

KEY QUESTION



How much ODA does the EU provide?

The EU is the largest multilateral donor and the only multilateral member of the OECD DAC

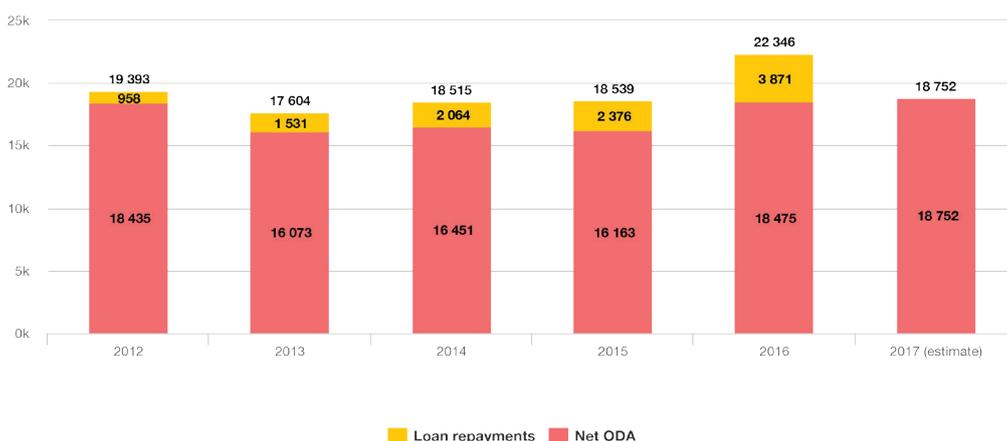
The European Union is a multilateral organization that receives funding from its member states. At the same time, it is a donor that channels ODA itself: EU institutions are the fourth-largest donor of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD), after the United States, Germany, and the United Kingdom. The EU’s ODA stood at US\$15.7 billion in 2016 (in current prices; US\$18.5 billion in 2014 prices),¹ decreasing slightly from 2015 levels. Development assistance is projected to increase moderately in the coming years, despite cuts to the EU’s general seven-year budget. The projected ODA growth is largely driven by increases in funds allocated from the EU budget to deal with the migration crisis; the

EU budget for 2017 includes an additional €6 billion to fund actions within and outside the EU to address the root causes and consequences of migration.

The EU’s current multiannual financing framework (MFF) runs from 2014 to 2020, and the allocation of development funding for this period has largely been determined, except for reserves that are flexible (see section four: ‘How is the EU’s ODA budget structured?’). The EU’s development funding comes mostly from two sources: the European Development Fund (EDF), financed by direct contributions from the member states with US\$40.5 billion for the seven-year period, and the EU’s general budget line for ‘Global Europe’ (Heading 4). Heading 4 includes the Development Cooperation Instrument (DCI), to which US\$26 billion has been allocated for 2014 to 2020.

THE EU’S GROSS/NET ODA DISBURSEMENTS

US\$ millions; in 2014 prices



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

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.