

KEY QUESTIONS

the big six



How much ODA does the US provide?

The US is by far the largest donor, providing almost a fourth of global ODA

The United States (US) is the largest donor country among members of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD). Its net official development assistance (ODA) was US\$33.6 billion in 2016 (2016 prices, US\$33.2 billion in 2015 prices). This represents 23% of total ODA provided by all DAC donor countries. However, relative to the size of the US economy, the ODA volume is low. In 2016, the US spent 0.18% of its gross national income (GNI) on ODA, ranking the US 22nd among DAC donors. ODA as a share of GNI has hovered at the same level in recent years.

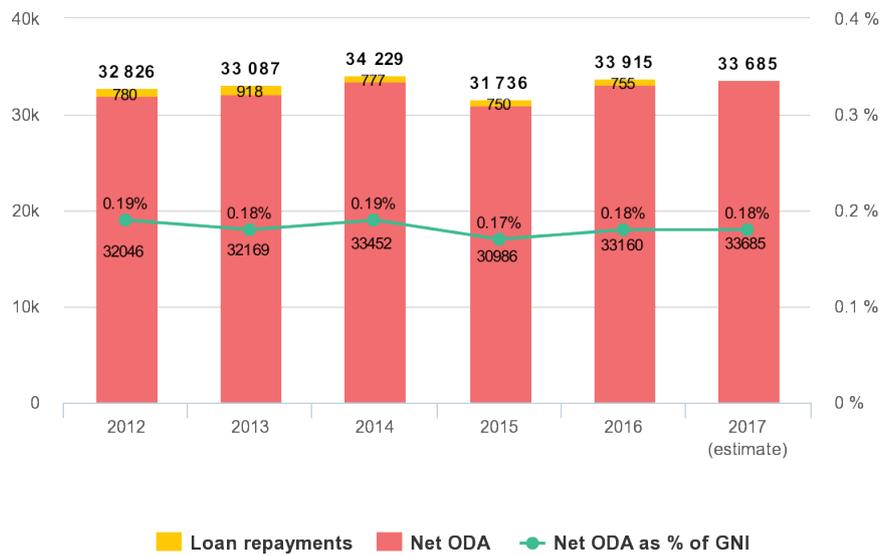
Future ODA levels are currently unclear. The Trump administration requested US\$40.5 billion for the overall fiscal year (FY) 2018 International Affairs Budget, which includes ODA. This is a decrease from US\$59.1 billion in FY2017. The House of Representatives (House) Appropriations Committee proposed US\$48.9 billion, while the Senate's proposed US\$53 billion in total. Most of the US's International Affairs Budget - and its foreign assistance - is funded through the State-Foreign Operations appropriations (SFOPs) bill (see Key Question: How is the US's ODA budget structured?; see box below). The SFOPs is primarily managed by the US Department of State (State Department), responsible for foreign policy, and the US Agency for International Development (USAID), the US's lead agency for development assistance. The president's budget request for FY2018 (October 2017 to September 2018), released in May 2017, proposes a 28% cut to the SFOPs. It foresees significant reductions to global health programs, humanitarian assistance, contributions to international organizations (especially the UN system), and programs related to food security and climate change.

However, this proposal has faced considerable pushback from Congress. The House SFOPs bill, approved in July

2017, suggests fewer cuts: Overall, it requests US\$47.4 billion, which is US\$10 billion below the level enacted in FY2017. The bill restored many of the proposed cuts to global health, but it confirms the shift away from family planning (FP), climate change, and multilateral organizations. The House bill seeks to codify the 'Mexico City Policy' on reproductive health and rights and FP, and prohibits funding to the United Nations Population Fund (UNFPA). This policy blocks federal funding to non-government organizations (NGOs) that provide abortion information, referral, or services, or advocate for such services. It is also known as the 'Global Gag Rule' due to its intention to prevent the use of US money for talking about abortion at any level. The Senate Appropriations Committee debated and voted (called: 'mark-up') on its SFOPs on September 7, 2017: It stands at US\$51.2 billion, about US\$1.9 billion below FY2017 levels. It contains limited cuts compared to the House Appropriations Committee's SFOPs and the president's request: some reductions to climate change and FP-related programming are restored (see Key question: What are the US's strategic priorities for development?). Congress is supposed to conclude its annual appropriations process by September 30, including reconciling the differences between the House and Senate bills, before the start of the next fiscal year (October 1). If this does not happen, an emergency short-term measure, called a 'continuing resolution (CR)', is needed to keep the government funded. Such resolutions often maintain funding levels from the previous fiscal year, and can last for a period of weeks or months. A CR was enacted on September 8, 2017, allowing the government to operate essentially at FY2017 levels until December 8, 2017. Until then, Congress will need to reach a final agreement on the budget for FY2018. It will attempt to pass individual appropriations bills; any unpassed bills - likely to include the SFOPs - will be combined into an omnibus funding bill (see Key question: What are important decision-making opportunities in the US's annual budget process?).

THE US' GROSS/NET ODA DISBURSEMENTS

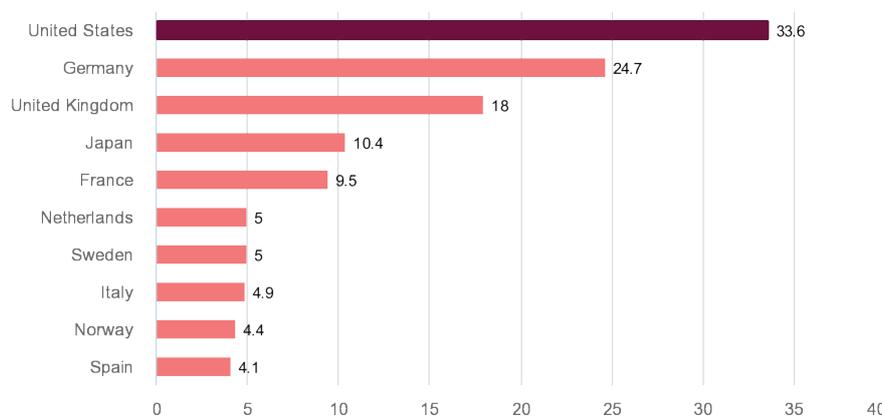
US\$ millions; in 2015 prices



OECD DAC. 2016 data according to OECD preliminary data (April 2017). ODA estimates for 2017 are based on government data.

TOP 10 DAC DONOR COUNTRIES, 2016

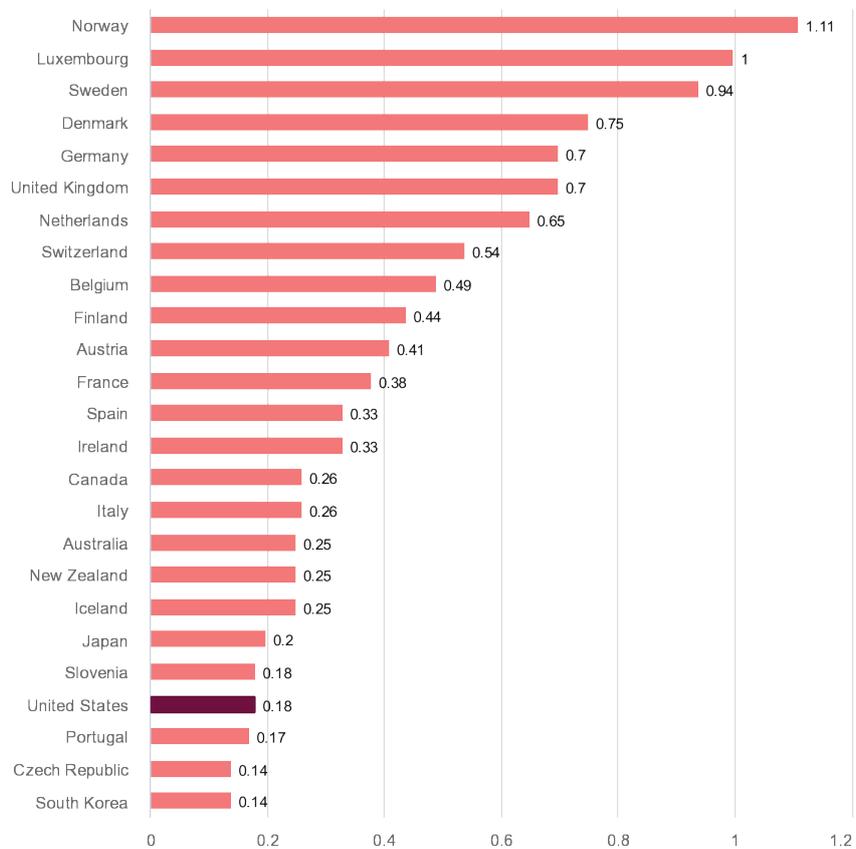
Net ODA disbursements; US\$ billions; 2016 prices



OECD DAC. Amount in current prices.

DAC DONOR COUNTRIES, 2016

Net ODA as % of GNI



OECD DAC.

¹ ‘2016 prices’ refers to the actual ODA amount disbursed in 2016. This figure is commonly used when comparing ODA across donors in 2016. To compare ODA levels in 2016 with ODA levels provided in previous years, figures need to be measured in constant prices. This means that the ODA amounts for each year are adjusted to take into account the effect of inflation and of exchange rate fluctuations. In this profile, we generally state ODA figures in ‘2015 prices’, meaning that we use 2014 as a base year, to ensure data is comparable over time.

² The US does not have a dedicated ODA budget. Rather, the federal budget is divided into budget ‘functions’ that include all spending on an issue, sourced from various appropriations bills. Most development-related spending is within Budget Function 150, commonly referred to as the International Affairs Budget, which includes ODA-accountable funding and non-ODA money, such as operating embassies, military assistance, and promotion of US exports.