

# KEY QUESTIONS

## the big six



### How much ODA does Japan provide?

#### Japan is the largest donor in Asia

Japan's total ODA was US\$14.2 billion in 2018 (current prices), making it the fourth-largest donor country in the Organisation for Economic Co-operation and Development's (OECD's) Development Assistance Committee (DAC). It is the largest donor in Asia. In 2018, Japan spent 0.28% of its GNI on ODA, making it the 16th-largest DAC donor relative to its GNI. This is an increase as a proportion of Japanese GNI from 0.23% in 2017.

These numbers are based on a new methodology for measuring ODA loans which the OECD DAC applies 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.

Japan delivers large amounts of its ODA as loans, mainly to support infrastructure projects. In the past, the repayment of these loans was subtracted from its ODA. This is no longer the case with the new methodology, and the reform thus has had a large positive impact on Japan's ODA levels. Japan's reported ODA in 2018 using the new methodology was 41% larger than net ODA as measured by the old cash basis methodology.

#### Further information: 2017 prices

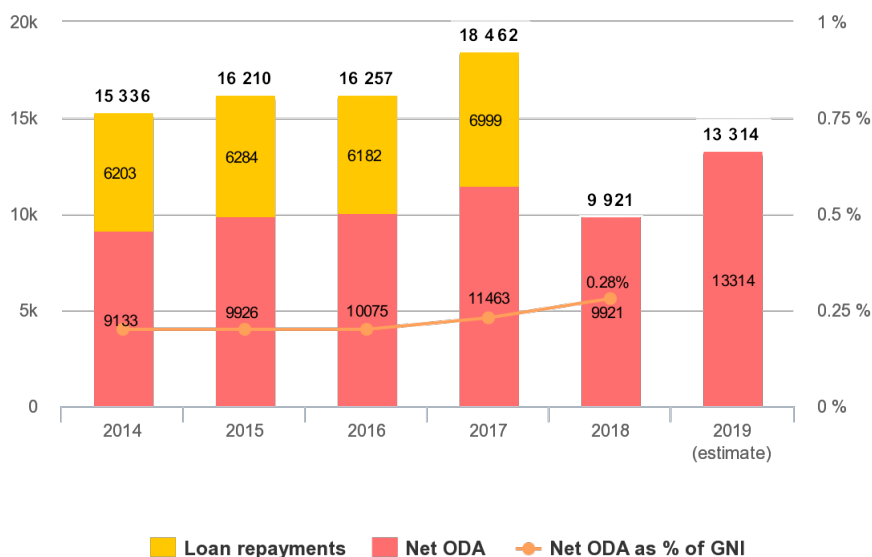
To compare ODA levels in any given year with ODA levels provided in other years, figures need to be adjusted to account for inflation and exchange rate fluctuations. The OECD provides data that accounts for these fluctuations. In this profile, and unless indicated otherwise, figures are stated using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

To allow for comparison overtime, the OECD still publishes net ODA disbursements according to the previous methodology, known as the 'cash basis' methodology. According to this methodology, net ODA was US\$9.9 billion (current prices) in 2018. Between 2017 and 2018, Japan's net ODA according to the cash basis methodology decreased by 13%. This decrease is due to lower multilateral contributions in 2018 compared to 2017.

The FY2019 budget, approved in December 2018, includes net ODA of ¥1.5 trillion (US\$13.3 billion). This is an increase of 3% in net ODA spending compared to FY2018, relatively small compared to the growth in net ODA seen between 2015 and 2018.

### JAPAN'S GROSS/NET ODA DISBURSEMENTS

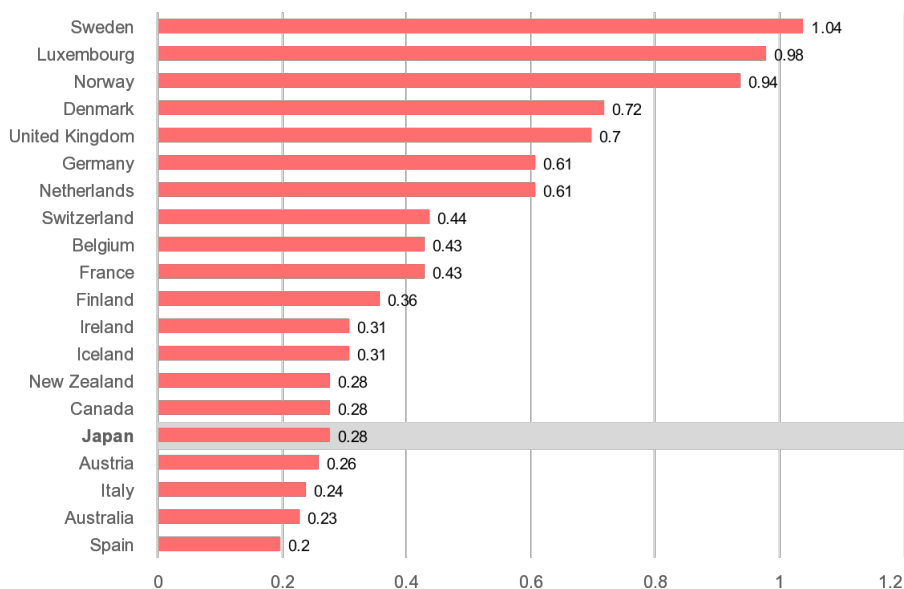
US\$ millions; in 2017 prices



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

### TOP 20 DAC DONOR COUNTRIES, 2018

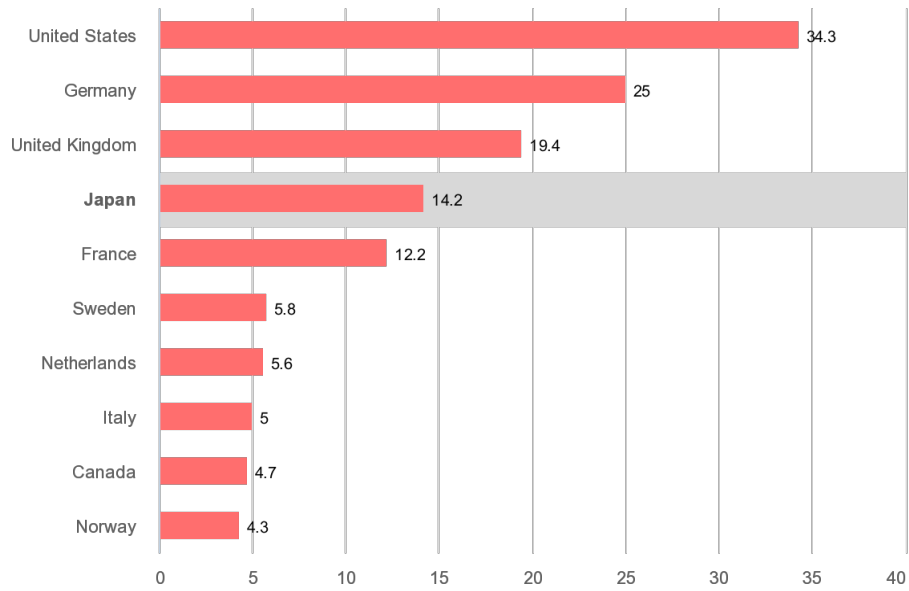
Total ODA as % of GNI



OECD DAC preliminary data (April 2019).

### TOP 10 DAC DONOR COUNTRIES, 2018

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



OECD DAC preliminary data (April 2019).