

KEY QUESTIONS

the big six



How much ODA does Germany provide?

Germany is the 2nd -largest DAC donor and is scaling up its development programs

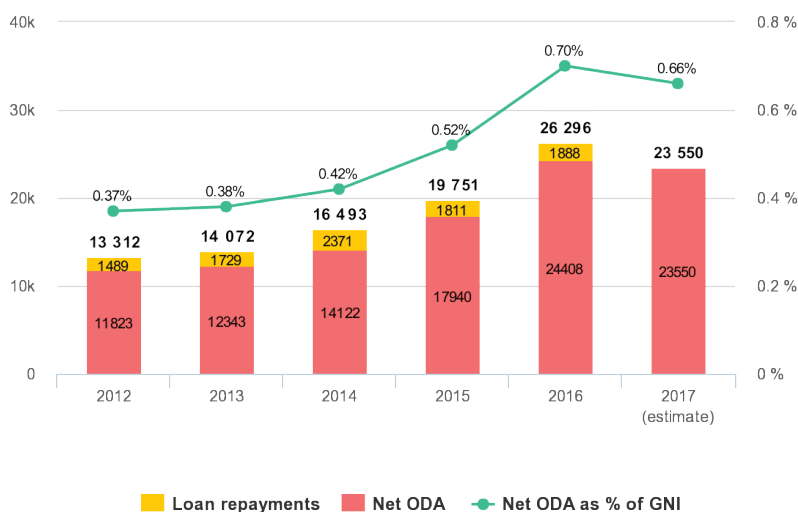
According to preliminary OECD data, Germany is the second-largest donor country as of 2016 (see ranking below). It spent US\$24.7 billion on official development assistance (ODA) (in 2016 prices; US\$24.4 billion in 2015 prices).¹ Net ODA increased by 36% compared to 2015 as Germany scaled up its overall development assistance program and in-country refugee costs doubled, totaling US\$6.2 billion, compared to 2015. These two trends have led to Germany reaching the 0.7% net ODA/GNI threshold for the first time. As in-country refugee costs are expected to decrease, net ODA will likely slightly fall back to 0.66% of GNI in 2017 and 0.52% in 2018 according to the Finance Ministry.

Despite this steep increase, Germany is one of the few European countries that does not offset its refugee-related costs with cutbacks in funding for global development. Instead, refugee costs are considered separate and additional to previous funding for development. In March

2015, the German government announced a record increase of German ODA spending of an additional €8.3 billion (US\$9.2 billion) for 2016 to 2019. More than half of this increase is going to the Development Ministry's (BMZ) budget. As a result, most recently, BMZ received an additional US\$1.2 billion for the 2017 budget, increasing BMZ budget to US\$9.5 billion in 2017 - a new peak level. Germany has framed these increases as a response to challenges arising from humanitarian crises and climate change. Large amounts will be employed for short-term support to refugees and host communities in developing countries as well as tackling the root causes of displacement. The majority of this funding is channeled through Germany's 'special initiatives.' The special initiatives are programs initiated and spearheaded by the Development Minister. In this legislative period the initiatives were 'Tackling the root causes of displacement, reintegrating refugees', 'Stability and development in the MENA region', 'ONE WORLD - No Hunger'. Parts of the additional funding for 2018 and 2019 have not yet been programmed as a new government has not been formed yet after the general elections in September 2017.

GERMANY'S GROSS/NET ODA DISBURSEMENTS

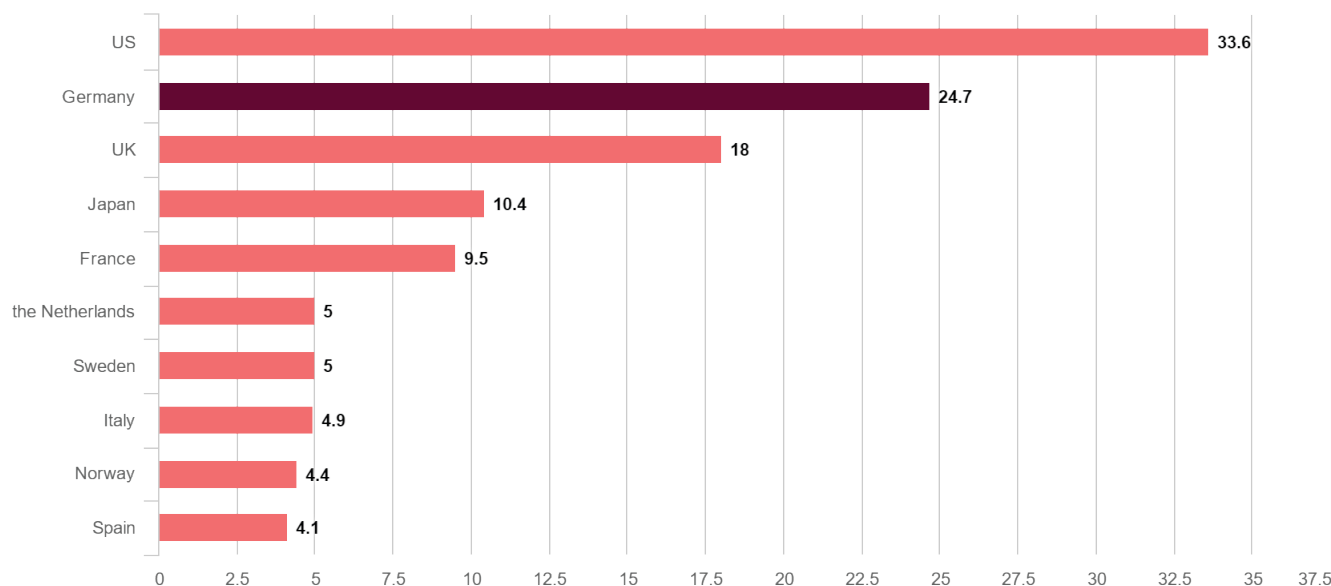
US\$ millions; in 2015 prices



OECD DAC. 2016 data according to OECD preliminary data (April 2017). ODA estimates for 2017 are based on government data.

TOP 10 DAC DONOR COUNTRIES, 2016

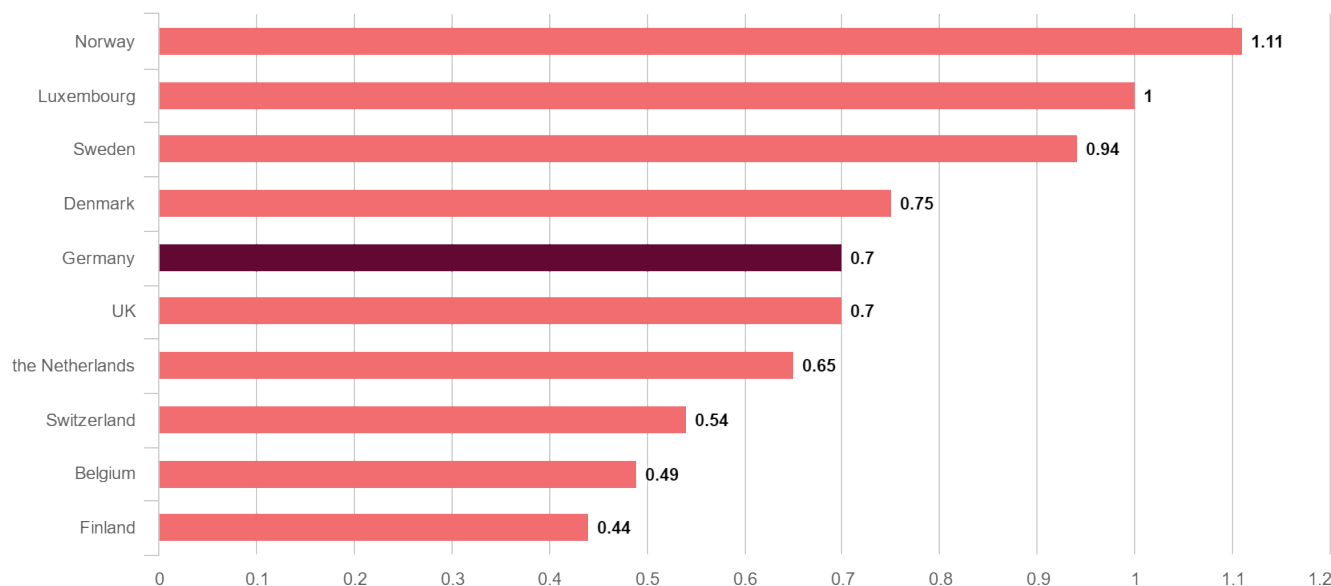
Net ODA disbursements; US\$ billions; 2016 prices



OECD DAC, preliminary data (April 2017). Amount in current prices.

TOP 10 DAC DONOR COUNTRIES, 2016

Net ODA as % of GNI



OECD DAC, preliminary data (April 2017).

¹ '2016 prices' refers to the actual ODA amount disbursed in 2016. This figure is commonly used when comparing ODA across donors in 2016. To compare ODA levels in 2016 with ODA levels provided in previous years, figures need to be measured in constant prices. This means that the ODA amounts for each year are adjusted to take into account the effect of inflation and of exchange rate fluctuations. In this profile, we generally state ODA figures in '2015 prices', meaning that we use 2015 as a base year, to ensure data is comparable over time.