

KEY QUESTIONS

the big six



How much ODA does Germany provide?

Germany is the 2nd -largest DAC donor and is further scaling up its development programs

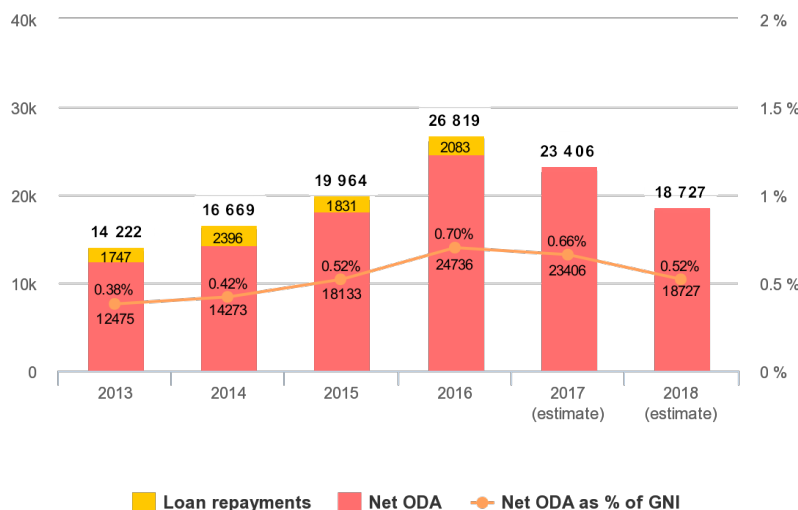
Germany is the second-largest donor country (see ranking below). In 2016, it spent US\$24.7 billion on official development assistance (ODA) (in 2016 prices), according to OECD data. Net ODA increased by 36% compared to 2015. This increase was mainly driven by high costs for hosting refugees in Germany, but spending for development programs abroad also rose significantly. The costs for hosting refugees more than doubled compared to 2015, totaling US\$6.6 billion in 2016, corresponding to 27% of total ODA. These two trends have led to Germany reaching the 0.7% net ODA/GNI threshold for the first time. As costs for hosting refugees in Germany are expected to decrease, the ODA/GNI ratio is expected to fall back to 0.66% in 2017 and 0.52% in 2018, according to the government's medium-term financial planning.

Despite the steep increase in refugee-related costs, Germany is one of the few European countries that does not offset these costs with cutbacks in funding for global de-

velopment. Instead, refugee costs are considered separate and additional to budgeted funding for development. In 2015, the German government announced a record increase of German ODA spending of an additional €8.3 billion (US\$9.2 billion) for 2016 to 2019. As a result, BMZ received an additional €1.1 billion (US\$1.2 billion) for the 2017 budget, reaching a peak of €8.5 billion (US\$9.4 billion) in 2017. The mid-term financial planning outlines increases of another €160 million for the period 2018 to 2021, bringing up BMZ's budget to €8.7 billion (US\$ 9.6 billion). Germany has framed these increases as a response to challenges arising from humanitarian crises, forced displacement, and climate change. Further increases are likely once the goals of the coalition treaty are implemented. The agreement emphasizes the commitment to reach the 0.7% ODA/GNI target and outlines an additional investment of €1 billion (US\$ 1.1 billion) until 2021 (€250 million (US\$ 277 million) for each year) on top of the mid-term financial planning. However, civil society organizations have criticized that this investment would not be enough to reach the 0.7% target.

GERMANY'S GROSS/NET ODA DISBURSEMENTS

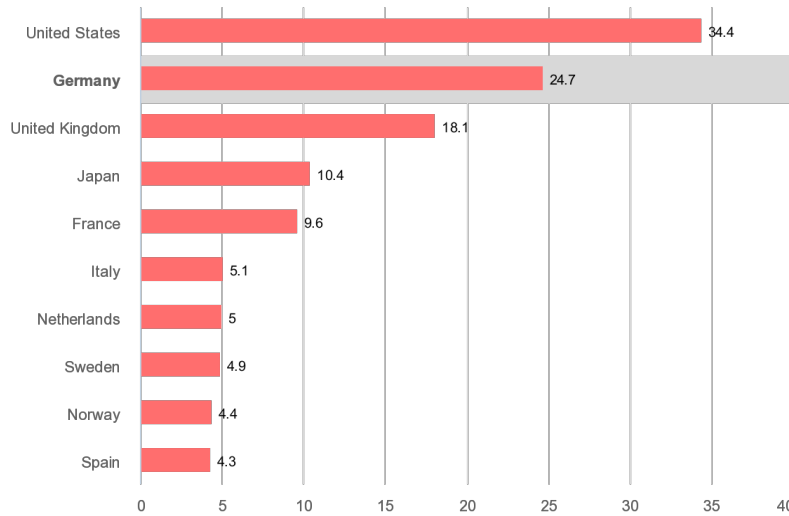
US\$ millions; in 2016 prices



OECD DAC. ODA estimates for 2017 and 2018 based on data by Finance Ministry and VENRO

TOP 10 DAC DONOR COUNTRIES, 2016

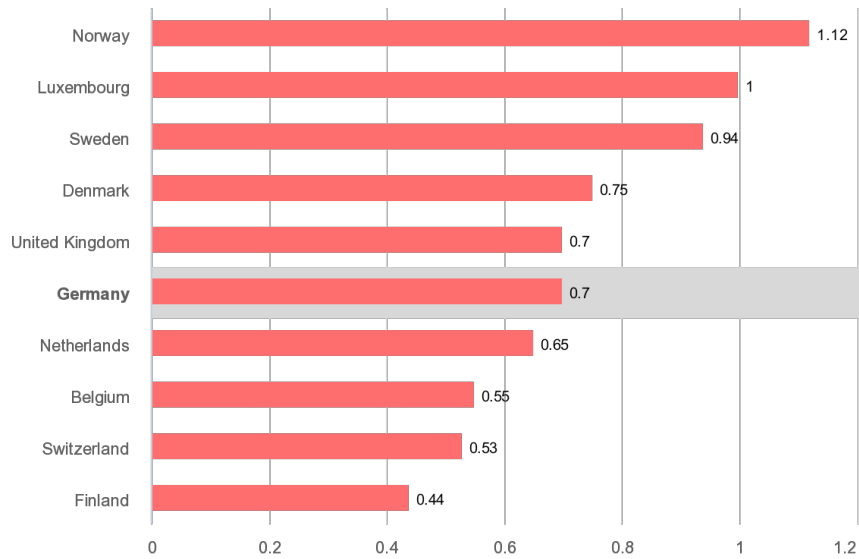
Net ODA disbursements; US\$ billions; 2016 prices



OECD DAC.

TOP 10 DAC DONOR COUNTRIES, 2016

Net ODA as % of GNI



OECD DAC.