

KEY QUESTIONS

the big six



How much ODA does Canada provide?

Canada is the 9th-largest donor; ODA levels have risen, with potential for further increases

In 2018, Canada was the ninth-largest donor country among members of the Development Assistance Committee (DAC) of the OECD, with ODA at US\$4.7 billion (current prices). This represents 0.28% of its GNI, 15th among DAC countries.

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. The impact of this methodology reform on Canada’s ODA is currently small. According to the previous methodology, known as the ‘cash basis’ methodology, net ODA was 1% below ODA figures using the new methodology.

To allow for comparison overtime, the OECD still publishes net ODA disbursements according to the cash basis methodology. ODA in 2018 was 5% higher in real terms than in 2017. The rise was driven by increases in core multilateral contributions and the funding of Canada’s new development finance institution, FinDev Canada.

In June 2017, the Canadian government announced a new Feminist International Assistance Policy (FIAP). The FIAP dictates that 95% of Canada’s bilateral ODA will target (15%) or integrate (80%) gender equality and the empowerment of women and girls by fiscal year (FY; runs from 1 April to 30 March) 2021–2022. According to the OECD DAC Creditor Reporting System, in 2017, the first year for which data is available following the introduction of the FIAP, Canada was the eighth-largest donor of development assistance that either targets or integrates gender equality at US\$1.9 billion. This is a 35% increase over 2016, prior to the release of the FIAP, when gender-related assistance (all ODA investments that ‘target’

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.

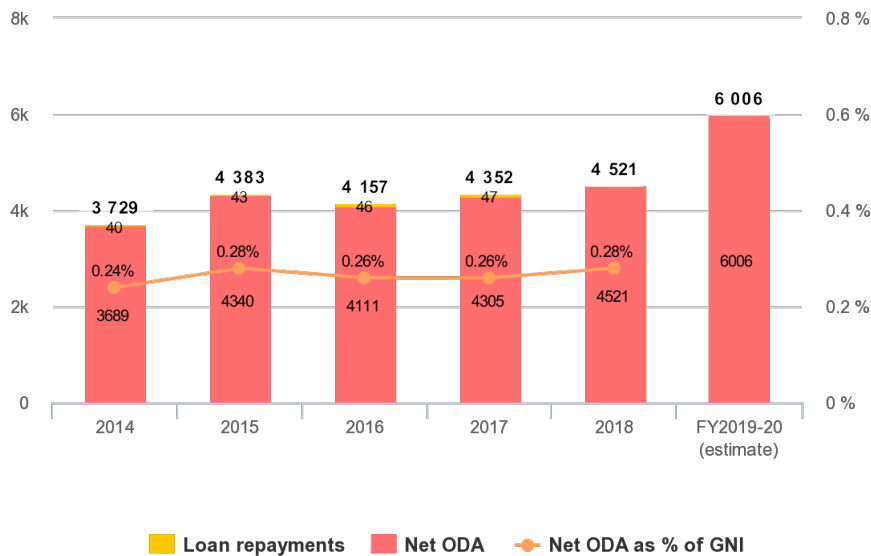
and ‘integrate’ gender equality, combined) stood at US\$1.4 billion. Most of this increase came from ODA to projects which integrated gender equality goals (up from 64% of all bilateral funding in 2016 to account for 78% of all bilateral spending in 2017), rather than principally targeting gender equality (no change at around 3% of bilateral spending, and far below the 15% target for FY2022).

For FY2019-2020, Canada’s International Assistance Envelope (IAE), the main budgetary tool that funds Canadian development assistance, will amount to CAD5.7 billion (US\$4.4 billion). Budget 2018 put forward an additional CAD2 billion (US\$1.5 billion) incrementally over five years to the IAE. Budget 2019 announced an additional CAD700 million in 2023–24 to the IAE.

The Global Affairs Canada (GAC) Departmental Plan for the FY2019-2020 budget allocates spending across five ‘core responsibilities’. The third core responsibility, ‘Development, Peace, and Security Programming’, encompasses GAC’s development and humanitarian spending, with a budget of CAD3.9 billion (US\$3 billion) for FY2019-2020. Planned spending is forecast to decrease by CAD59 million (US\$46 million; -2%) from FY2019-2020 to FY2021-2022. The variance is attributable to the sunset of funding for various programs, including for the 2015-2020 strategy for maternal, newborn and child health and various climate change initiatives which were offset by a new funding received for the FIAP.

CANADA'S GROSS/NET ODA DISBURSEMENTS

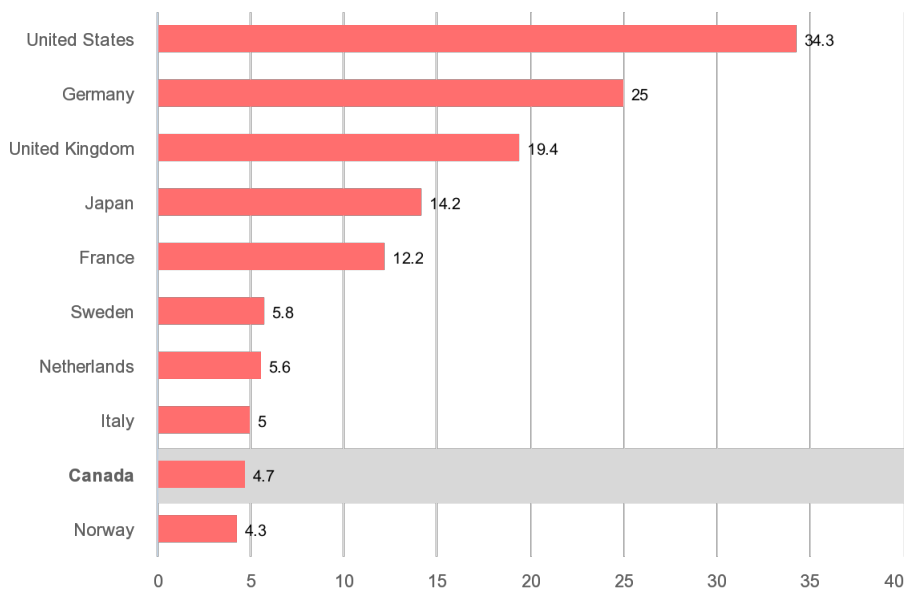
US\$ millions; in 2017 prices



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

TOP 10 DAC DONOR COUNTRIES, 2018

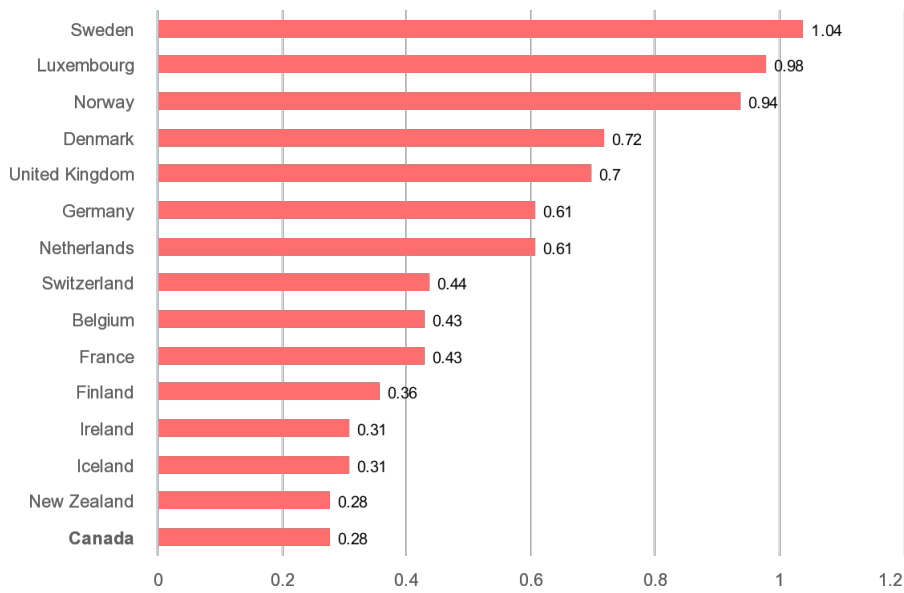
Total ODA disbursements; US\$ billions; in current prices



OECD DAC preliminary data (April 2019).

TOP 15 DAC DONOR COUNTRIES, 2018

Total ODA as % of GNI



OECD DAC preliminary data (April 2019).