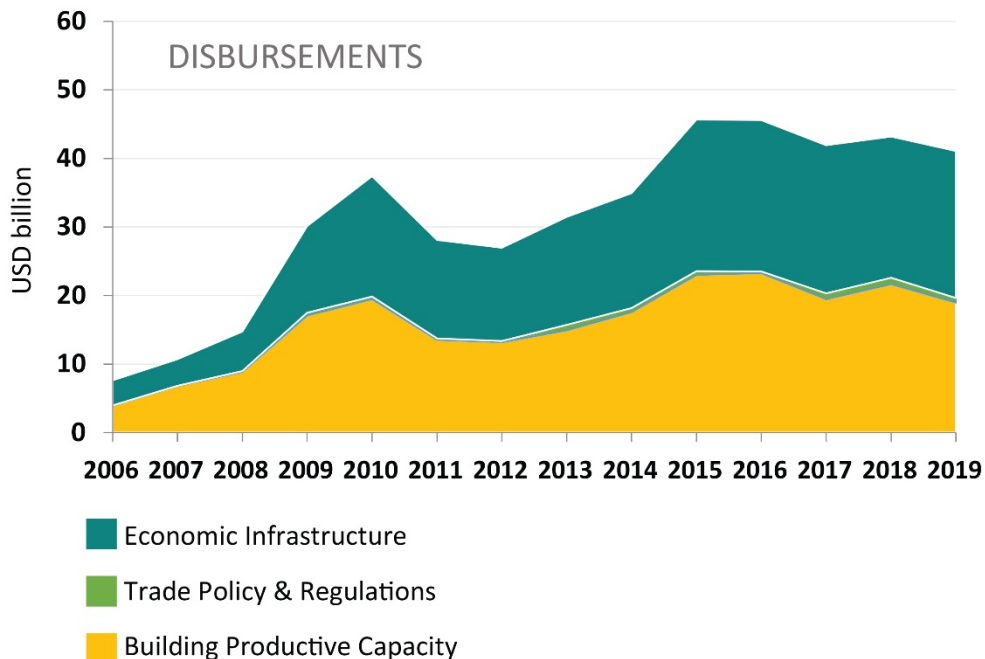
A4T disbursements
by region, % (2019)



Other official flows have been following similar trends

Trade-related other official flows (OOF) disbursements (defined as non-concessional loan disbursements targeting A4T) have grown by **44%** on average per year over **2006-16**, but declined by **3%** on average per year since **2017**, down to **USD 41 billion** in **2019** from a peak of **USD 46 billion** in **2016**.

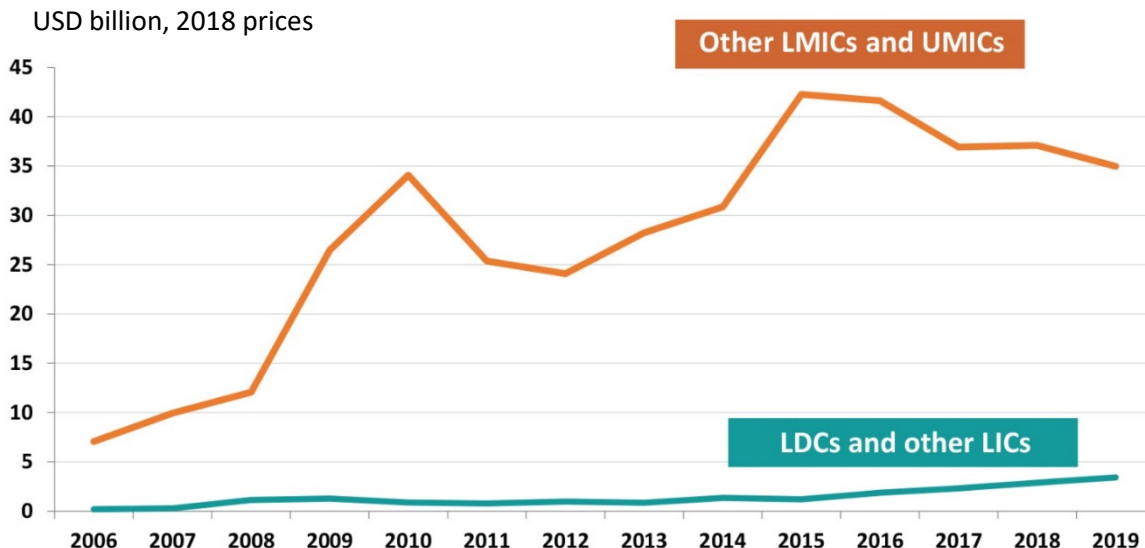
Other official flows to A4T,
by sector (2006-2019)



Other trade-related official flows mainly benefit middle-income countries

LMICs outside the LDC category and UMICs attract **79%** of total trade-related OOF, compared to only **11%** for LDCs and other LICs, and another **10%** for regional or unspecified OOF.

Other official flows to A4T, by income category (2006-2019)



www.oecd.org/aidfortrade

Development Co-operation Directorate

