

KEY QUESTIONS

the big six



How much ODA does Germany provide?

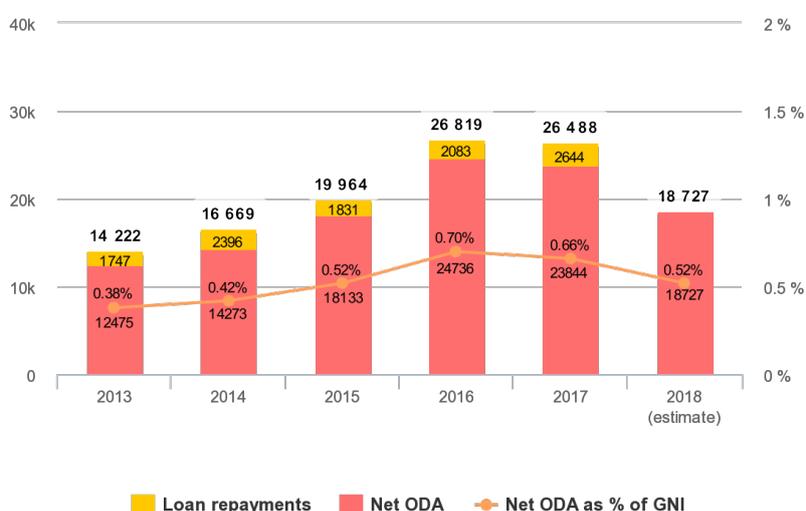
Germany is the 2nd-largest DAC donor and is further scaling up its development programs

Germany is the second-largest donor country, following the US (see ranking below). In 2017, it spent US\$24.7 billion on ODA (in current prices, US\$23.8 billion in 2016 prices), according to the OECD DAC preliminary data. Net ODA decreased by 3.6% compared to 2016, when Germany reached the 0.7% target for the first time, with ODA at US\$24.7 billion. This peak was largely due to high costs for hosting refugees in Germany (US\$6.6 billion in 2016, up from US\$3.1 billion in 2015), but spending for development programs abroad had also risen significantly: when excluding refugee-related expenses, net ODA rose by 20% between 2015 and 2016. A decrease in the costs for hosting refugees in 2017 (-11%, down to US\$5.9 billion in 2017) explains lower levels of net ODA in 2017. When excluding them, net ODA marginally decreased compared to 2016 (-1%). As costs of hosting refugees in Germany are expected to further decrease, the ODA/GNI ratio is expected to fall to 0.52% in 2018, according to the government's medium-term financial planning, thus returning to 2015 ODA level.

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 development. 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.

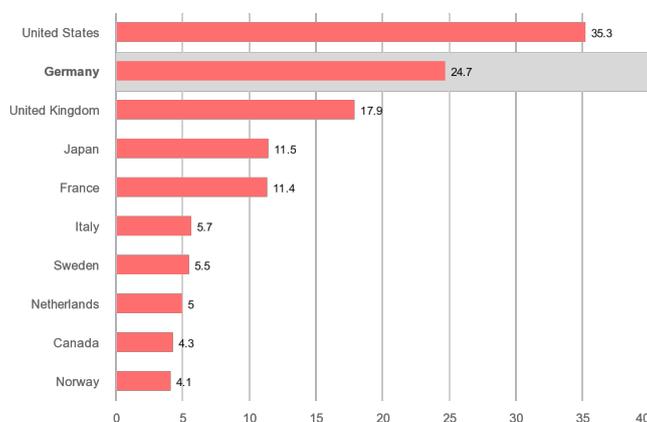
GERMANY'S GROSS/NET ODA DISBURSEMENTS

US\$ millions; in 2016 prices



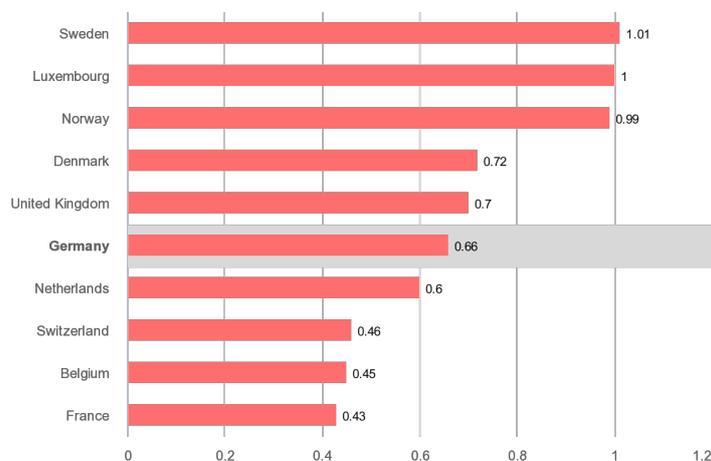
OECD DAC. ODA for 2017 based on OECD DAC preliminary data (April 2018). ODA estimates for 2018 are based on government data.

TOP 10 DAC DONOR COUNTRIES, 2017
Net ODA Disbursements; US\$ billions; in current prices



OECD DAC preliminary data (April 2018).

TOP 10 DAC DONOR COUNTRIES, 2017
Net ODA as % of GNI



OECD DAC preliminary data (April 2018).

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.