

KEY QUESTIONS

the big six



How much ODA does the EU provide?

The EU is the largest multilateral donor; migration-related spending drives ODA increases

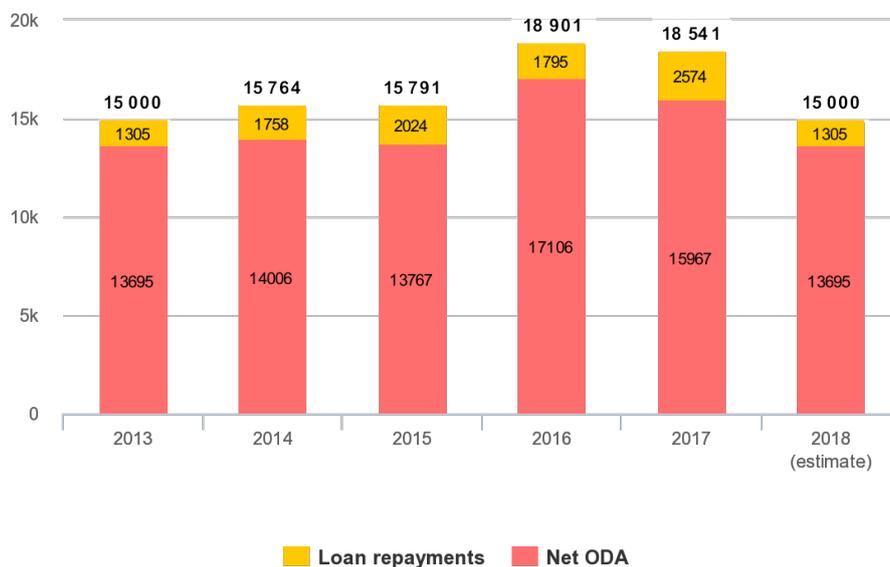
The European Union (EU) is a multilateral organization that receives funding from its member states. At the same time, it is a donor that channels ODA itself: The EU institutions are the fourth-largest donor of the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD), after the United States, Germany, and the United Kingdom (UK). The EU's net ODA stood at US\$16.5 billion in 2017 (in current prices, US\$16.0 billion in 2016 prices, according to the OECD DAC preliminary data for 2017). This is a 7% decreased (or US\$ 1.1 billion) from 2016, which is largely attributable to a decreasing amount of loans disbursed by the EU. Nevertheless, this comes after a 24% increase between 2015 and 2016: Net ODA from EU institutions peaked at US\$17.1 billion in 2016, largely due to increased contributions from several member states (France, Germany, Italy, Spain, and the UK) as a response to the unprecedented arrivals of asylum seekers starting in 2015. Humanitarian aid has also seen significant increases in spending (+37% between 2015 and 2016; see

question two: 'What are the EU's strategic priorities for development' for more detail). This trend is likely to continue in the coming years, with funds for humanitarian aid coming on top of the approved baseline spending for the 2014-2020 multiannual financial framework (MFF).

The allocation of development funding for the EU's current 2014-2020 MFF has largely been determined, though variations can be made each year, and it includes reserves that are flexible for the seven-year duration (see question four: 'How is the EU's ODA budget structured?'). The EU's development funding comes mostly from two sources: the European Development Fund (EDF), which provides funds for African, Caribbean, and Pacific (ACP) countries; the EDF is financed by direct contributions from the member states, with €30.5 billion (US\$33.7 billion) for the 2014-2020 period. The Development Cooperation Instrument (DCI), which provides funds primarily to countries in Asia and Latin America, is part of the EU's general budget line 'Global Europe' (Heading 4); €19.6 billion (US\$21.7 billion) has been allocated to the DCI for 2014 to 2020 (for more details see question four: 'How is the EU's ODA budget structured?').

THE EU'S GROSS/NET ODA DISBURSEMENTS

US\$ millions; in 2016 prices



OECD DAC. ODA for 2017 based on OECD DAC preliminary data (April 2018). ODA estimates for 2018 are based on government data.

Further information: 2016 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 2016 prices.