

# KEY QUESTIONS

## the big six



### How much ODA does Italy provide?

**Italy's ODA has been increasing since 2012, but costs for hosting refugees in Italy inflate ODA levels**

Following sharp decreases between 2008 and 2012 due to the economic crisis, Italy's ODA has been steadily increasing since 2012, more than doubling by 2017. In 2017, Italy spent US\$5.7 billion on gross ODA (in current prices, US\$5.6 billion in 2016 prices), making it rank as sixth-largest donor country amongst the OECD's Development Assistance Committee (DAC) members. This corresponds to 0.29% of Italy's GNI. The government pledged to gradually increase the ODA/GNI share to reach 0.3% by 2020.

Between 2016 and 2017, ODA increased by 10%, following a 26% increase between 2015 and 2016. This increase is the result of two dynamics: a significant rise in expenses dedicated to hosting refugees in Italy, some of which is reportable as ODA, and the growing political will to use development cooperation as a tool to strengthen Italy's international standing.

Due to its geographic position, Italy has been at the front-line of the refugee crisis in Europe, with high numbers of asylum seekers reaching the continent by crossing the Mediterranean Sea. ODA-reportable costs of hosting refugees in Italy rose significantly in the last years: While in

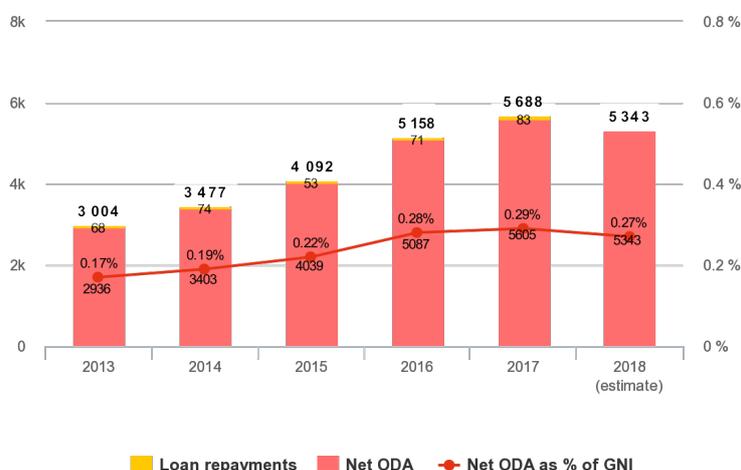
2012 they were only US\$221 million (or 9% of total ODA), in 2017 they reached US\$1.8 billion, accounting for 31% of Italy's ODA. When excluding these costs, net ODA in 2017 stood at US\$3.8 billion, or 0.20% of Italy's GNI (down from US\$5.6 billion or 0.29%). However, unlike several other donor countries, Italy so far does not use its development budget to cover those costs. The funds are instead additional to planned development funding, thus 'inflating' Italy's ODA levels.

In parallel, funding for development programs abroad, primarily through multilateral channels, is also increasing: When excluding costs of hosting refugees within Italy, net ODA went up by 12% between 2015 and 2016.

Italy held general elections in March 2018, with a coalition of the anti-establishment 5-Star Movement and the right-wing League forming the government. The strategic priorities for the new government's development policy have not yet been set. In 2018, Italy holds the presidency of the Organization for Security and Co-operation in Europe (OSCE). It also aims to ensure follow-up to results obtained during its G7 presidency in 2017, including the accountability report on education, the financial report on nutrition and food security, and the road map on gender.

### ITALY'S GROSS/NET ODA DISBURSEMENTS

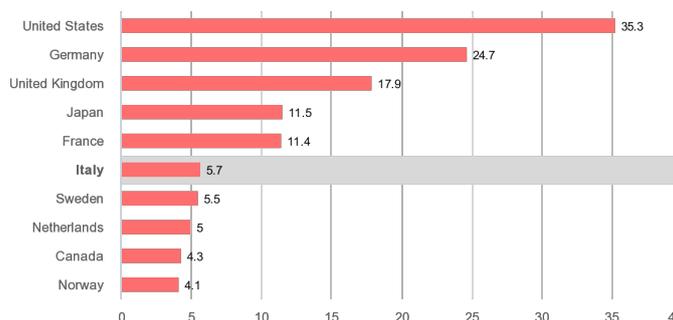
US\$ millions; in 2016 prices



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

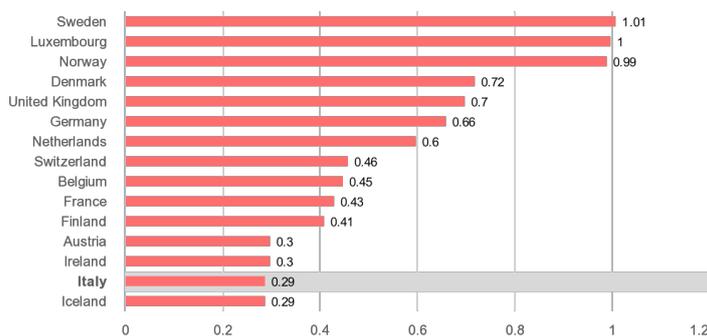
Net ODA Disbursements; US\$ billions; in current prices



OECD DAC preliminary data (April 2018).

TOP 15 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.