

**OFFICIAL DEVELOPMENT
ASSISTANCE (ODA)
IN OIC COUNTRIES**

**OIC STATISTICAL
OUTLOOK**

2023



**STATISTICAL, ECONOMIC AND SOCIAL RESEARCH
AND TRAINING CENTRE FOR ISLAMIC COUNTRIES**



**ORGANISATION OF
ISLAMIC COOPERATION**

**OFFICIAL DEVELOPMENT
ASSISTANCE (ODA)
IN OIC COUNTRIES**

OIC STATISTICAL
OUTLOOK
2023



2023-01

© 2023 Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC)

Address: Kudüs Cad. No: 9, Diplomatik Site, 06450 Oran, Ankara –Türkiye
Telephone: +90–312–468 6172 Fax: +90–312–467 3458
Website: www.sesric.org E-mail: pubs@sesric.org

All rights reserved

High standards have been applied during processing and preparation stage by the SESRIC to maximize the accuracy of the data included in this work. The denominations and other information shown on any illustrative section or figure do not imply any judgment on the part of the SESRIC concerning the legal status of any entity. Besides it denies any responsibility for any kind of political debate that may arise using the data and information presented in this publication. The boundaries and names shown on the map(s) (if any) presented in this publication do not imply official endorsement or acceptance by the SESRIC.

The material presented in this publication is copyrighted. By the virtue of the copyright it claims and as it encourages dissemination of its publications for the sake of the OIC Member Countries, SESRIC gives the permission to view, copy, and download the material presented provided that these materials are not going to be reused, on whatsoever condition, for commercial purposes.

For permission to reproduce or reprint any part of this publication, please send a request with complete information to the Publication Department of SESRIC at Kudüs Cad., No: 9, Diplomatik Site, 06450 Oran, Ankara-Türkiye. All queries on rights and licenses should be addressed to the Publication Department of SESRIC at the aforementioned address.

For additional information, contact Statistics and Information Department of SESRIC through: statistics@sesric.org

Acknowledgements: Conducted under the general guidance of H.E. Mrs. Zehra Zümürüt SELÇUK, Director General of SESRIC, this publication is a product of the Statistics and Information Department at SESRIC led by Dr. Atilla KARAMAN, Director of Statistics and Information Department, and prepared by Mr. Abdulhamit ÖZTÜRK.

Photo Credits: Cover image by Micheile Henderson on Unsplash.

Table of Contents

1	Introduction.....	1
2	Recipient Perspective.....	1
2.1	ODA Inflows to OIC Countries.....	1
2.2	Breakdown of Main ODA Components	3
3	Donor Perspective.....	5
3.1	ODA Outflows from OIC Countries	5
4	Conclusion	7
5	Technical Notes	7
6	References.....	7

List of Figures

Figure 1: Total Net ODA to the OIC Countries Group, Current Prices, Billion USD, 2011-2021	2
Figure 2: Grants Total to the OIC Countries Group, Current Prices, Billion USD, 2011-2021	2
Figure 3: Top 10 OIC Countries by ODA Inflows, Current Prices, Billion USD, 2011 vs. 2021	3
Figure 4: Breakdown of ODA Inflows to OIC Countries by Main Components, Total, Billion USD, 2000-2021	4
Figure 5: Top 10 Donors in Terms of ODA\GNI Rate, Percent, 2019 vs. 2021....	5
Figure 6: Top 10 Donors by Total ODA, Current Prices, Billion USD, 2019 vs. 2021	6

Acronyms Used

DAC	Development Assistance Committee
GNI	Gross National Income
LDCs	Least Developed Countries
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OIC	Organisation of Islamic Cooperation
UN	United Nations
USD	United States Dollars

1 Introduction

In development literature, official development assistance (ODA) is defined as government aid in official manners intended to advance the economic development and welfare of the Global South. The concept of ODA was adopted by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) in 1969, creating a standard of international aid.

In order to be classified as ODA, the assistance flows should possess two main characteristics: (i) to promote the economic development and welfare of developing countries; and (ii) to be provided in concessional manner with a grant element of at least 25%. ODA grants are specified as the value of transfers made in cash, goods or services for which no repayment is required. Although ODA is not the only source for development financing but by far it is the largest instrument according to its size and outreach among development partners.

The OIC countries have a potential position in benefitting from the ODA disbursements for their socio-economic prosperity since these flows mainly channelled to developing countries and especially to the least developed countries (LDCs).

Against this background, this study presents the current stance and trends in ODA inflows to and outflows from the OIC countries both individually and as a group, and provides an overall analysis on the distribution of ODA as well as the performance of donor OIC countries in terms of the percentage of ODA disbursed in gross national income (GNI) based on most recent available data.

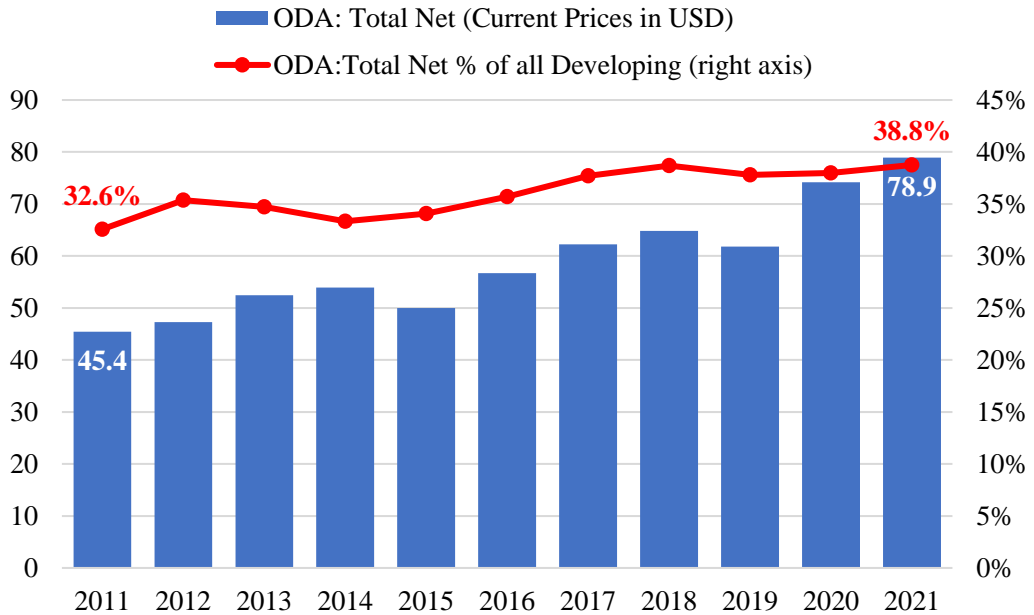
2 Recipient Perspective

2.1 ODA Inflows to OIC Countries

The net total ODA is defined as the flows disbursed by the official donor that meet the DAC definition as the net of repayment of principal. At the global level, net total ODA in current prices received by all developing countries increased by 46.1% from 139.4 billion USD in 2011 to 203.7 billion USD in 2021. On the other hand, the total amount of ODA received by the OIC countries group increased by 73.8% from 45.4 billion USD in 2011 to 78.9 billion USD in current prices in 2021.

The share of OIC countries group in benefitting from the ODA inflows peaked by receiving almost half (49.4%) of all disbursements in 2005. After experiencing a gradual decrease until 2010, there has been a steady increase in the share of OIC with around 6 percentage points from 32.6% to 38.8% between 2011 and 2021 (Figure 1).

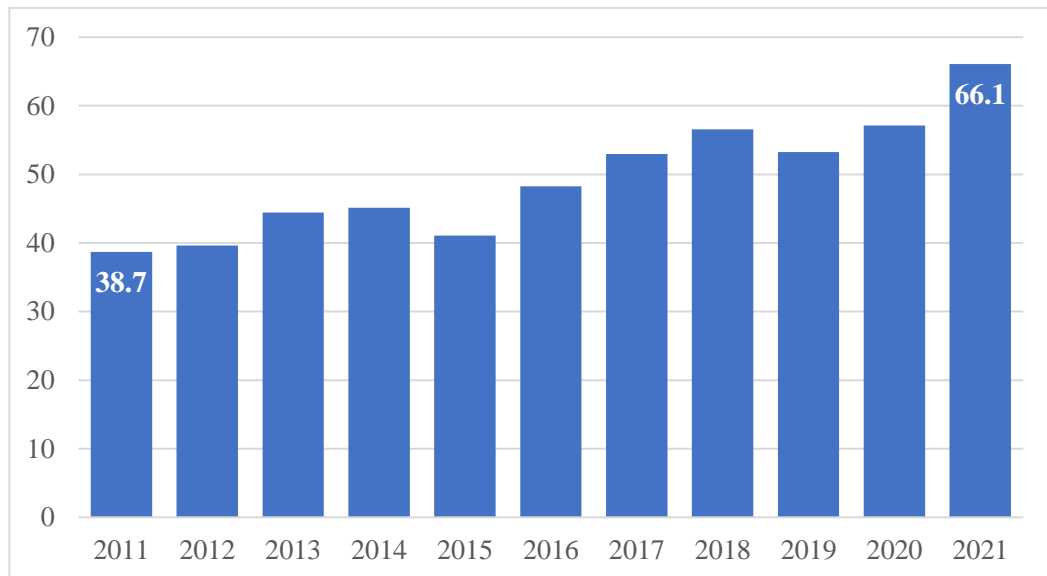
Figure 1: Total Net ODA to the OIC Countries Group, Current Prices, Billion USD, 2011-2021



Source: SESRIC staff calculations based on data extracted on 28/04/2023 from the OECD.Stat Database.

As to the Total Grants, the total amount received by the OIC countries reached 66.1 billion USD in current prices in 2021 with a 70.7% increase when compared with the amount of 2011, which was recorded as 38.7 billion USD (Figure 2).

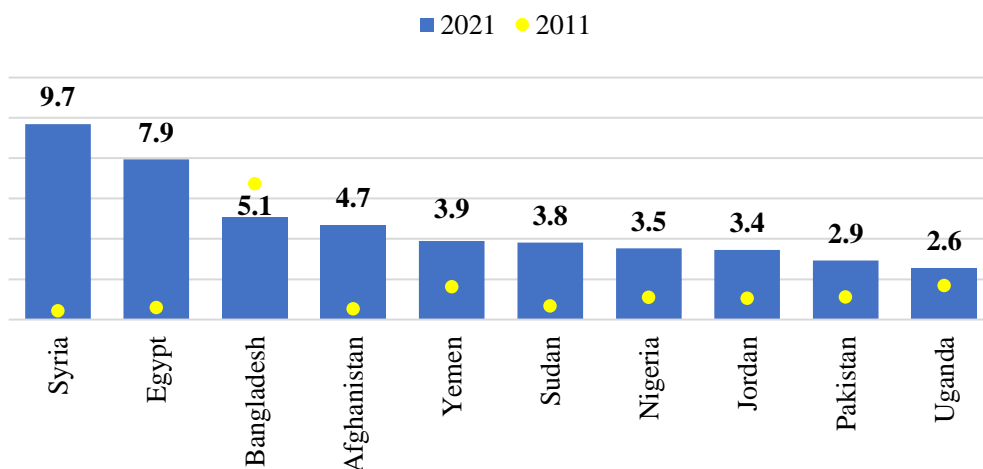
Figure 2: Grants Total to the OIC Countries Group, Current Prices, Billion USD, 2011-2021



Source: SESRIC staff calculations based on data extracted on 28/04/2023 from the OECD.Stat Database.

At the individual country level, the top 10 OIC countries as ODA recipients accounted for 60.3% of the total inflows of ODA to the OIC countries group in 2021. Syria received the largest amount with 9.7 billion USD, followed by Egypt (7.9 billion USD), Bangladesh (5.1 billion USD), Afghanistan (4.7 billion USD), Yemen (3.8 billion USD), Sudan (3.8 billion USD), Nigeria (3.5 billion USD), Jordan (3.4 billion USD), Pakistan (2.9 billion USD), and Uganda (2.9 billion USD) (Figure 3).

Figure 3: Top 10 OIC Countries by ODA Inflows, Current Prices, Billion USD, 2011 vs. 2021



Source: SESRIC staff calculations based on data extracted on 28/04/2023 from the OECD.Stat Database.

2.2 Breakdown of Main ODA Components

While the global figures about the population suffering from natural disasters, unsettled conflicts and other emerging concerns are dramatically rising, OIC countries are affected more by most of these large-scale humanitarian crises and disasters, and this trend is unfortunately in an unexpected upward trend according to the SESRIC report on Humanitarian Crisis (SESRIC, 2017).

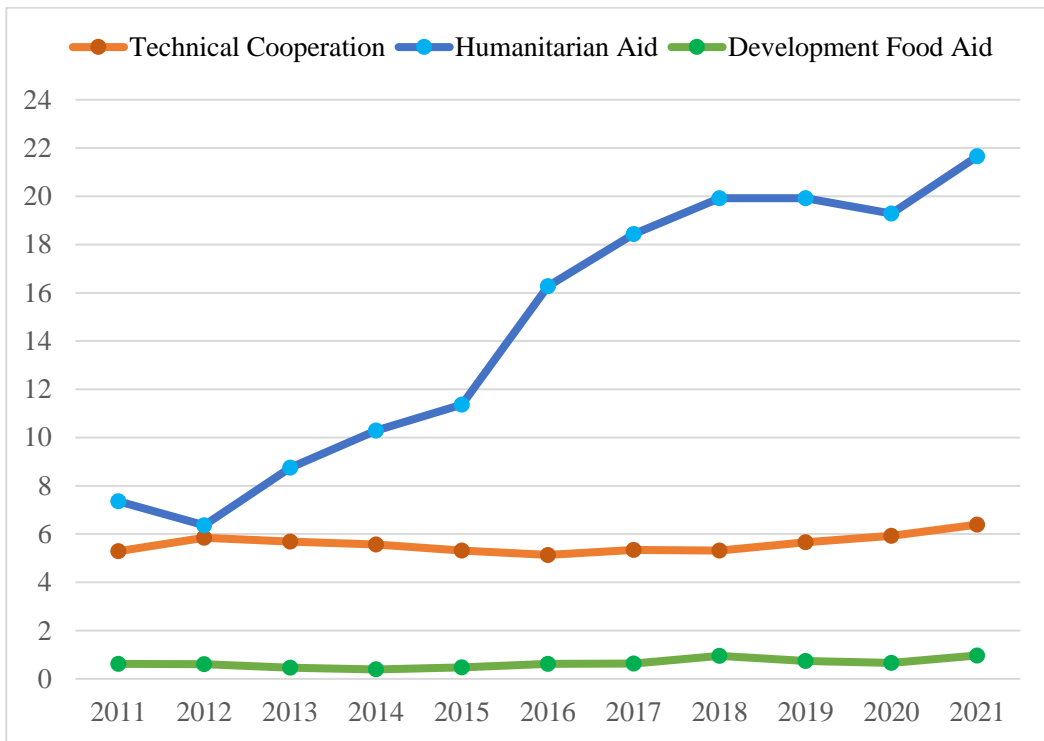
Humanitarian assistance is a crucial and vital element for alleviating the conflict-caused sufferings. Regarded as one of the main ODA components, the Humanitarian Aid received by the OIC countries almost tripled by increasing 2.9 times to 21.7 billion USD in 2021 as compared to the amount of 7.4 billion USD in 2011 while the rise between 2020 and 2021 was recorded as 11.9% from 19.3 billion USD in 2020.

Another main ODA component, the Technical Cooperation is defined in the glossary of DAC as the grants to nationals of aid recipient countries receiving

education or training at home or abroad, and/or payments to consultants, advisers and similar personnel as well as teachers and administrators serving in recipient countries. This type of assistance allocated for implementing bilateral projects or programmes remained relatively stable in OIC countries by rising from 5.3 billion USD in 2011 to 6.4 billion USD in 2021 accounting for an increase by 20.7%.

As another item of ODA, the Development Food Aid is classified under three categories in terms of its uses and modes of supply, namely (i) programme food aid; (ii) project food aid; and (iii) relief food aid. There has been a quite substantial increase in the Development Food Aid channelled to OIC countries with a 56.4 % growth from 620.4 million USD in 2011 to 970.6 million USD in 2021 (Figure 4).

Figure 4: Breakdown of ODA Inflows to OIC Countries by Main Components, Total, Billion USD, 2000-2021



Source: SESRIC staff calculations based on data extracted on 28/04/2023 from the OECD.Stat Database.

3 Donor Perspective

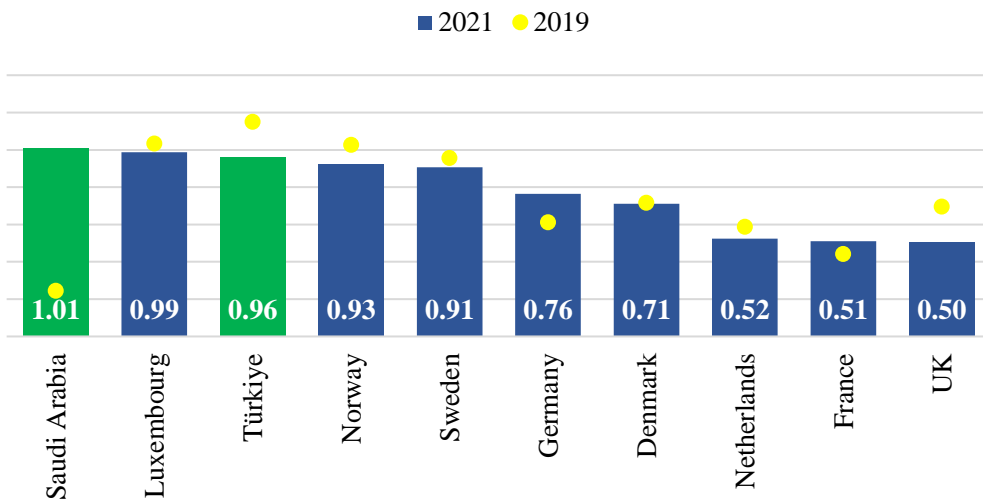
3.1 ODA Outflows from OIC Countries

While all non-high income OIC countries are classified as Official Development Assistance (ODA) recipients, OECD-DAC mentions some of them as emerging and leading donor countries such as Saudi Arabia and Türkiye. Although they are non-DAC members, 10 OIC countries, namely Algeria, Azerbaijan, Iraq, Kazakhstan, Kuwait, Libya, Qatar, Saudi Arabia, Türkiye, and UAE are in the list of non-DAC donors.

In 1970, the 0.70% ODA/GNI target was first agreed and has been repeatedly re-endorsed at the highest level at international aid and development conferences.

With respect to achieving and going beyond the 0.70% target of ODA as per cent of GNI, OIC countries are leading among all the donors. Saudi Arabia ranked first country both among OIC countries and globally in 2021 with 1.01% with a substantial increase from 0.24% recorded in 2019. Türkiye became the second largest donor among OIC countries and third globally with a 0.96% ODA/GNI rate following Luxembourg (0.99%) concerning the numbers of 2021 (Figure 5).

Figure 5: Top 10 Donors in Terms of ODA\GNI Rate, Percent, 2019 vs. 2021

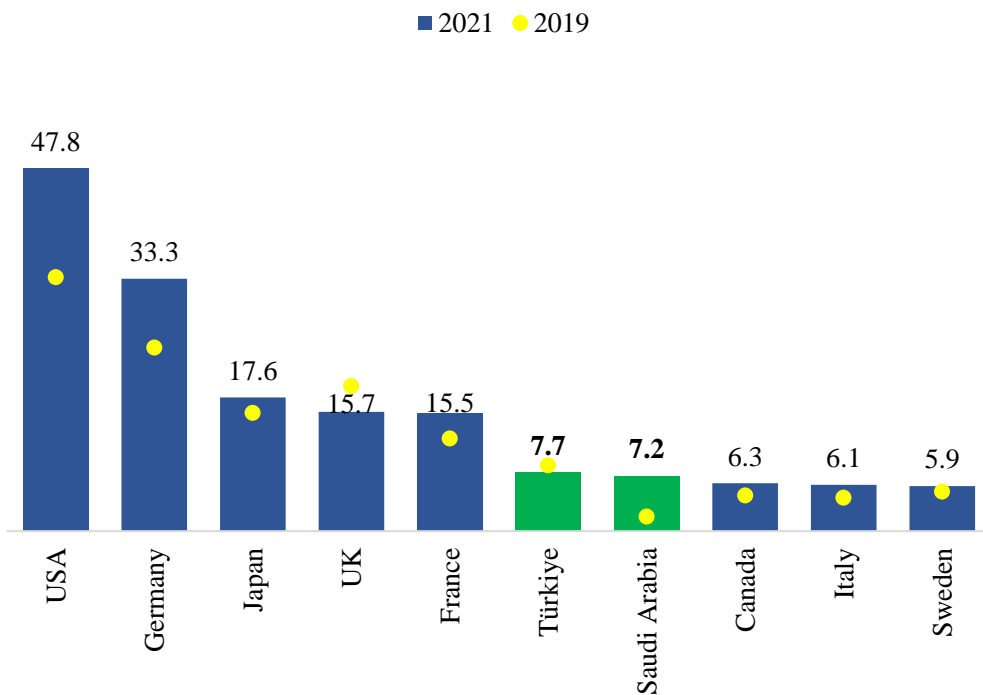


Source: SESRIC staff calculations based on data extracted on 05/05/2023 from the OECD.Stat Database.

On the other hand, among DAC members only five countries (Luxembourg, Norway, Sweden, Germany and Denmark) have met the target in 2021. Overall performance of DAC countries concerning the ODA/GNI showed a slight increase in 2021 with a 0.33% when compared to that of 2019 recorded as 0.30%.

Concerning the total amount of ODA disbursed, OIC countries are also among the leading donor countries based on the available data. In 2021, Türkiye was the largest OIC donor of ODA with the official figure of 7.7 billion USD of development assistance. Türkiye ranked the sixth globally in the provision of aid (among 49 donor countries listed by OECD-DAC) following the USA, Germany, Japan, United Kingdom, and France. Saudi Arabia was the second largest among OIC member countries with a 7.2 billion USD, ranked as the seventh among the global ODA providers (Figure 6).

Figure 6: Top 10 Donors by Total ODA, Current Prices, Billion USD, 2019 vs. 2021



Source: Source: SESRIC staff calculations based on data extracted on 05/05/2023 from the OECD.Stat Database.

Based on the available data for 2021, UAE was the third largest OIC country with the amount of 1.5 billion USD of ODA donated with a global ranking of 19, followed by Qatar with 0.8 billion USD (ranked 25 globally), Kuwait with 0.3 billion USD (ranked 28 globally), Azerbaijan with 44.4 million USD (ranked 45 globally)¹, and Kazakhstan with 43.6 million USD (ranked 46 globally).

¹ The data of Azerbaijan for 2021 is not available thus 2020 data is used instead.

4 Conclusion

The OIC–2025 Programme of Action as well as the overarching OIC Charter principles aim at promoting and consolidating unity and solidarity among the OIC countries. The Charter underlines the need for ensuring sustainable development, progress and prosperity of the peoples of the Member States (OIC, 2016).

The focus of this OIC Statistical Outlook is to show the potential of utilizing the ODA as one of the main components of development cooperation and financing by and among the OIC countries. Furthermore, this study indicates that there is a room for enlarging inflow channels through boosting bilateral and multilateral partnerships using various forms of ODA among the member countries as well as the international development partners.

On the other hand, by underlining the positions of leading and other reporting OIC donor countries the outlook demonstrates the other side of the medallion as the OIC group stands not only on the recipient side but also on the provider side with remarkable contributions.

5 Technical Notes

Aggregate data for the OIC countries group are sum of individual member countries. The global aggregate values are accessed from the relevant database(s) to preserve the consistency.

6 References

Organisation of Islamic Cooperation (OIC), OIC-2025: Programme of Action, 2016. <https://www.oic-oci.org/docdown/?docID=16&refID=5>

Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC), Humanitarian Crises in OIC Countries, 2017. <https://sesricdiag.blob.core.windows.net/sesric-site-blob/files/article/573.pdf>

Organisation for Economic Co-operation and Development (OECD), OECD.Stat Database. <https://stats.oecd.org/>



STATISTICAL, ECONOMIC AND SOCIAL RESEARCH
AND TRAINING CENTRE FOR ISLAMIC COUNTRIES

Kudüs Cad., No: 9, Diplomatik Site, 06450 Oran, Ankara–Türkiye
Tel: +90–312–468 6172 Fax: +90–312–467 3458
Email: oicankara@sesric.org Website: www.sesric.org