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**Commission on Population and Development** Fifty-second session 1–5 April 2019 Item 3 (a) of the provisional agenda\* General debate: actions for the further implementation of the Programme of Action of the International Conference on Population and Development at the global, regional and national levels

# Flow of financial resources for assisting in the further implementation of the Programme of Action of the International Conference on Population and Development

**Report of the Secretary-General** 

### Summary

The present report was prepared by the United Nations Population Fund in accordance with General Assembly resolution 49/128, in which the Assembly requested the Secretary-General to prepare periodic reports on the flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development and to promote the exchange of information on the requirements for international assistance among the members of the donor community.

The present report provides information on the latest trends in official development assistance (ODA) in areas of central importance to the Programme of Action, including sexual and reproductive health, comprising reproductive health, family planning and sexually transmitted infections, including HIV; and population data and policy analysis.

The amount of ODA provided by member States of the Development Assistance Committee of the Organization for Economic Cooperation and Development in the areas of sexual and reproductive health and population data and policy analysis has levelled off since about 2007. Between 2015 and 2016, gross ODA disbursements for sexual and reproductive health increased only slightly, from \$4.4 to \$4.5 per woman of reproductive age in the developing world. In the same period, gross ODA disbursements for population data and policy analysis increased from \$358,000 to \$476,000 per developing country, which is a notable increase, but starting from a very low figure (see figs. IV and V). The share of ODA provided for humanitarian purposes has risen, which is largely mirrored by a falling share of ODA provided for development purposes, specifically for infrastructure and production.

\* E/CN.9/2019/1.





## I. Introduction

1. The present report of the Secretary-General on the flow of financial resources for assisting in the further implementation of the Programme of Action of the International Conference on Population and Development builds on the three prior reports of the Secretary-General on this issue. In the reports prepared for discussion at the forty-ninth session of the Commission on Population and Development, in 2016 (E/CN.9/2016/5), for the fiftieth session, in 2017 (E/CN.9/2017/4) and for the fifty-first session, in 2018 (E/CN.9/2018/4), the following recommendations were put forward:

(a) Data sources. It was recommended that the annual report on resource flows be based on official development assistance (ODA), in the light of the original mandate contained in General Assembly resolution 49/128 and given the incompleteness of reliable data on resource allocations at the domestic level. Accordingly, the report would track resource allocations by Development Assistance Committee member countries, as recorded in the creditor reporting system of the Organization for Economic Cooperation and Development (OECD);

(b) Scope. It was recommended that the resource tracking exercise be expanded beyond the four costed components contained in the Programme of Action to include categories that more fully represent the scope of the Programme of Action. Proposed categories for inclusion were provided in annex I to the report prepared for the fifty-first session of the Commission (E/CN.9/2018/4). It was further recommended that the list of categories be subject to periodic review and possible refinement and that it be adapted, where feasible, to the thematic focus of each annual session of the Commission and Development;

(c) Categories. Given the continuing challenges with respect to distinguishing among expenditures for family planning, basic reproductive health and HIV/AIDS prevention, it was recommended that expenditures for those areas be presented as a single aggregate category of sexual and reproductive health and complemented by the estimate of resource flows for population data and policy analysis, which includes the collection, analysis and use of population data, capacity-building, policy development and training;

(d) Format. It was recommended that information on official development assistance be presented in a series of standard charts and tables, to be issued as a stand-alone report of the Secretary-General on resource flows for the implementation of the Programme of Action;

(e) Periodicity. Continued issuance of an annual report was recommended, consistent with the specifications outlined in the report prepared for the fifty-first session of the Commission (E/CN.9/2018/4), subject to a quadrennial review that includes an update on the status and emerging potential of new data sources from other donors beyond OECD and emerging sources of information about domestic expenditures;

(f) Partnership and capacity-strengthening. Given the importance of further developing national data systems to support the estimation of domestic expenditures for development, including for reproductive health and the overall implementation of the Programme of Action, enhanced global partnerships and capacity-building are encouraged in order to strengthen systems of national accounts.

2. In accordance with the recommendations above, the present report is focused on ODA. In turn, the analysis of ODA flows is focused on assistance provided by the member countries of the Development Assistance Committee of OECD – the traditional donor countries. The focus on ODA provided by Development Assistance

Committee member countries will be complemented by comparable data on ODA from non-Development Assistance Committee member countries and other institutions, when and where such data become available.

3. In marking the twenty-fifth anniversary of the Programme of Action of the International Conference on Population and Development in 2019, the Commission on Population and Development has set out to discuss the progress made in the implementation of the Programme of Action as a whole over the past 25 years. In accordance with this comprehensive review, and in line with the recommendation that the present report on resource flows support the thematic discussions of the Commission, where possible, a broad approach is adopted for the present report. The discussion of the share of ODA allocated for sexual and reproductive health as well as for population data and policy analysis, which are also referred to as the costed components of the Programme of Action, is complemented by a discussion of ODA flows to other key areas, including the broader social and economic sectors, as well as such critical subcomponents as health, education, humanitarian assistance and good governance.

4. Framed by a discussion of broader shifts in development assistance, notably between humanitarian and development purposes, the present report is focused on development assistance committed to social purposes. It covers allocations of ODA for health beyond the area of sexual and reproductive health, as well as ODA allocated for education and governance. In addition, the discussion on aid allocations for social matters is complemented by a review of allocations of aid for infrastructure and environmental protection. Although such issues are not part of the costed components of the Programme of Action, they are central to the Programme, as regards collectively addressing the critical challenges and interrelationships between population and sustained economic growth in the context of sustainable development.

5. The need to understand sexual and reproductive health and rights in a broader context of demographic change and sustainable development is also highlighted by discussions on the first and second demographic dividend. Whereas the first demographic dividend critically depends on the productive engagement of a growing working-age population; the second demographic dividend relies on the accumulation of productive capital and active and healthy ageing. Neither of these dividends is an automatic process, and central to both is the cultivation of human capital. The realization of the dividends critically depends on empowerment, education and the employment of younger generations, as well as active and healthy ageing, the accumulation of capital, growth in productivity and productive investments in the real economy. The linkages between these issues are also highlighted in a report of the Secretary-General on the monitoring of population programmes, focusing on the review and appraisal of the Programme of Action of the International Conference on Population and Development and its contribution to the follow-up and review of the 2030 Agenda for Sustainable Development, to be submitted to the Commission on Population and Development at its fifty-second session.

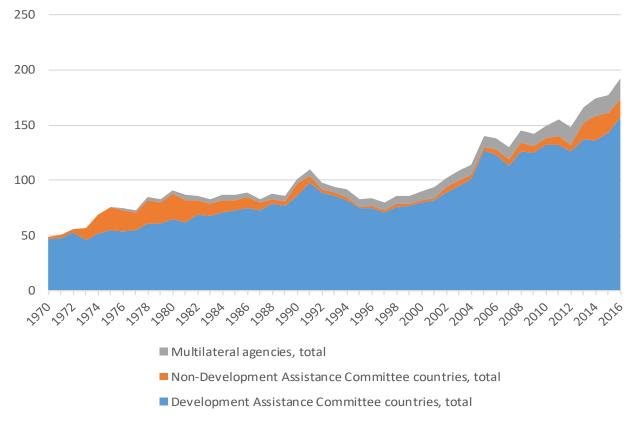
6. In section II of the present report, aggregate trends in aid are reviewed. Section III provides the background for the discussion of aid allocated to the costed components of the Programme of Action, covering sexual and reproductive health and population data and policy analysis. Section IV provides the background for the broader discussion of aid beyond the costed components of the Programme of Action, and section V contains a brief summary and conclusion.

7. In 2016, the most recent year for which complete data were available at the time of writing, development assistance reached a total of \$192 billion in constant terms (see fig. I). After a slump in ODA in the 1990s, the world has seen a remarkable increase in ODA from about 2000 onward, a turnaround that coincided with the

United Nations Millennium Declaration and the Millennium Development Goals. Although the Millennium Development Goals, which guided global development efforts between 2000 and 2015, have been superseded by the Sustainable Development Goals, they have had a lasting impact. Through the Millennium Development Goals, a spotlight was shone on many social and human development challenges that had hitherto been neglected, which encouraged a major refocusing of ODA. It remains to be seen whether the Sustainable Development Goals will have a similar effect in shaping ODA flows in the years to come.

### II. Overall trends in official development assistance

Official development assistance by Development Assistance Committee countries, non-Development Assistance Committee countries and multilateral institutions, 1970–2016 (Billions of constant dollars)



Source: OECD International Development Statistics online databases. Available at www.oecd.org/dac/stats/idsonline.htm (accessed on 12 December 2018).

Note: ODA gross disbursements.

8. Today, the traditional donors – the Development Assistance Committee member countries – remain by far the most important donors. In 2016, of the \$192 billion in ODA cited in paragraph 7 above, the Development Assistance Committee donors provided about \$158 billion in ODA (or 82 per cent of the total), but over the past decade, the share of development assistance provided by advanced developing countries has also experienced an increase, and it is estimated that in 2016, non-Development Assistance Committee donors provided about \$16 billion in ODA (or 8 per cent of the total). The remainder, about \$19 billion, or 10 per cent of the

Figure I

total, was channelled through multilateral agencies. It is important to note, however, that much of the development assistance provided by non-traditional donors does not easily fit into the categories of ODA as defined by OECD, and it is therefore possible that much of this assistance is not reported to OECD and not recorded in the official records of ODA.

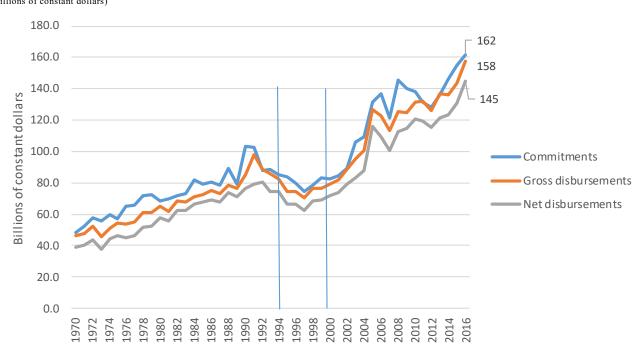
9. In support of the debate of the Commission on Population and Development on overall progress made in the implementation of the Programme of Action over the past 25 years, the report offers a longer-term perspective on resource flows in support of the implementation of the Programme of Action. This includes a focus on the costed components of the Programme of Action, notably sexual and reproductive health and population data and policy analysis, but also an assessment of resource flows to other areas of importance to the Programme of Action. In accordance with the longer period that is used for this analysis, financial flows are adjusted for inflation. This is done using the deflator provided by OECD and by expressing values in constant rather than current terms.

10. The analysis of ODA would ideally focus on gross or net disbursements, including or excluding debt service payments by recipients, but as a result of data limitations, the analysis of ODA presented herein will frequently rely on commitments instead. This is because data on ODA disbursements by sector are available only from the early 2000s onward, whereas the ODA analysis in the present report seeks to show trends from the mid-1990s, when the Programme of Action was launched.

11. Although the trends in ODA disbursements and commitments are generally the same, the level of ODA disbursements and commitments can vary. This is highlighted in figure II, which is focused on ODA by Development Assistance Committee donors. In 2016, the most recent year for which data are available, commitments stood at \$162 billion, but gross disbursements amounted to \$158 billion, and net disbursements reached only \$145 billion, resulting in a total difference between commitments and net disbursements of about \$17 billion. The gross disbursements were \$4 billion (or 2.7 per cent) lower than the commitments and the net disbursements were an additional \$13 billion (or 8 per cent) lower than the gross disbursements.

12. A deeper sectoral analysis by the costed components of the Programme of Action shows that sometimes disbursements exceed commitments. Between 2002, the first year for which data on gross disbursements of ODA by sectors are available, and 2016, the last year for which such data were available at the time of writing, gross ODA disbursements for sexual and reproductive health were higher than commitments in 4 of 15 years, and gross ODA disbursements for population data and policy analysis were higher in 11 of 15 years. In the case of sexual and reproductive health, the variations between gross disbursements and commitments ranged from 11 per cent higher to 51 per cent lower; and in the case of population data and policy analysis, gross disbursements were up to 274 per cent higher and up to 65 per cent lower than commitments. The greater variation in ODA for population data and policy analysis is attributable to the fact that the share of ODA for population data and policy analysis is much smaller. Over the 15-year period from 2002 to 2016, ODA allocations for population data and policy analysis were equal to only 0.8 per cent of ODA allocations for sexual and reproductive health. Thus, small additions to or subtractions from ODA for population data and policy analysis, in absolute terms, added up to a large change in ODA to population data and policy analysis in relative terms. Against this background, trends in ODA are carefully examined in the following sections, using data on commitments, where necessary, and on disbursements, where possible.

### Figure II



Official development assistance by Development Assistance Committee donors to all developing countries, 1970–2016

(Billions of constant dollars)

Source: OECD International Development Statistics online databases. Available at www.oecd.org/dac/stats/idsonline.htm (accessed on 12 December 2018).

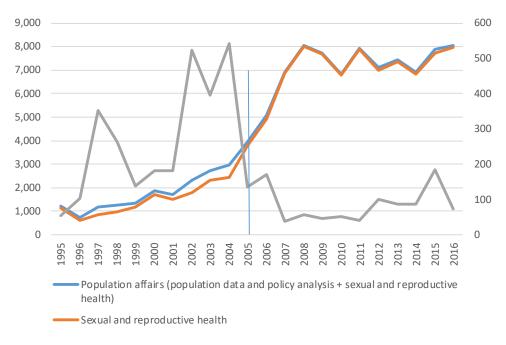
# III. Official development assistance for the costed components of the Programme of Action

13. Figure III maps the trends in ODA commitments by Development Assistance Committee donors for population-related matters, which gives short shrift to the costed components of the Programme of Action. Against the total value of such aid, it shows ODA from Development Assistance Committee donors for sexual and reproductive health, as well as ODA from Development Assistance Committee donors for population data and policy analysis on the right axis. While ODA for population data and policy analysis declined between 2015 and 2016, ODA for sexual and reproductive health increased over the same period.

14. Figure III also shows that aid allocations for sexual and reproductive health account for almost all of the aid for the costed components of the Programme of Action and that the share of aid for population data and policy analysis is very small by comparison. The significant difference between the aid allocations towards those two components reflects the fact that ensuring that all women of reproductive age have access to sexual and reproductive health care constitutes a very complex challenge, and that the resource implications to support the efforts required in that respect are quite different from those required to ensure that all countries have the capacity to collect, analyse and use population data. The allocations of aid for both purposes are therefore best measured against distinct and meaningful benchmarks. Figure IV shows ODA for sexual and reproductive health, per woman of reproductive age in the developing world; and figure V shows ODA for population data and policy analysis, per developing country.

### Figure III Official development assistance by Development Assistance Committee donors for population matters, 1995–2016

(Millions of constant dollars)



Population data and policy analyisis – right axis

*Source*: OECD International Development Statistics online databases. Available at www.oecd.org/dac/stats/idsonline.htm (accessed on 12 December 2018).

*Notes*: ODA commitments; in accordance with the recommendations contained in the report prepared for the fifty-first session of the Commission (E/CN.9/2018/4); ODA for populationrelated matters distinguishes between ODA for sexual and reproductive health and ODA for population data and policy analysis; in accordance with the sector codes of the creditor reporting system, ODA for sexual and reproductive health and ODA for population data and policy analysis are defined as follows: sexual and reproductive health includes reproductive health care (13020), family planning (13030), sexually transmitted infection control, including HIV/AIDS (13040), personnel development for population and reproductive health (13081) and social mitigation of HIV/AIDS (16064); population data and policy analysis corresponds to population policy and administrative management (13010).

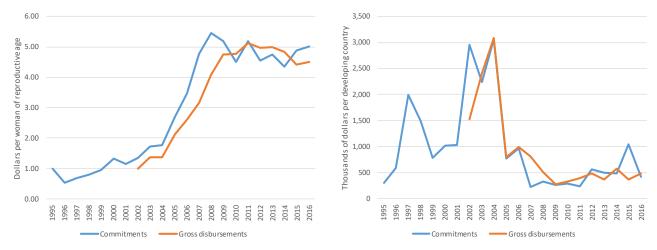
15. Figure IV shows that ODA for sexual and reproductive health accelerated in the years after the agreement on the Millennium Development Goals. By contrast, figure V shows that ODA for population data and policy analysis has been much more erratic and on a general decline since2004. Since about 2007, the level of ODA for both areas has shown few changes, and the most recent changes, in 2015 and 2016, have not fundamentally altered this trend. From 2015 to 2016, ODA for population data and policy analysis per developing country increased from \$358,000 to \$476,000, which is a notable increase but starting from a very low level, and ODA for sexual and reproductive health per woman of reproductive age increased from \$4.4 to \$4.5. Between 2011, when ODA disbursements for sexual and reproductive health were at their highest, and 2016, ODA disbursements for sexual and reproductive health declined by about 60 cents per woman of reproductive age in the developing world. That decrease could have been averted had ODA disbursements in 2016 kept up with ODA commitments for that year.

#### Figure IV

Official development assistance commitments and gross disbursements by Development Assistance Committee donors for sexual and reproductive and health resources per woman of reproductive age, 1995–2016

#### Figure V

Official development assistance commitments and gross disbursements by Development Assistance Committee donors for population data and policy analysis per developing country, 1995–2016



Source: OECD International Development Statistics online databases. Available at www.oecd.org/dac/stats/idsonline.htm (accessed on 12 December 2018).

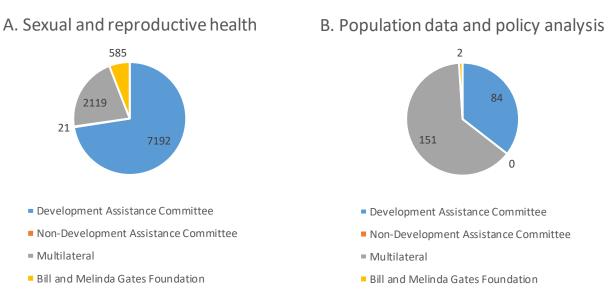
16. In 2016, ODA committed to population data and policy analysis amounted to only \$73 million. In 2016, however, ODA for the related area of statistical capacitybuilding (sector code 16062) was even lower (\$46 million). As noted in the report on resource flows, prepared for the fifty-first session of the Commission (E/CN.9/2018/4), there is an increased need for the collection, analysis and use of population data, and for the strengthening of statistical capacities more generally, and the ODA allocations to date are too low to meet this need. Likewise, greater amounts of ODA are needed to meet the needs of women for sexual and reproductive health care, information and services.

17. The overall picture of aid disbursements is more encouraging, though still far from sufficient, when aid from other sources is included. Figure VI, panel A, shows that Development Assistance Committee ODA for sexual and reproductive health accounted for 73 per cent of the total aid for sexual and reproductive health in 2016, and figure VI, panel B, shows that Development Assistance Committee ODA for population data and policy analysis amounted to only 36 per cent of total aid for population data and policy analysis. Multilateral institutions provided 21 per cent of aid for sexual and reproductive health and 63 per cent of aid for population data and policy analysis, and the Bill and Melinda Gates Foundation provided 6 per cent of the total aid for sexual and reproductive health and 2 per cent of total aid for population data and policy analysis. In comparison, the engagement of non-Development Assistance Committee donors in these areas was low. They provided only 0.2 per cent of aid for sexual and reproductive health, and the Development Assistance Committee database did not register any aid disbursements by non-Development Assistance Committee countries for population data and policy analysis.

18. Considering all sources of funding, including official development assistance and private grants, total aid for sexual and reproductive health amounted to \$6.22 for each woman of reproductive age in 2016 (which is \$1.72 higher than ODA by Development Assistance Committee countries alone), and total aid for population data and policy analysis amounted to \$1.34 million for each developing country in 2016 (which is \$864,000 higher than ODA by Development Assistance Committee countries). These upward corrections are largely attributable to an increasing proportion of ODA. It is important to note, however, that even the higher values remain low, compared with needs.

### Figure VI Total aid from all sources for sexual and reproductive health and population data and policy analysis, 2016

(Millions of constant dollars)



*Source*: OECD International Development Statistics online databases. Available at www.oecd.org/dac/stats/idsonline.htm (accessed on 12 December 2018).

*Notes*: ODA gross disbursements; the Bill and Melinda Gates Foundation is one of the few private donors committed to reporting its activities through the International Development Statistics database.

19. Progress towards the implementation of the Sustainable Development Goals is measured by a total of 232 distinct indicators, of which 98 require population data within the denominator, or otherwise depend on population data. Beyond the specific measurement in the context of the Sustainable Development Goals, national population data are needed to ensure up-to-date information on the age, sex and household characteristics and location of all those potentially left behind by development, as well as to ensure that Governments have the data to generate national and subnational trends in population growth, age structures and geographic mobility of people. Such data are essential for development planning and for the allocation of infrastructure needed for human development.

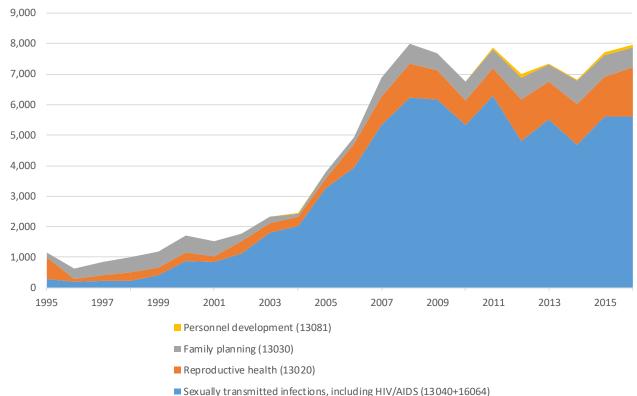
20. Likewise, ensuring universal access to sexual and reproductive health care, information and services, including voluntary family planning and comprehensive sexuality education, and making progress in the realization of sexual and reproductive rights, remains a daunting task. The United Nations Population Fund has committed to helping countries move much closer to zero with regard to maternal mortality, unmet needs relating to family planning and gender-based violence, but working towards these overarching objectives goes well beyond what the Fund can deliver alone, requiring truly transformative change. Increased disbursement by traditional and non-traditional donors are needed, as well as increased spending by the relative countries, at the national level. Furthermore, public spending must be complemented by public-private partnerships and much greater private investment.

21. Owing to the difficulties of delineating allocations of ODA in the areas of reproductive health, family planning and sexually transmitted infections, including HIV, any breakdown of ODA according to such categories is necessarily imperfect. Although it is not possible to defend the absolute or relative size of each of these components, figure VII does give a clear message: the increase in ODA for sexual and reproductive health since 1995, and in particular since the turn of the millennium, was largely attributable to an increase in ODA to address HIV/AIDS. Without an increase in aid for other areas of sexual and reproductive health, it will be almost impossible to make progress towards the transformative goals outlined above. More resources are needed to reduce maternal mortality, meet unmet needs relating to family planning, and to end harmful practices, including gender-based violence. Requirements include investments in people, in health systems and in essential infrastructure, as further elaborated on below.

#### Figure VII

# Decomposition of official development assistance by Development Assistance Committee donors for sexual and reproductive health, 1995–2016

(Billions of constant dollars)



Source: Organization for Economic Cooperation and Development international development statistics online databases. Available at www.oecd.org/dac/stats/idsonline.htm (accessed on 12 December 2018). Note: ODA commitments.

### Domestic resource allocations for health and sexual and reproductive health

As highlighted in the discussions on financing for development, as well as in the Addis Ababa Action Agenda, which was adopted at the Third International Conference on Financing for Development, external sources of financing must be complemented by domestic sources. It is widely recognized that promoting progress towards the 2030 Agenda for Sustainable Development will cost not billions, but trillions of dollars. It is clear that, even if donors achieve their ODA commitments and targets, ODA will remain woefully inadequate to cover those expenses.

The World Health Organization (WHO) currently publishes the most comprehensive data on domestic financing for health, which are based on the national accounts data collected by national statistical offices, as well as estimates of international entities, such as international financial institutions and the Statistics Division of the United Nations. At the aggregate level, data on expenditure on health are almost universally available, whereas at the disaggregated level, this is not the case. WHO publishes data on health expenditures in the period 2000–2016, including on out-of-pocket expenditures on health, for a total of 191 countries and territories, covering the period from 2000 to 2016. With regard to expenditures on health in that period, there were only five countries for which no data were available at the beginning of the series (Afghanistan, Iraq, Montenegro, Timor-Leste and Zimbabwe). With regard to out-of-pocket expenditures on health, there were only three additional countries (Belgium, Greece and Slovenia) for which no data were available at the beginning of the series. All of those countries now have data for both series. The only countries that do not have up-to-date data on either of the indicators at the time of writing are countries with complicated economic and political situations: Libya, the Syrian Arab Republic, the Bolivarian Republic of Venezuela and Yemen.

### Country coverage of domestic health expenditure data

(Selected indicators)

		Countries	covered	Countries with more than one data point		
	Data range	Number	Percentage of total	Number	Percentage of total	
Current health expenditures	2000-2016	191	100	191	100	
Out-of-pocket expenditures on health	2000-2016	191	100	191	100	
Governance, health system and financing administration	2010-2016	49	26	0	0	
Domestic general government expenditure on HIV/AIDS and sexually transmitted infections	2010-2016	39	20	34	18	
Domestic general government expenditure on reproductive health	2010-2016	38	20	32	17	
Domestic general government expenditure on contraceptive management (family planning)	2010-2016	30	16	23	12	

Source: World Health Organization, Global Health Expenditure database.

The coverage of data becomes far more uneven, however, when assessing health expenditures at a disaggregated level. No data points are available before 2010, and subsequent data are often incomplete. Of the 191 countries, there were only 49 that had data on governance, health system and financing administration, and in all those countries, the first data point was in 2016. There were 39 countries that had data on

domestic general government expenditure on HIV/AIDS and sexually transmitted infections, including 5 with only one data point; 38 countries with data on domestic general government expenditure on reproductive health, including 6 with only one data point; and only 30 countries with data on domestic general government expenditure on contraceptive management (family planning), including 7 with only one data point.

As covered in the 2018 report of the Secretary-General on resource flows, prepared for the fifty-first session of the Commission (E/CN.9/2018/4), for the further implementation of the Programme of Action, far greater effort needs to be made in collecting basic data to complete national accounts of countries. Without such efforts, data on resource allocations at the national level will remain incomplete, estimates of time series data will remain weak and any analysis runs the risk of overstating or understating trends.

# IV. Official development assistance beyond the costed components of the Programme of Action

### Fundamental shifts in official development assistance commitments

22. In the table below, development assistance that has been classified by purpose and allocated to a particular sector is broken down, and the following two remarkable changes in the distribution of aid between 1995 and 2016 are shown:

(a) Declining share in development aid: there has been a notable shift in the distribution of aid between humanitarian and development purposes. The share of ODA committed for humanitarian issues increased from 8 per cent to 31 per cent of the total sector-allocable ODA, and the share of ODA committed for development purposes fell from 82 per cent to 61 per cent of total sector-allocable ODA;

(b) Declining focus on infrastructure and production sectors: there has been a notable shift in the distribution of aid for development purposes. The share of ODA committed to the social sector increased slightly, from 29 per cent to 30 per cent of the total, whereas the share of ODA committed to the infrastructure and production sector declined from 53 per cent to 31 per cent.

23. Action relating to debt, debt relief or debt rescheduling has also seen a declining share of ODA, but that type of aid tends to be of a more cyclical nature. As a result of such shifts, sector-allocable aid commitments are now almost evenly distributed among humanitarian action, social development and infrastructure, production and the economic sector. The growing focus on emergency aid is important - if there are more crises, more resources will need to be spent to address and resolve them - but it should not lead to a neglect of development aid. Sustainable development is the best way to minimize the risk of, and increase the capacity to respond to, humanmade and natural emergencies. For this reason, it is essential that greater focus be placed on the continuum between humanitarian situations on the one hand and sustainable development on the other, and that the prevention of humanitarian crisis situations also receive adequate attention. The trap of underdevelopment characterized by negative interactions involving weak economic development and the agricultural sector, pronounced food insecurity and poverty, severe environmental degradation and shocks, lingering conflicts and displacement and weak institutions and States cannot be adequately and sustainably addressed through support in crisis situations alone. It requires a development strategy and an approach that seeks balanced development of all sectors.

24. Whereas the total share of ODA commitments to the social sector has not changed to any significant extent, the distribution of ODA within the sector has. Figure VII highlights the changing distribution of ODA commitments within the area of sexual and reproductive health; the table below shows the distribution of ODA within the social sector at large.

### Breakdown of official development assistance to the social sector

25. Within the social sector, as set out in the table below, the share of ODA committed to education increased by 2 percentage points and the share of ODA for health increased by 6 percentage points, whereas the share of ODA for governance overall decreased by 7 percentage points. However, owing to the fact that there has been a considerable increase in ODA since 1997 (see fig. I), ODA for all social sectors grew, measured in absolute terms. The sector in which there was the largest increase in absolute values was health, followed by governance; there was a more modest increase in education.

# Table 1Distribution of sector-allocable official development assistance, 1995 and 2016

(Official development assistance commitments, constant dollars)

	Millions of dollars		Percent of sector total		Percentage point change	
	1995	2016	1995	2016	2016–1995	
Total aid allocable by sector		105 044	100.0	100.0	_	
Social (including education, health and governance)	8 911	37 601	29.0	35.8	6.82	
Economic (including infrastructure, production and economics)	16 158	32 614	52.5	31.0	(21.49)	
Humanitarian (including food and migrants)	2 555	32 449	8.3	30.9	22.58	
Debt-related actions		2 380	10.2	2.3	(7.91)	
Total aid to social sector	8 911	37 601	100.0	100.0	_	
Education	1 887	8 662	21.2	23.0	1.86	
Health	2 857	14 371	32.1	38.2	6.16	
Governance	3 418	11 830	38.4	31.5	(6.89)	
Other social sectors	749	2 738	8.4	7.3	(1.13)	
Total aid to education	1 887	8 662	100.0	100.0	_	
Primary education	180	2 458	9.6	28.4	18.82	
Secondary education	42	359	2.2	4.1	1.92	
Vocational training	106	854	5.6	9.9	4.27	
Post-secondary education	528	3 300	28.0	38.1	10.13	
Other education	1 031	1 691	54.6	19.5	(35.13)	
Total aid to health	2 857	14 371	100.0	100.0	_	
Health worker training	29	266	1.0	1.9	0.84	
Infectious diseases:	369	8 024	12.9	55.8	42.92	
Infectious disease control	81	1 286	2.8	8.9	6.10	
Malaria	0	807	0.0	5.6	5.61	
Tuberculosis	0	321	0.0	2.2	2.24	

	Millions of dollars		Percent of sector total		Percentage point change	
	1995	2016	1995	2016	2016-1995	
Sexually transmitted infections, including HIV	288	5 610	10.1	39.0	28.96	
Sexual and reproductive health, excluding HIV	864	2 369	30.2	16.5	(13.75)	
Other health system components	1 502	3 038	52.6	21.1	(31.45)	
Non-health system components	93	674	3.3	4.7	1.43	
Total aid to governance	3 418	11 830	100.0	100.0	_	
Public sector policy and administrative management	2 495	1 595	73.0	13.5	(59.51)	
Legal and judicial development	49	1 905	1.4	16.1	14.66	
Democratic participation and civil society	511	1 727	14.9	14.6	(0.34)	
Civilian peacebuilding, and conflict prevention and resolution	0	1 763	0.0	14.9	14.90	
Other Government and civil society:	363	4 840	10.6	40.9	30.29	
Human rights	96	692	2.8	5.9	3.04	
Women's equality	107	448	3.1	3.8	0.65	
Violence against women	0	128	0.0	1.1	1.08	
Other	160	3 571	4.7	30.2	25.52	

Source: Organization for Economic Cooperation and Development International Development Statistics online databases. Available at www.oecd.org/dac/stats/idsonline.htm (accessed on 12 December 2018). Note: Infrastructure includes water and sanitation.

26. In the education sector, post-secondary education experienced the largest increase in relative and absolute terms, followed by primary education. Whereas the increase in post-secondary education is often linked to student exchanges and collaborations between universities of different countries, the increase in primary education is local in nature.<sup>1</sup> Although aid for primary education already started to increase in 1995, the beginning of the period in question, the Millennium Development Goals, which set forth the goal of achieving universal primary education by 2015, have further contributed to an increase in aid for this purpose. It remains to be seen whether Agenda 2030, which has set forth the goal to achieve universal secondary education by 2030, will have a similar impact. Thus far, secondary education, including technical and vocational training, has received far less aid in terms of ODA, in relative and absolute terms. Nevertheless, secondary education has a key role to play not only in the empowerment of people, especially women and girls, but also in the development of human capital. It remains critical to the potential for achieving a demographic dividend, ensuring that workers have the

<sup>&</sup>lt;sup>1</sup> The Global Partnership for Education notes that donor country investments focus on post-secondary education: on average, 42 per cent of donor countries' education official development assistance was allocated to this sector in 2015, driven in large part by spending on scholarships and other costs for students from developing countries studying in donor countries (73 per cent of total post-secondary funding). In contrast, Organization for Economic Cooperation and Development donor countries allocated only 26 per cent of their bilateral education official development assistance in 2015 to basic education, which includes primary education, early childhood education and basic life skills for youth and adults. Available at www.globalpartnership.org/blog/how-do-donors-support-global-education-findings-deep-dive-education-aid. See also SEEK Development, The Donor Tracker, "Are we making progress?: Understanding trends in donor support for agriculture, education, global health, global health R&D, and nutrition", March 2018. Available at https://seekdevelopment.org/sites/default/files/publication-pdfs/DT\_HighlightStory\_AreWeMakingProgress\_March2018\_1.pdf.

skills needed to attract and advance new businesses and meeting the demands of a 21st-century economy.

27. With regard to health, the largest share of ODA is supporting the development of health systems, and within the health system, the largest share is directed towards efforts to combat infectious diseases. This breakdown of health-related aid is naturally determined by the definition of the health system. The definition that is used here is consistent with the Ouagadougou Declaration on Primary Health Care and Health Systems in Africa, which is relatively broad in its focus. It includes the following elements: leadership and governance for health, health service delivery, human resources for health, health financing, health information systems, health technologies, community ownership and participation, partnerships for health development, and research for health.

28. Within the health system, the focus on infectious diseases absorbs 59 per cent of ODA, of which efforts to combat HIV absorbs no less than 70 per cent. In comparison, malaria and tuberculosis – the two other infectious diseases for which the Millennium Development Goals set specific targets – have received proportionately smaller funds within ODA reported to the Development Assistance Committee data base.

29. It is also notable that, if HIV and AIDS are excluded, the residual ODA commitments to sexual and reproductive health have declined as a proportion of the health-related commitments. The share of sexual and reproductive health within ODA commitments to the health system fell from 27 per cent in 1995 to 11 per cent in 2016, indicating a marked decline in relative terms, but because there was a large increase in ODA in this period, absolute contributions to sexual and reproductive health increased by a factor of 2.7, from \$0.9 billion in 1995 to \$2.4 billion in 2016 (see table 1).

30. ODA commitments for governance and civil society have undergone notable changes over the period from 1995 to 2016 period. Most notably, aid to strengthen the public sector and administrative management declined from 73 per cent to 13 per cent ODA to this sector, whereas aid to strengthen other areas of governance, in particular other Government and civil society, increased from 11 per cent to 41 per cent. The decreasing focus on public administration is consistent with the emphasis of structural adjustment programmes on shrinking the public sector. While a cut in spending on public administrative capacities of the public sector to manage development programmes.<sup>2</sup> Strong and capable non-governmental institutions. The literature on the developmental State underscores the fact that capable public institutions that focus on development have been essential for the success of many emerging market economies.<sup>3</sup>

31. It is important to note that only a very small share of the resources dedicated to the strengthening of governance and civil society are categorized as explicitly

<sup>&</sup>lt;sup>2</sup> For an overview of the arguments and literature, see, for example, Bernhard Reinsberg and others, "How Structural Adjustment Programs Impact Bureaucratic Quality in Developing Countries", Political Economy Research Institute, University of Massachusetts Amherst, working paper, 25 January 2018.

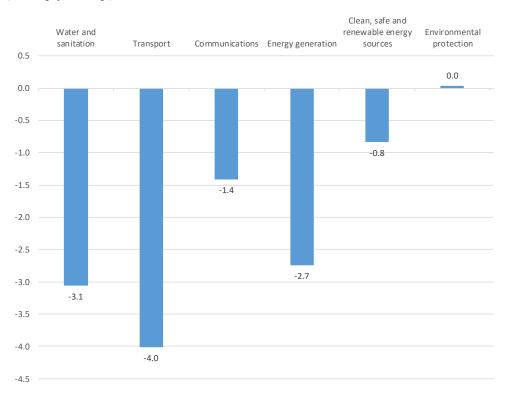
<sup>&</sup>lt;sup>3</sup> For a conceptualization and discussion of the concept of the developmental State, see, for example, Chalmers Johnson, *MITI and the Japanese Miracle: The Growth of Industrial Policy*, 1925–1975. (Stanford, California: Stanford University Press, 1982); Alice Amsden, *Asia's Next Giant: South Korea and Late Industrialization* (Oxford, Oxford University Press, 1989); and Adrian Leftwich, "Bringing politics back in: Towards a model of the developmental state", *The Journal of Development Studies*, vol. 31, No. 3 (February 1995).

dedicated to strengthening human rights and gender issues. In 2016, efforts to strengthen human rights received only 6 per cent of ODA for governance and civil society. Organizations that support women's equality received 4 per cent, and only 1 per cent went towards efforts to combat violence against women.

32. Consistent with the overall increase in ODA for humanitarian purposes, a growing share of ODA for governance and civil society is directed at civilian peacebuilding, and conflict prevention and resolution. Efforts to strengthen public administrations and support the further realization of human rights should also be considered in the context of efforts to avert and address conflicts.

### Figure VIII

# Official development assistance to infrastructure and environmental protection as a share of total allocated official development assistance, 1995–1999 and 2012–2016



(Percentage point change)

Source: Organization for Economic Cooperation and Development international development statistics online databases. Available at www.oecd.org/dac/stats/idsonline.htm (accessed on

12 December 2018).

Notes: ODA commitments; clean, safe and renewable energy is a subcategory of energy generation.

33. It is notable that the declining share in ODA commitments to infrastructure, which is shown in figure VIII, does not generally translate into an absolute decline in ODA to infrastructure. The only exception is the communications sector, which experienced a decline in ODA in absolute terms. This decline is at least in part attributable to a changing business model in the sector, which is characterized by much greater private engagement. Given the emphasis on sustainable development, the small decrease in ODA committed to developing clean, safe and renewable energy, on the one hand, and the minimal increase in ODA committed to environmental protection, on the other, raises concerns. If the average annual share in allocated ODA had remained the same as in 1995–1999, the average annual ODA for infrastructure

would have been considerably higher in the period 2012–2016. In any given year between 2012 and 2016, an additional \$3.4 billion would have to be allocated to transport; an additional \$2.5 billion for water and sanitation; an additional \$2.1 billion for energy generation, including an additional \$0.7 billion for clean, safe and renewable energy; and additional \$1.2 billion for communications.

34. The development of water and sanitation is essential to combat malaria and waterborne diseases, improve health and better utilize natural resources; the development of transport networks and most notably feeder roads are essential for rural development, and access to energy is closely related to poverty. The private sector is often underinvesting in critical infrastructure – in particular in rural and remote areas, where the internal rates of return are low – and there is a need for public investment. In the world's least developed countries that have considerable constraints on, and many competing demands for, public resources, the declining focus of ODA on infrastructure development poses a particularly significant challenge.

35. The linkages between demographic change, economic development and the environment have received special attention in the Programme of Action, and these linkages are also at the heart of the 2030 Agenda for Sustainable Development. Addressing these linkages critically depends not only on the number of people who inhabit the planet, but also on sustainable consumption and production, the distribution of the goods and services and, more generally, resources. To promote sustainable development as set out in these landmark declarations will require greater investment in the generation of safe, clean and renewable energy, as well as greater investment to environmental protection.

### V. Summary and conclusion

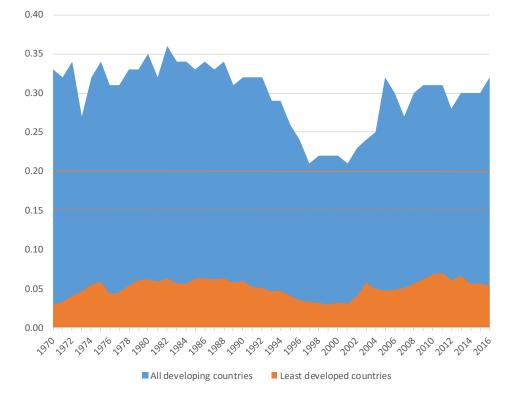
36. The analysis of Development Assistance Committee ODA allocations to sexual and reproductive health between 2015 and 2016 shows only a very small increase – between these years it grew from \$4.4 to \$4.5 per woman of reproductive age in the developing world – and a longer-term analysis of Development Assistance Committee ODA allocations to sexual and reproductive health between 1995 and 2016 offers a mixed picture. Over this period, Development Assistance Committee ODA to sexual and reproductive health grew by 593 per cent if HIV-related aid is included in the calculation, whereas Development Assistance Committee ODA to sexual and reproductive health grew by only 173 per cent if HIV-related aid is not included. That means that about 71 per cent of the increase in aid allocations to sexual and reproductive health over this period are attributable to aid allocations to HIV and that aid allocations for other areas of sexual and reproductive health have only slightly increased as a share of the total sector-allocable aid.

37. Aid for population data and policy analysis by Development Assistance Committee countries grew between 2015 and 2016, but remains small in absolute terms. Only 36 per cent of aid committed to population data and policy analysis came directly from Development Assistance Committee countries (compared with 73 per cent of aid for sexual and reproductive health), and 63 per cent of aid for population data and policy analysis was channelled through multilateral institutions (compared with 21 per cent of aid for sexual and reproductive health). The fact that a considerable share of aid is not yet channelled through multilateral institutions – especially in the area of sexual and reproductive health – suggests scope for greater coordination within the donor community. The third most important donor for population-related matters was the Bill and Melinda Gates Foundation. It accounted for 2 per cent of the aid for population data and policy analysis and 6 per cent of the aid for sexual and reproductive health. Although OECD data shows an increasing engagement of non-Development Assistance Committee donors overall, non-Development Assistance Committee donors reported comparatively low levels of aid for sexual and reproductive health, and the Development Assistance Committee database did not record any aid by non-Development Assistance Committee donors for population data and policy analysis.

38. In the present report, the importance of considering aid to sexual and reproductive health and population data and policy analysis in the broader context of aid for health, education and governance is emphasized. Efforts to strengthen sexual and reproductive health are part of efforts to strengthen the overall health system. Furthermore, efforts to improve health go hand in hand with efforts to improve education. Both are essential for the development of human capital, which is a driving force of social and economic development. Investments in these areas are also essential to address supply-side challenges to full employment, but they must be complemented by productive investments in the real economy to ease demand-side constraints. For this reason, investment in the social sectors cannot be separated from investment in the economic sector, and to ensure the sustainability of the development model, investment in both must be complemented by much greater efforts to protect the natural environment. Judging by the trends in ODA commitments for infrastructure and production on the one side and ODA commitments to safe, clean and renewable energy and environmental protection on the other, more needs to be done. Aid for these purposes is particularly important for the world's least developed countries, which have the greatest budget constraints and the greatest needs, and are thus critically dependent on external assistance.

39. Notwithstanding the importance of financing for development from domestic sources – which has been stressed by the Addis Ababa Action Agenda – development assistance remains essential to the world's least developed countries. Accordingly, the Programme of Action for the Least Developed Countries 2001–2010 and the Programme of Action for the Least Developed Countries 2011–2020 set the target that developed countries should allocate between 0.15 and 0.20 per cent of their gross national income to assist the least developed countries, and reiterates the long-standing target that the developed countries should allocate at least 0.70 per cent of gross national income to development assistance overall. These targets have also been included in the 2030 Agenda for Sustainable Development and the Sustainable Development Goals.

### Figure IX Net official development assistance disbursements by Development Assistance Committee donors to all developing countries and least developed countries, 1970–2016



(Per cent of gross national income of Development Assistance Committee members)

*Source*: Organization for Economic Cooperation and Development international development statistics online databases. Available at www.oecd.org/dac/stats/idsonline.htm (accessed on 12 December 2018).

40. The Development Assistance Committee group has a long way to go to meet the ODA target of 0.70 per cent gross national income, as shown in figure IX, and as a group, the Development Assistance Committee donors provide considerably less than 0.15-0.20 per cent of gross national income to the least developed countries. The group average, however, masks considerable differences among countries. Annex I shows where donor countries stand in regard to the target of 0.70 per cent, and annex II shows where they stand with respect to the 0.15 and 0.20 per cent targets set. The countries that provide at least 0.70 per cent of their gross national income for development include Sweden, the United Arab Emirates, Norway, Luxembourg, Kuwait and Denmark, in descending order; and those that provide at least 0.15 per cent of their gross national income in aid for the least developed countries include Luxembourg, Norway, Sweden, Denmark and the United Arab Emirates. Luxembourg is the only country among them that exceeds the target of 0.20 per cent of gross national income, allocating slightly more than 0.30 per cent of gross national income in aid to the least developed countries. It is also notable that, with the United Arab Emirates and Kuwait, two non-Development Assistance Committee countries are included in this list. Also, as noted above, development assistance provided by non-Development Assistance Committee donors is probably underestimated, because not all of them report their aid to the Development Assistance Committee database.

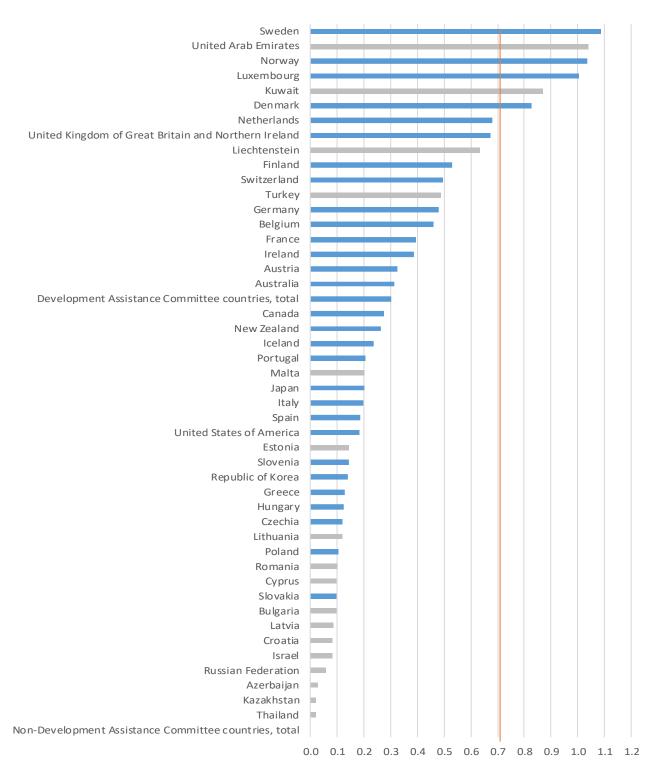
41. In absolute terms, the largest donors coincide with the members of the Group of Eight, notably, in descending order, the United States of America, Japan, Germany, France, the United Kingdom of Great Britain and Northern Ireland, Italy, Canada, and the Russian Federation, a non-Development Assistance Committee country. Nevertheless, the data show that to reach the 0.70 per cent target, ODA must more than double, and to reach the 0.15–0.20 per cent targets, ODA to least developed countries must increase three or fourfold. Such an increase would not be enough to ensure progress towards the Sustainable Development Goals, which have been estimated to cost trillions, rather than billions, of dollars, but it would certainly make a big difference for the world's least developed countries. It would also ease the need for trade-offs between humanitarian and development assistance, and among social, economic and environmental assistance, which jeopardize the integrated approach of sustainable development.

42. The ambition of Member States to promote sustainable development and seize the opportunities offered by the demographic transitions critically depends on balanced investments and development assistance. The empowerment, education and employment of younger generations in particular is essential for the least developed countries to realize a demographic dividend; healthy and active ageing, capital accumulation and productive investment in the real economy is essential to take advantage of the longevity dividend. Furthermore, the focus on the social and economic sectors and their interplay must be complemented by much greater efforts to promote a sustainable use of natural resources.

43. The ensuring of sustainable development is a complex process and project, and a partial approach and financing are unlikely assure success. More ODA is needed from traditional and non-traditional donors, for the poorest countries in particular, and more ODA needs to be complemented by other external and domestic resources. The ability to attract, create, mobilize, leverage and utilize financing for development effectively depends to no small degree on the abilities of public administrations and their commitment to development.

### Annex I

# Net official development assistance disbursements by Development Assistance Committee and non-Development Assistance Committee donor countries to all developing countries, 2012–2016



(Per cent of donor gross national income)

### Annex II

## Net official development assistance disbursements by Development Assistance Committee and non-Development Assistance Committee donor countries to least developed countries, 2012–2016

(Per cent of donor gross national income)

