

KEY QUESTION



How much ODA does Canada provide?

Canada is the 11th-largest donor; ODA levels have risen with potential for further increases

In 2016, Canada was the eleventh-largest donor country among members of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD) with net official development assistance (ODA) at US\$4.0 billion (in 2016 prices; US\$4.7 billion in 2014 prices). This represents 0.26% of its gross national income (GNI; 15th among DAC countries). ODA decreased by almost 20% from 2012 to 2014 due to efforts undertaken by former Prime Minister (PM) Stephen Harper's government to reduce public spending. In 2015, ODA increased again by 17%. These increases are due to three factors: 1) timing of contributions to multilaterals, including a double payment to the World Bank's International Development Association (IDA) caused by a technical change, 2) two loans to Ukraine for CAD200 million each, and 3) increased humanitarian assistance in response to the Syrian conflict. Net ODA decreased by 4% from 2014 to 2015, mostly due to the timing of payments, though it also increased its support for hosting refugees.

The Liberal Party of PM Trudeau, in power since November 2015, announced that it will “restore and renew” Canada's international assistance, and “re-engage globally”. This included a review of its international assistance policy, which was conducted in 2016 and included consultations with stakeholders. A high-level summary of the consultation results was published in December 2016. A new international assistance policy framework informed by the findings of the overall review is expected after the FY2017/18 budget is presented in March 2017.

The Main Estimates (ME) for the forthcoming FY2017/18 budget, released on March 1, 2017, gives an indication into the planned allocations for development-related programs for the coming year. Global Affairs Canada

(GAC), the Canada's governmental department in charge of international relations including foreign affairs and international development, allocates spending across three programs: 1) International Security and Democratic Development, 2) International Development, and 3) International Humanitarian Assistance (see table). The ME show that GAC plans to allocate CAD3.5 billion to these three areas for FY2017/18, an increase from FY2016/17 (CAD3.1 billion). The increase is due to higher spending on ‘International Security and Democratic Development’ and ‘International Humanitarian Assistance’; these are expected to increase by CAD237 million and CAD165 million, respectively. Core ‘International Development’ shows little change.

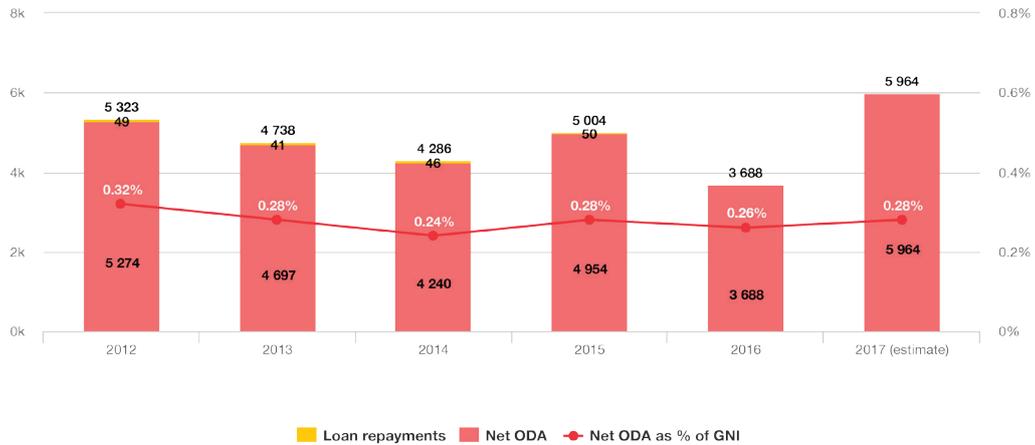
This is well in-line with the Canadian government's intention to increase funding for areas related to the Syrian refugee crisis. Between FY2016/17 and FY2018/19, Canada will distribute over CAD1.6 billion for security, stabilization, and humanitarian and development assistance for Iraq, Syria, Jordan, and Lebanon. This includes, among others, CAD840 million for humanitarian aid and CAD270 million in bilateral assistance for provision of basic social services. The current focus is on Jordan, Lebanon, Iraq, and Syria.

In 2015, the government budgeted CAD678 million over six years (2015 to 2021) to support resettling the 25,000 refugees in Canada by the end of February 2016. The FY2016/17 budget included a further CAD245 million over five years for an additional 10,000 refugees. Some of this may be reported as ODA and will likely inflate ODA levels.

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 ‘2014 prices’, meaning that we use 2014 as a base year, to ensure data is comparable over time.

CANADA'S GROSS/NET ODA DISBURSEMENTS

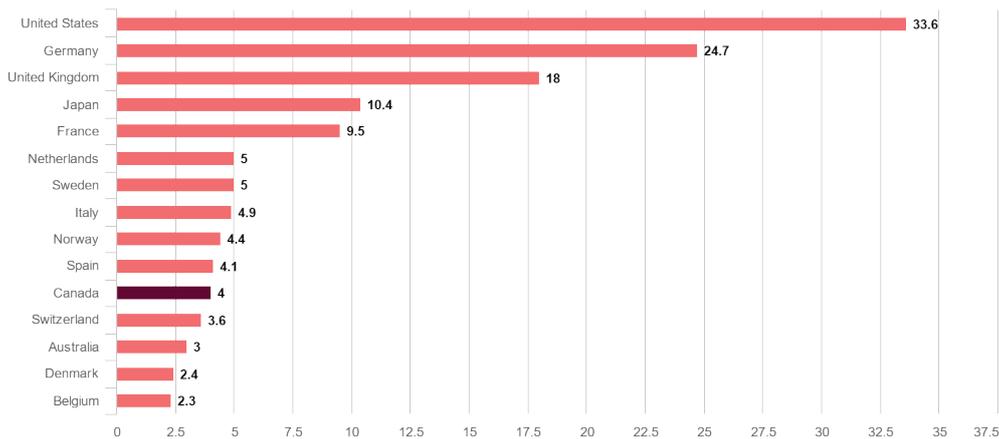
US\$ millions; in 2014 prices



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

TOP 15 DAC DONOR COUNTRIES, 2016

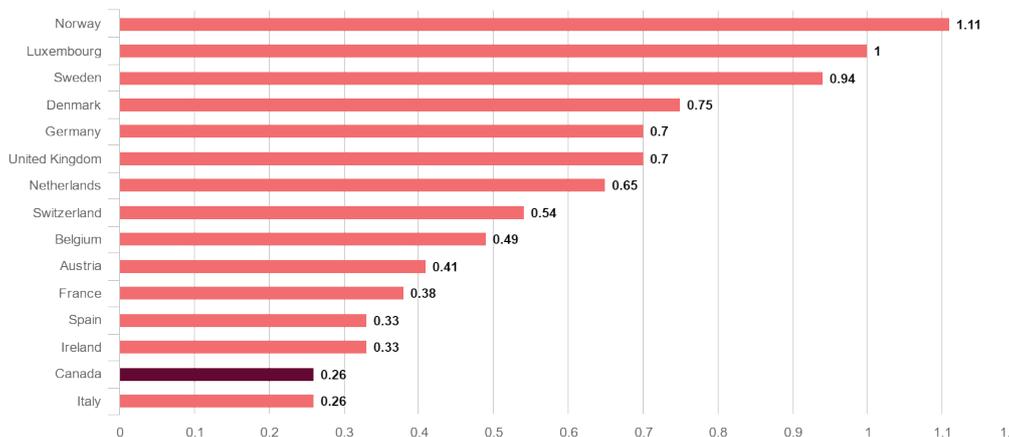
Net ODA disbursements; US\$ billions; 2016 prices



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

TOP 15 DAC DONOR COUNTRIES, 2016

Net ODA as % of GNI



OECD DAC, preliminary data (April 2017).