

KEY QUESTIONS

the big six



How much ODA does Australia provide?

Australia is the 13th-largest donor; ODA is at its lowest level since 2010

According to preliminary OECD data, Australia's net ODA stood at US\$3.0 billion in 2016 (in 2016 prices; US\$3.1 billion in 2015 prices),¹ making it the 13th-largest DAC donor. Net ODA decreased by 13% compared to 2015. Cutting the ODA budget has become one of the biggest sources of savings required to meet austerity measures and has been declining consistently since 2012. This brings Australia's net ODA to 0.25% of its GNI, a share expected to decrease to 0.22% in 2017.

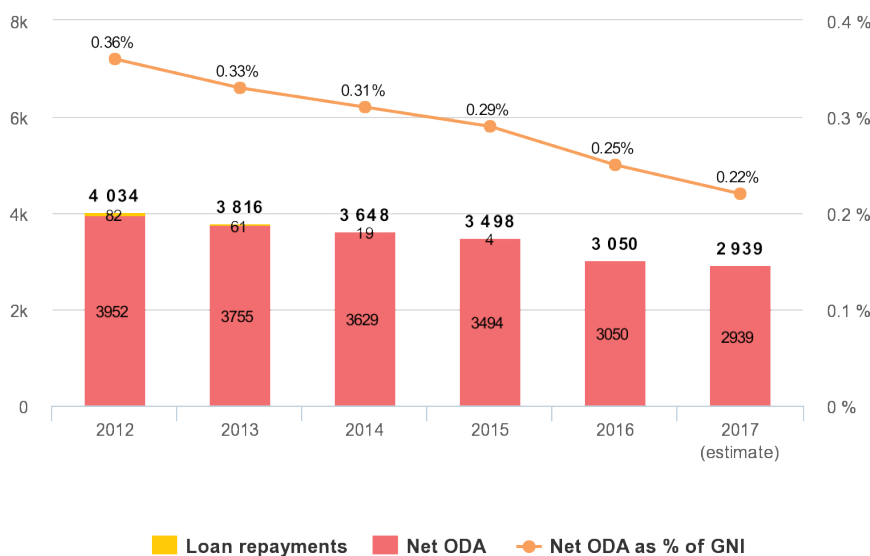
The Liberal National Coalition assumed office in 2013 and has since announced multiple ODA budget cuts. The largest single cut in Australia's development budget history came between fiscal year (FY) 2014-15 and FY2015-16, decreasing from A\$5 billion (US\$3.8 billion) to A\$4 billion (US\$3.0 billion).² The FY2016-17 ODA budget saw a further decrease to A\$3.8 billion (US\$2.9 billion). In

July 2016, the Liberal National Coalition won the federal election, narrowly defeating the Labor Party to maintain majority control. The Australian Treasurer delivered the FY 2017-18 budget in May 2017. This budget maintains a cap on ODA at A\$3.9 billion (US\$2.9 billion), allowing an increase only for inflation. From 2019 to 2021, however, the government is also freezing inflationary increases. This will result in an additional projected cut of about A\$300 million (US\$225 million) - a reduction of nearly 5% in real value through 2021. ODA has decreased from 0.36% of GNI in 2012 to 0.25% in 2016, and is expected to drop further. This share of net ODA in 2015 ranks Australia the 17th-largest donor relative to its GNI.

Loan repayments, which denote the difference between net and gross ODA, and include offsetting entries for debt relief, made up for less than 1% of the gross ODA budget between 2013 and 2015.

AUSTRALIA'S GROSS/NET ODA DISBURSEMENTS

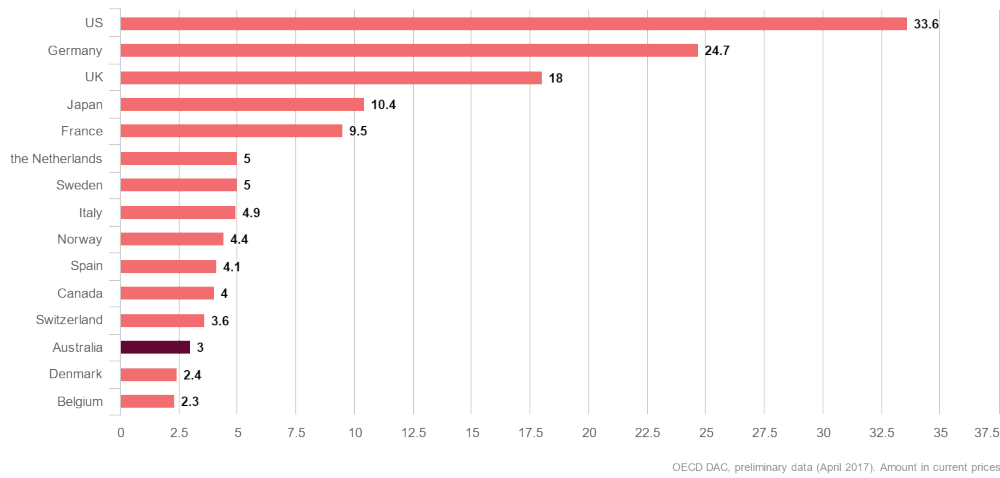
US\$ millions; in 2015 prices



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

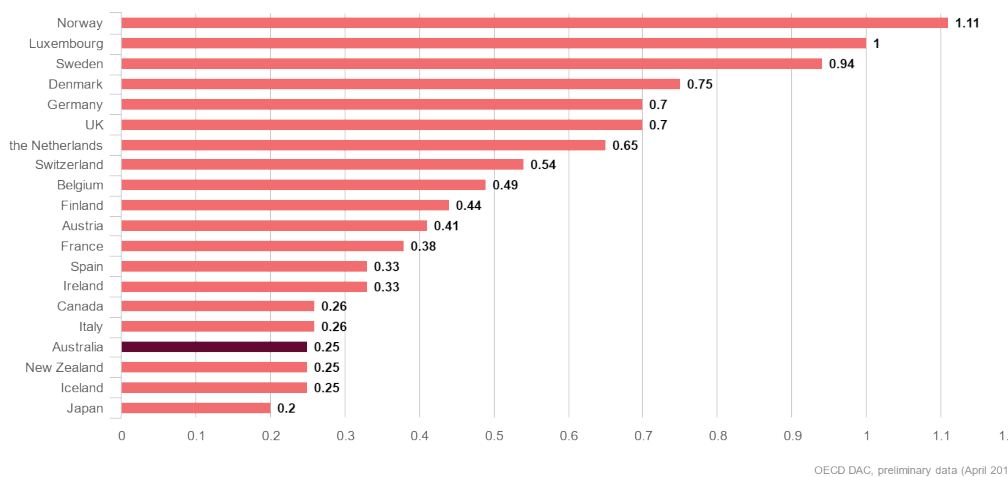
TOP 15 DAC DONOR COUNTRIES, 2016

Net ODA disbursements; US\$ billions; 2016 prices



TOP 20 DAC DONOR COUNTRIES, 2016

Net ODA as % of GNI



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.

² A\$ were converted into US\$ using the OECD's 2015 annual average exchange rate (1US\$ = A\$1.109). For multi-year commitments in A\$, the annual exchange rate of the year in which the commitment was made is used.