

KEY QUESTIONS

the big six



How much ODA does the Netherlands provide?

In absolute terms, ODA is projected to rise during current legislative term

The Netherlands is the seventh-largest donor country among members of the Organisation for Economic Co-Operation and Development's (OECD) Development Assistance Committee (DAC). Total ODA reached US\$5.6 billion ODA in 2018 (current prices).

These numbers are based on the new methodology for measuring ODA loans which the OECD DAC applies to ODA reporting since 2018. Preliminary ODA figures for 2018 using this new methodology were first released in April 2019. This methodology, called 'grant-equivalent' methodology, more accurately reflects donor funding through 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 the Netherlands' ODA volume, as it does not extend ODA loans.

Following a peak of US\$5.9 billion in 2015, ODA decreased reaching US\$5.0 billion in 2017 (in constant prices). Between 2017 and 2018, the Netherlands' net ODA rose by 6%, mainly driven by increased contributions to the World Bank group.

In recent years, the costs of hosting refugees – partly reportable as ODA – have been sparking debates in the Netherlands. These costs have fluctuated heavily over the past five years: They peaked at US\$1.4 billion in 2015, before dropping to US\$531 million in 2018, accounting for 10% of net ODA. Some of the costs incurred by the Netherlands for hosting refugees are financed from the ODA budget, which has reduced funding available for global development.

Further information: 2017 prices

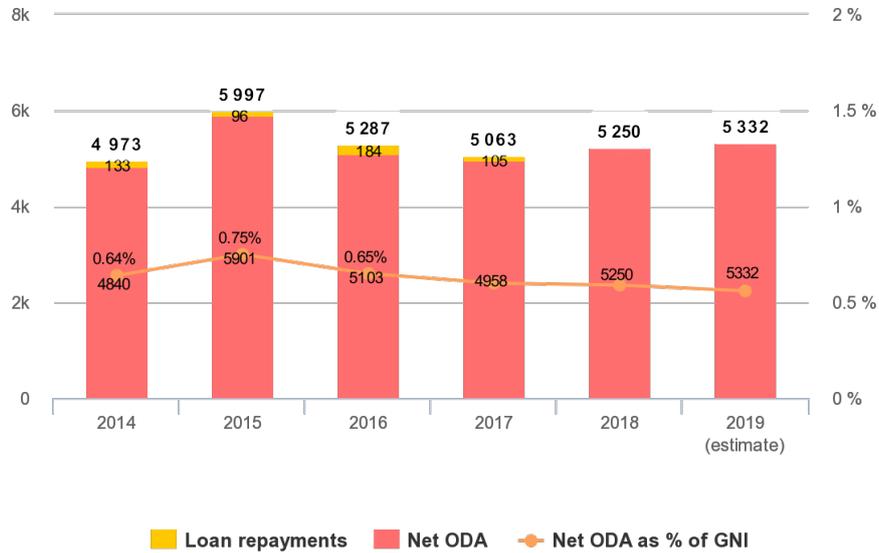
To compare ODA levels in any given year with ODA levels provided in other years, figures need to be adjusted to account for inflation and exchange rate fluctuations. The OECD provides data that accounts for these fluctuations. In this profile, and unless indicated otherwise, figures are stated using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

In 2016 and 2017, the government decided to draw €1.2 billion (US\$1.4 billion) from future ODA budgets to cover these costs. According to the government's Homogeneous Group for International Cooperation (HGIS), which details ODA expenditures per ministry in a financial plan updated yearly (HGIS nota), costs for hosting refugees in the Netherlands should gradually decrease between 2019 and 2022, from €420 million (US\$473 million) budgeted in 2019 to €338 million (US\$381 million) in 2022.

The current coalition government, in office since October 2017, is committed to compensating for the cuts made by the previous coalition government. To do so, it will gradually increase development funding: according to the coalition agreement, an additional €1 billion (US\$1.1 billion) will be added to the budget over the 2019-2022 period, and the €1.2 billion (US\$1.4 billion) that had been set aside to cover costs of hosting refugees in the Netherlands will be reallocated for development programs in partner countries. According to 'HGIS nota 2019', by 2022 ODA is projected to stand at US\$5.8 billion. Despite these increases, in relative terms, net ODA as a percentage of GNI is projected to decrease from 0.6% in 2017 to 0.54% in 2022, according to the May 2018 policy note 'Investing in Global Prospects: For the World, For the Netherlands'.

THE NETHERLANDS' GROSS/NET ODA DISBURSEMENTS

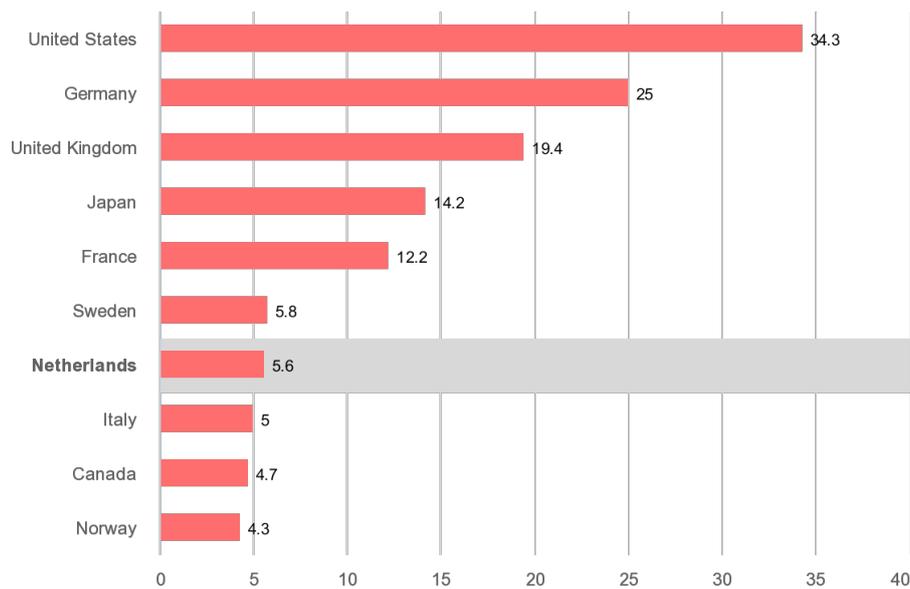
US\$ millions; in 2017 prices



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

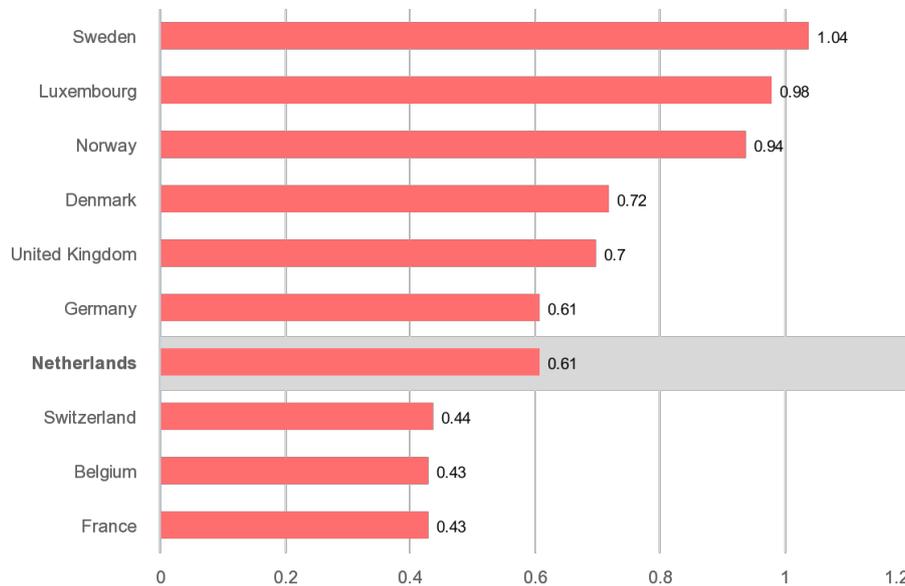
TOP 10 DAC DONOR COUNTRIES, 2018

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



TOP 10 DAC DONOR COUNTRIES, 2018

Total ODA as % of GNI



OECD DAC preliminary data (April 2019).