



International Development Assistance System: Impact of the COVID-19 Crisis

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Official development assistance (ODA)

finances provided to recipient countries by official agencies, including state and local governments, or by their executive agencies, and each transaction of which:

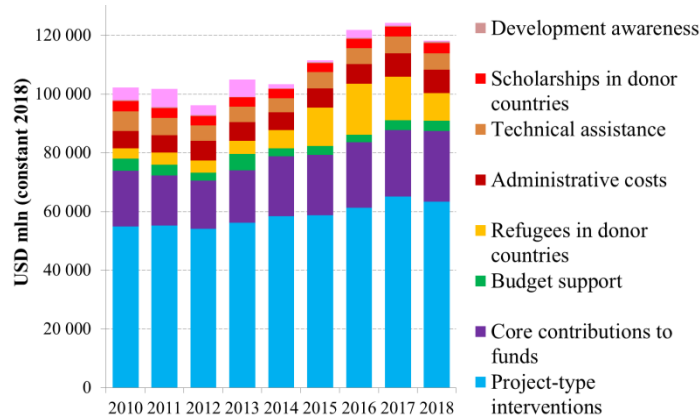
- ✔ is administered with the promotion of the economic development and welfare of developing countries as its main objective;
- ✔ is concessional in character, which implies a grant element of at least:
 - ✔ 45% (bilateral loans, LDCs, rate of discount - 9%) ;
 - ✔ 15% (bilateral loans, LMICs, rate of discount - 7%);
 - ✔ 10% (bilateral loans, UMICs, rate of discount - 6%);
 - ✔ 10% (multilateral institutions, rate of discount - 5% for global institutions and multilateral development banks, 6% for other organisations).

Key trends of ODA

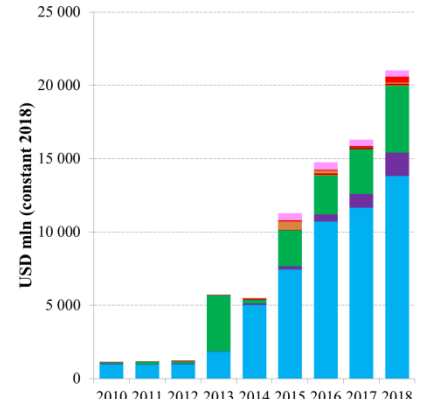
In-donor expenses

increased from 4% to 9% of traditional donor's ODA

Traditional donors

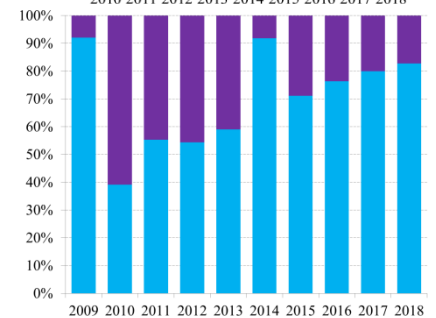


Emerging donors



Decrease of grant's share

in ODA of traditional donors



Increase of donor's interests in aid distribution

including donors' political, economic, and strategic interests

Evidence of the last crises



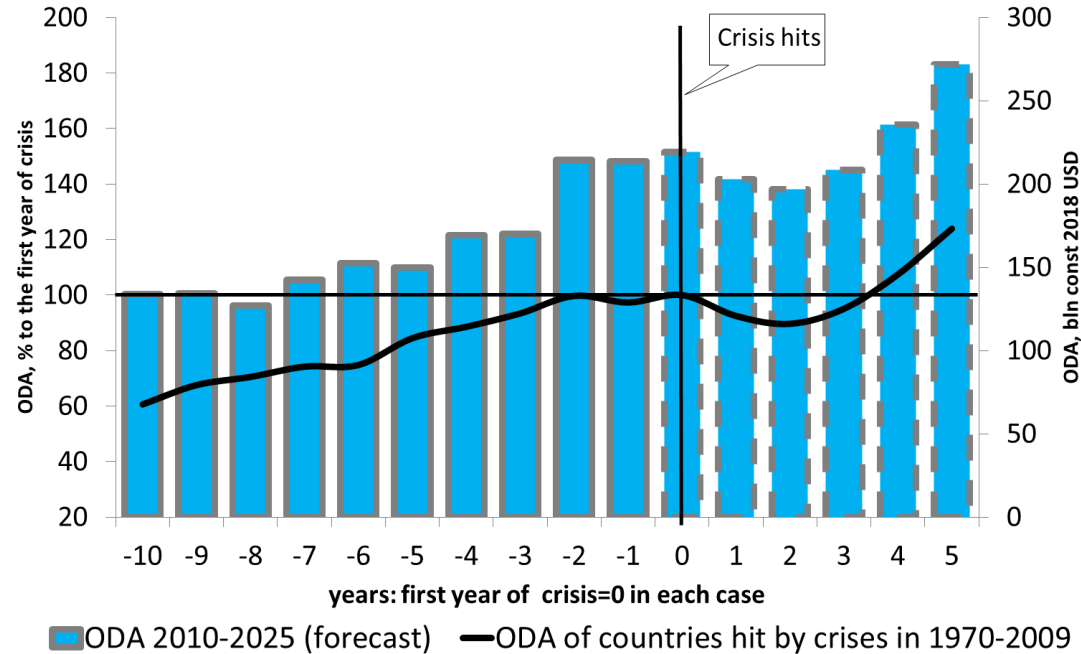
ODA dropped by average 8% in the first crisis year

provided by countries hit by a crisis, based on 30 cases of financial crises in 1974-2009



Redirection of ODA funds towards humanitarian assistance and in-donor expenditures

threatens long-term development of recipients



DAC OECD Joint statement, 9 April: "We will strive to protect ODA budgets"

USA

USAid budget reduced by 3% to 30 bln USD

Covid response:
Economic Support Fund: 170 mln USD
International Disaster Assistance: 504 mln USD
Global Health Programs: 443 mln USD

UK

ODA reduced by 18% and amounts to 17 bln USD

Covid response: 1 bln USD to help stop the spread of the virus around the world, find a vaccine and save lives

Germany

1.5 bln USD (6% of 2019 aid) of additional commitments

Covid response: redirected 1 bln USD:
Gavi-led COVAX
Global Fund
Coalition for Epidemic Preparedness Innovations (CEPI)
WHO
Foundation for Innovative New Diagnostics (FIND)

Japan

ODA is expected to increase by 3% (circa 12 bln USD)

Covid response:
Contribution to IOs (150 mln USD)
Assistance for developing countries (770 mln USD)
Development of vaccine, medical equipments (17 mln USD)

RUSSIA



Multilateral Aid:

WHO: 6 mln USD

UNDP: 10 mln USD

Eurasian fund: 9 mln USD



Bilateral Aid:

humanitarian assistance (0.6 mln USD)

Supply of test systems and equipment (5 mln USD) to CIS

Ministry of defense: doctor-nurse teams, disinfection systems, safety suits

Preventive measures in 2014-2020

(training of medical personnel, supply of mobile laboratories and equipment);

CHINA

Multilateral Aid



WHO: 50 mln USD

UN system: 100 mln USD

Bilateral Aid



Support for PICs (1.9 mln USD)

Support of awareness company

Provision of protective and medical equipment to 120 countries by March 31

New Development Bank

World Bank



Quick response

4 Emergency Assistance Program Loans to Brazil, China India, South Africa, 1 bln USD each
Fist loan approved on March, 20



Additional funds

3.5 bln - two Covid-response bonds (June and September 2020)



Mix of instruments

Pandemic Emergency Financing Facility (PEF): 195.8 mln to 64 countries (April 28th)
Fast-track Facility: 1.9 bln USD to 25 countries on April, 2
Global Health Platform (4 bln USD) Facility to support private sector investors and lenders (6.5 bln USD)
Total commitments: 160 bln USD until June 2021 (59 bln USD as of October 2020)