

## KEY QUESTIONS

### the big six



#### How much ODA does Australia provide?

##### **Australia is the 11th-largest donor; ODA is capped at A\$4 billion (US \$3.1 billion)**

According to OECD data, Australia's total ODA was US\$3.1 billion in 2018 (current prices), making it the 11th-largest DAC donor.

These numbers are based on the new methodology for measuring ODA loans which the OECD DAC will apply to ODA reporting for 2018 onward. Preliminary ODA figures for 2018 using this new methodology were first released in April 2019. This methodology, called 'grant-equivalent' methodology, provides a more accurate way to count donor efforts in concessional ODA loans because only the 'grant' portion of loans, expressed as a monetary value, is counted as ODA. This reform had no impact on Australia's ODA volumes, as it does not extend ODA loans.

To allow for comparison overtime, the OECD still publishes net ODA disbursements according to the cash basis methodology. Net ODA increased by 4% compared to 2017, driven by increased contributions to the World Bank. The ODA budget has been declining consistently since 2012. ODA as a share of GNI declined from 0.27% in 2016 to 0.23% in 2018. According to the latest budgets, ODA for FY2018/19 was estimated to drop to 0.22% of GNI and further to 0.21% for FY2019/20. In overall terms, net ODA will have decreased by 27% between 2012 and 2020, according to the latest budget for FY2019/20.

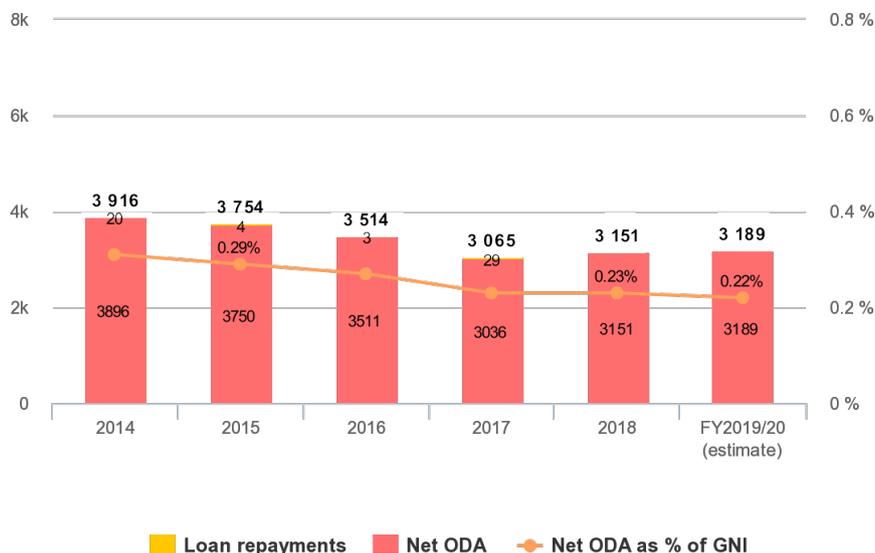
The Liberal National Coalition has been in government since 2013 and has enacted multiple cuts to the ODA budget. The largest single cut in Australia's development budget history came between FY2014/15 and FY2015/16, when it decreased from A\$5 billion (US\$3.8 billion) to A\$4 billion (US\$3.1 billion).

The Australian Treasurer delivered the FY2019/20 budget (for July 2019 to June 2020) budget in April 2019. The ODA budget was set at A\$4 billion (US\$3.1 billion). Apart from a one-off payment to the AIIB of A\$161 million (US\$123 million) in FY2018/19 that brought the ODA budget to A\$4.2 billion (US\$3.2 billion), the ODA budget has been capped at A\$4 billion (US\$3.1 billion) since FY2017/18. From 2019 to 2021, the government plans to freeze ODA increases in line with inflation that would otherwise maintain the real value of the ODA budget.

According to OECD data, ODA has decreased from 0.36% of GNI in 2012 to 0.23% in 2018. This share of ODA in 2018 ranks Australia the 19th-largest donor relative to its GNI. A federal election is due on May 18, 2019. If it forms government, the opposition Australian Labor Party has committed to a targeted ODA/GNI ratio of 0.5%, but without a specific timescale.

### AUSTRALIA'S GROSS/NET ODA DISBURSEMENTS

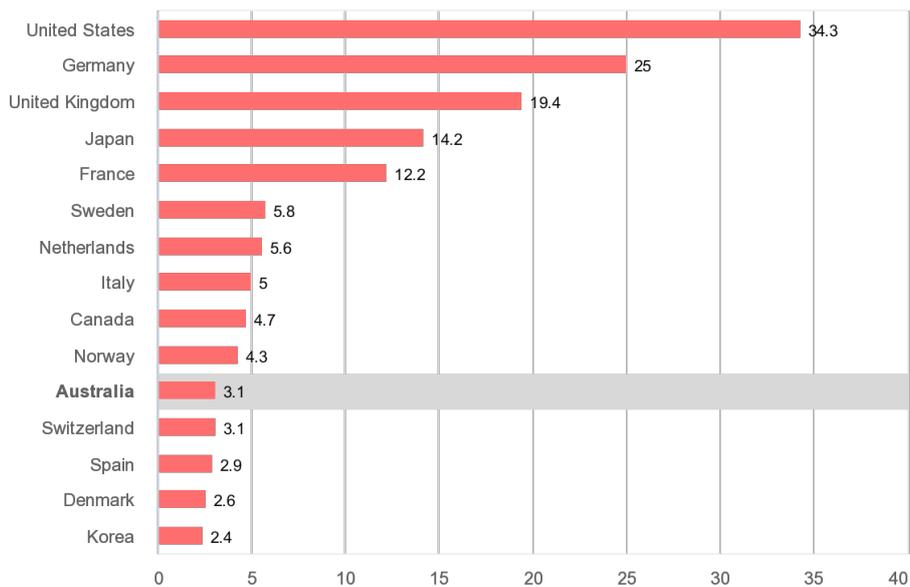
US\$ millions; in 2017 prices



OECD table DAC1. 2018 number according to preliminary data (April 2019).  
ODA estimates for 2019 based on government data.

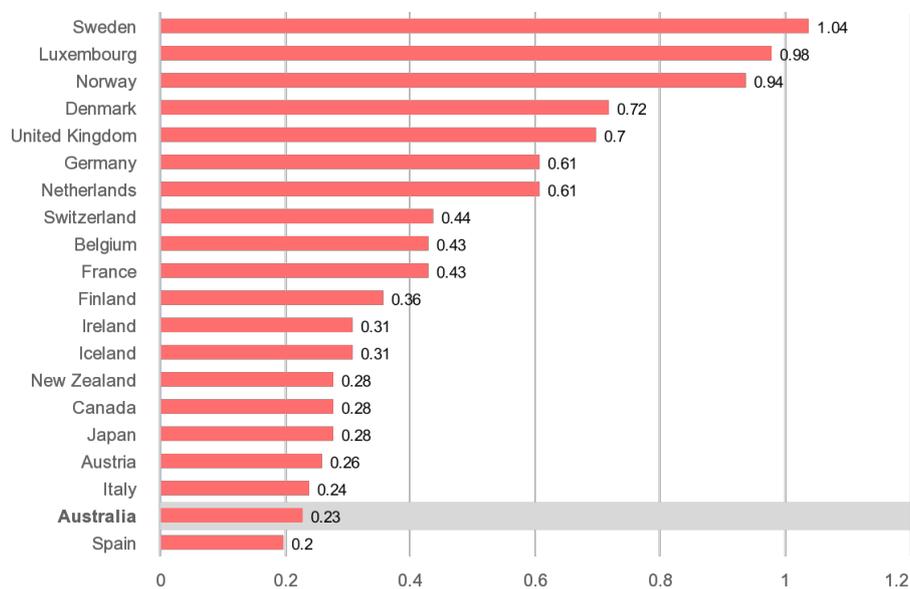
### TOP 15 DAC DONOR COUNTRIES, 2018

Total ODA Disbursements; US\$ billions; in current prices



## TOP 20 DAC DONOR COUNTRIES, 2018

Total ODA as % of GNI

**Further information: 2017 prices**

To compare ODA levels in any given year with ODA levels provided in other years, figures need to be adjusted to account for inflation and exchange rate fluctuations. The OECD provides data that accounts for these fluctuations. In this profile, and unless indicated otherwise, figures are stated using 2017 prices.