

KEY QUESTIONS

the big six



How much ODA does the US provide?

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

The US is the largest donor country of the members of the OECD Development Assistance Committee (DAC). Its net ODA was US\$35.3 billion in 2017 (in current prices, US\$34.6 billion in 2016 prices). This represents around one-fourth (24%) of the ODA provided by all DAC countries. However, relative to the size of its economy, US ODA is low: In 2017, the US spent 0.18% of its GNI on ODA, ranking 21st among DAC donors.

To date under the Trump administration, foreign assistance, which includes diplomacy and development spending, has remained largely stable due to ongoing budget negotiations in Congress and the passing of several continuing resolutions (CR) – emergency measures to keep government functions running at FY2017 levels. In February 2018, the US Congress passed a budget bill in which total discretionary spending was raised by 12% over two years (2018-2019), which could have implications for foreign assistance funding. In March 2018, Congress passed the final US federal FY2018 budget that will keep the government open through September 30, 2018, and which incorporates these increases.

The FY2018 budget largely rejects the deep cuts to US foreign assistance included in the president's FY2018 budget request, setting US funding for development and diplomacy (International Affairs Budget, see question four: 'How is the US' ODA budget structured?') at US\$55.9 billion in total, including base and Overseas Contingency Operations (OCO) funding. When including US\$2.1 billion in supplemental funding approved over the year,

US foreign assistance:

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.

this is a 6% cut from FY2017 levels. Excluding this supplemental funding, the FY2018 budget represents about a 4% (US\$2.1 billion) increase to FY2017 levels.

Meanwhile, the president's FY2019 budget request was released in February 2018. The request again calls to drastically cut international affairs and development funding by 30% from FY2017 levels, from US\$59.1 billion to US\$41.7 billion. The impact of this budget request on congressional appropriations for FY2019 is unclear.

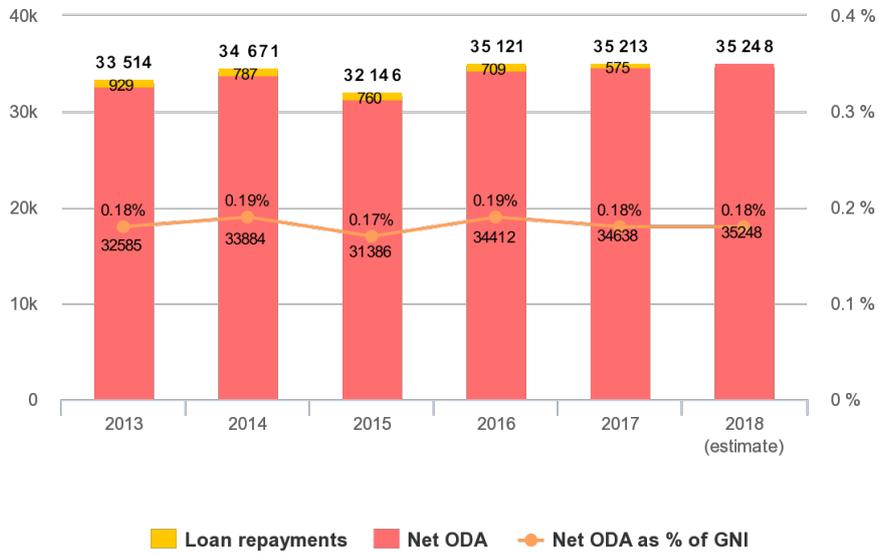
Furthermore, reductions to OCO funding contained in the February 2018 congressional budget deal indicates potential decreases in US foreign assistance, unless more funding is appropriated to the base budget for FY2019 (see question four: 'How is the US' ODA budget structured?').

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.

THE US' GROSS/NET ODA DISBURSEMENTS

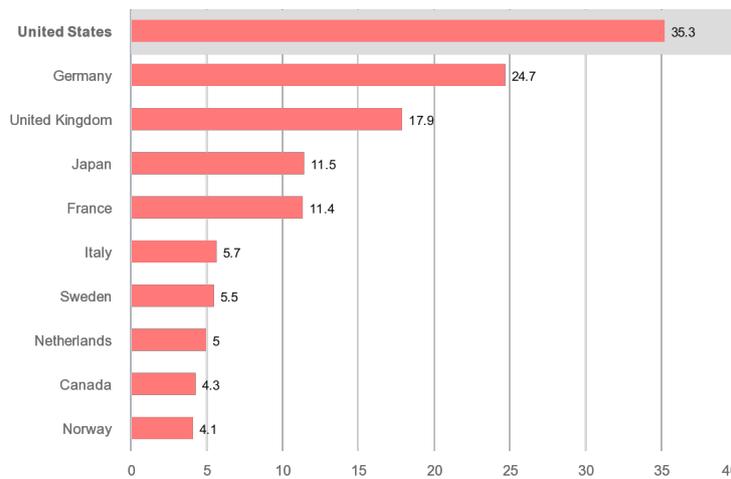
US\$ millions; in 2016 prices



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

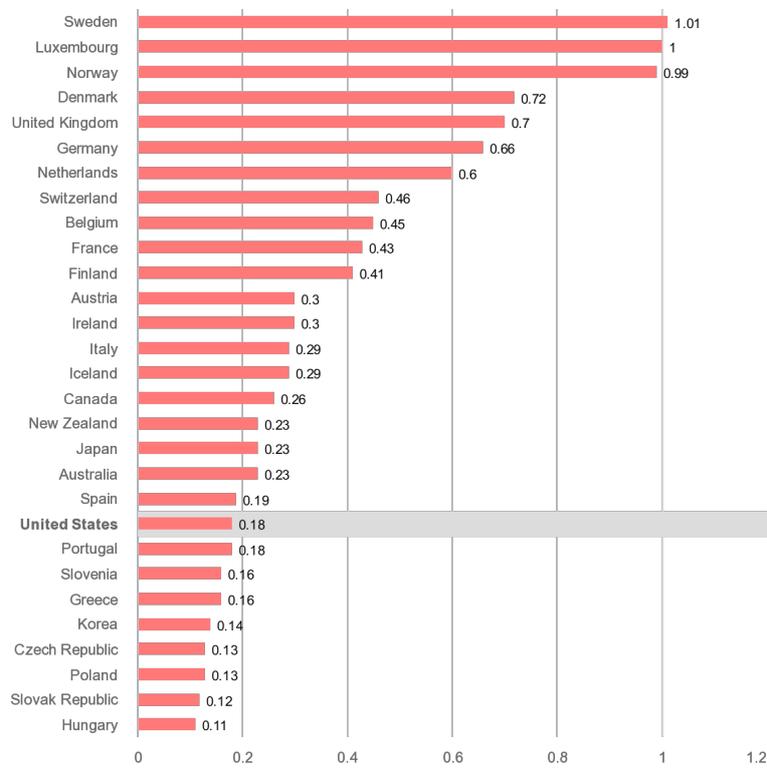
Net ODA disbursements; US\$ billions; in current prices



OECD DAC preliminary data (April 2018).

DAC DONOR COUNTRIES, 2017

Net ODA as % of GNI



OECD DAC preliminary data (April 2018).