Part II

Japan's Official Development Assistance and Trends in Aid of Other Donors in Terms of Disbursement



A Japanese engineer giving instructions to local workers on concrete pouring work at the construction site of the "Project for the Rehabilitation of Kizilkala-Bokhtar Section of Dushanbe-Bokhtar Road," a grant aid project in Tajikistan (Photo: JICA)

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Japan's Official Development Assistance and Trends in Aid of Other Donors in Terms of Disbursement

Japan's Official Development Assistance in Terms of Disbursement

Japan's total ODA in 2022 1 was approximately \$17,499.94 million (approximately ¥2,300 billion) according to the Grant Equivalent System (GE system) 2 introduced from 2018. As a result, among the members of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), Japan ranked third 3 following the United States and Germany.

Part

The breakdown is as follows. Bilateral ODA accounted for approximately 85.0% of overall disbursements, while ODA to multilateral institutions accounted for approximately 15.0%. Bilateral ODA is expected to contribute to strengthening Japan's relations with recipient countries. Meanwhile, ODA to multilateral institutions that have expertise and political neutrality enables Japan to support countries and regions where its direct bilateral assistance is difficult to reach. Japan will actively provide aid that ensures the "visibility of Japan," while making flexible use of the above types of assistance and coordinating between them.

As regards bilateral ODA by aid scheme, the funding provided as grant aid through the GE system totaled approximately \$3,257.86 million (¥428.2 billion), or approximately 18.6% of total ODA. Among these grants, grants through multilateral institutions, etc., accounted for approximately \$2,293.02 million (¥301.4 billion), or approximately 13.1% of total ODA.

Technical cooperation accounted for approximately \$2,362.31 million (¥310.5 billion), or approximately 13.5% of total ODA. With regard to government loans, etc., loan disbursements accounted for approximately \$14,020.44 million (¥1,842.7 billion), while the grant equivalent of government loans, etc., totaled approximately \$9,257.38 million (¥1,216.7 billion), or approximately 52.9% of total ODA.

Japan's bilateral ODA disbursements (including support for the graduated countries designated as "developing areas" 4), in descending order by percentage of total disbursements (gross disbursements), are as follows. 5 (See Chart II-2 on page 14 and Chart IV on page 123 for details.)

- ◆ Asia: 56.0% (approximately \$10,997.36 million)
- Middle East and North Africa: 12.0% (approximately \$2,354.31 million)
- Sub-Saharan Africa: 8.5%
 (approximately \$1,677.34 million)
- Latin America and the Caribbean: 4.6% (approximately \$911.27 million)
- ◆ Oceania: 1.3% (approximately \$248.74 million)
- ◆ Europe: 4.2% (approximately \$819.47 million)
- Assistance covering multiple regions: 13.4% (approximately \$2,632.14 million)

- 1 DAC members' final figures for ODA disbursements in 2023 are to be published at or after the end of 2024.
- 2 The GE system records the amount of government loans, etc., equivalent to a grant as an actual ODA disbursement. The grant equivalent is calculated by applying the terms of the loan, such as the amount of loan provided, interest rate, and repayment period, to a formula. The more concessional the terms of the loan are, the larger the grant equivalent is. This system measures Japan's actual government loans, etc., more accurately compared to the net flow system, which was the standard used by the DAC until 2017. (The full amount of the loan is recorded; on the other hand, repaid amounts are counted as negative.)
- 3 OECD database (OECD.Stat) (December 2023)
- 4 Graduated countries designated as "developing areas" refer to the countries and regions graduated from the DAC List of ODA Recipients that the Government of Japan designates as "developing areas" and continues to provide ODA to based on Article 3 (Purpose of the Agency) of the Act of the Incorporated Administrative Agency-JICA. In 2022, by disbursement basis, Antigua and Barbuda, Bahamas, Bahrain, Barbados, Brunei, Chile, the Cook Islands, Kuwait, Oman, Saint Christopher and Nevis, Saudi Arabia, Seychelles, Trinidad and Tobago, the United Arab Emirates, and Uruguay were under this category.
- 5 Gross disbursement basis.

Chart II-1

Japan's ODA by Type (2022)

| 2022 (Calendar year) | Dollar basis (US\$ million) | | | Yen basis (¥100 million) | | |
|--|-----------------------------|------------------|---|--------------------------|------------------|---|
| Туре | Current year | Previous year | Rate of increase/ decrease (%) | Current year | Previous year | Rate of increase/ decrease (%) |
| Grant aid | 961.73 | 1,158.77 | -17.0 | 1,263.99 | 1,271.92 | -0.6 |
| Debt relief | 3.10 | _ | 100.0 | 4.08 | | 100.0 |
| Grants through multilateral institutions, etc. | 2,293.02 | 2,100.17 | 9.2 | 3,013.68 | 2,305.26 | 30.7 |
| Technical cooperation | 2,362.31 | 2,423.12 | -2.5 | 3,104.74 | 2,659.75 | 16.7 |
| Total grants (A) | 5,620.17 | 5,682.06 | -1.1 | 7,386.49 | 6,236.93 | 18.4 |
| Government loans, etc. (Amount disbursed: Gross disbursement) (B) | 14,020.44 | 12,126.28 | 15.6 | 18,426.82 | 13,310.45 | 38.4 |
| (Amount recovered) (C) | 5,515.65 | 6,186.02 | -10.8 | 7,249.12 | 6,790.10 | 6.8 |
| (Net disbursement) (D)=(B)-(C) | 8,504.79 | 5,940.26 | 43.2 | 11,177.70 | 6,520.34 | 71.4 |
| (Grant equivalent) (E) | 9,257.38 | 8,035.91 | 15.2 | 12,166.82 | 8,820.64 | 37.9 |
| Total bilateral ODA (Gross disbursement basis) (A)+(B) | 19,640.60 | 17,808.34 | 10.3 | 25,813.31 | 19,547.38 | 32.1 |
| Total bilateral ODA (Net disbursement basis) (A)+(D) | 14,124.96 | 11,622.32 | 21.5 | 18,564.19 | 12,757.27 | 45.5 |
| Total bilateral ODA (Grant equivalent basis) (A)+(E) | 14,877.55 | 13,717.97 | 8.5 | 19,553.31 | 15,057.58 | 29.9 |
| Grants to multilateral institutions (F) | 2,622.39 | 3,474.15 | -24.5 | 3,446.56 | 3,813.41 | -9.6 |
| Government loans, etc. to multilateral institutions (Amount disbursed) (G) | _ | 670.53 | -100.0 | _ | 736.01 | -100.0 |
| Government loans, etc. to multilateral institutions (Grant equivalent) (H) | _ | 443.74 | -100.0 | _ | 487.08 | -100.0 |
| Total of contributions and subscriptions to multilateral institutions (Gross and net disbursement basis) (I)=(F)+(G) | 2,622.39 | 4,144.68 | -36.7 | 3,446.56 | 4,549.42 | -24.2 |
| Total of contributions and subscriptions to multilateral institutions (Grant equivalent basis) (J)=(F)+(H) | 2,622.39 | 3,917.90 | -33.1 | 3,446.56 | 4,300.49 | -19.9 |
| Total ODA (Gross disbursement) (A)+(B)+(I) | 22,262.99 | 21,953.02 | 1.4 | 29,259.87 | 24,096.80 | 21.4 |
| Total ODA (Net disbursement) (A)+(D)+(I) | 16,747.35 | 15,767.00 | 6.2 | 22,010.75 | 17,306.70 | 27.2 |
| Total ODA (Grant equivalent) (A)+(E)+(J) | 17,499.94 | 17,635.87 | -0.8 | 22,999.87 | 19,358.07 | 18.8 |
| Nominal Gross National Income (GNI) (US\$ billion, ¥ billion) | 4,502.22 | 5,248.00 | -14.2 | 591,719.70 | 576,048.00 | 2.7 |
| % of GNI (Net disbursement basis) | 0.37 | 0.30 | | 0.37 | 0.30 | |
| % of GNI (Grant equivalent basis) | 0.39 | 0.34 | | 0.39 | 0.34 | |

Notes:

- The total figure may not be the same as the figure when calculated by adding up due to rounding off.

- [-] indicates that no assistance was provided.

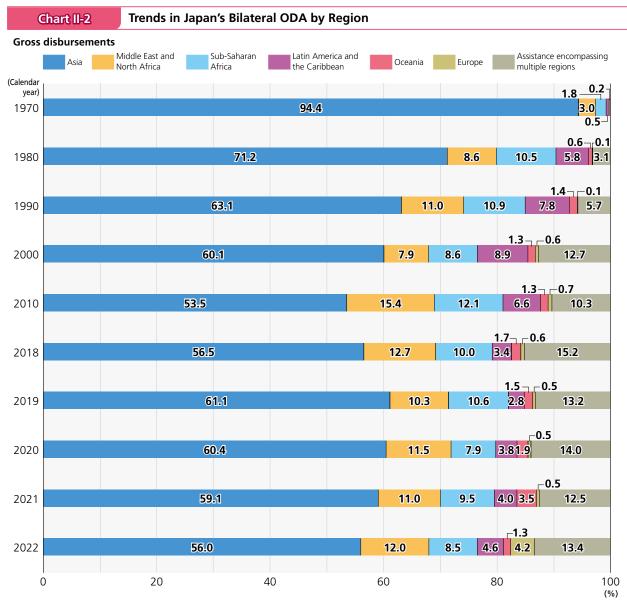
- Conversion rate: 2021 US\$1=¥109.7653, 2022 US\$1=¥131.4283 (exchange rates are specified by the OECD-DAC).
- "Grant aid" above does not mean the grant aid scheme of Japan.

- The above table excludes assistance for the graduated countries designated as "developing areas." For more information regarding disbursements that include assistance for the graduated countries designated as "developing areas," see Reference Statistics: 2 (1) Official Development Assistance by Type of Assistance and Currency (2022) (page 160).

Graduated countries designated as "developing areas" refer to the countries and regions graduated from the DAC List of ODA Recipients that the Government of Japan designates as "developing areas" and continues to provide ODA to based on Article 3 (Purpose of the Agency) of the Act of the Incorporated Administrative Agency-JICA. In 2022, by disbursement basis, Antigua and Barbuda, Bahamas, Bahrain, Barbados, Brunei, Chile, the Cook Islands, Kuwait, Oman, Saint Christopher and Nevis, Saudi Arabia, Seychelles, Trinidad and Tobago, the United Arab Emirates, and Uruguay were under this category. "Debt relief" is debt cancellation on a commercial basis, and it does not

include debt rescheduling.

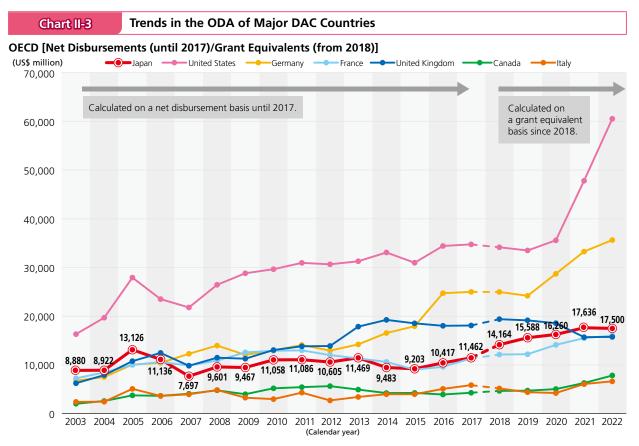
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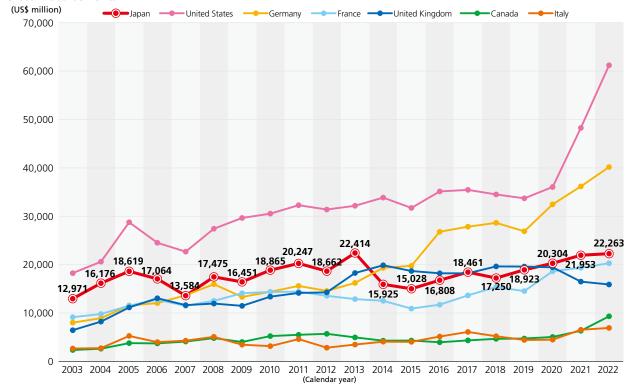
Source: OECD database (OECD.Stat) (December 2023) Notes:

 "Assistance encompassing multiple regions" refers to assistance that cannot be regionally classified such as grants through multilateral institutions, etc. and technical cooperation including survey and research that do not target specific regions or countries.

- Due to rounding, the total may not add up to 100%.



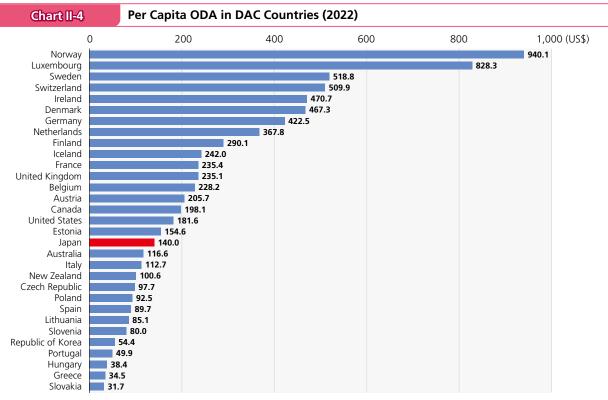
Source: OECD database (OECD.Stat) (December 2023)



Gross Disbursements

Japan's International Cooperation 15

Source: OECD database (OECD.Stat) (December 2023)



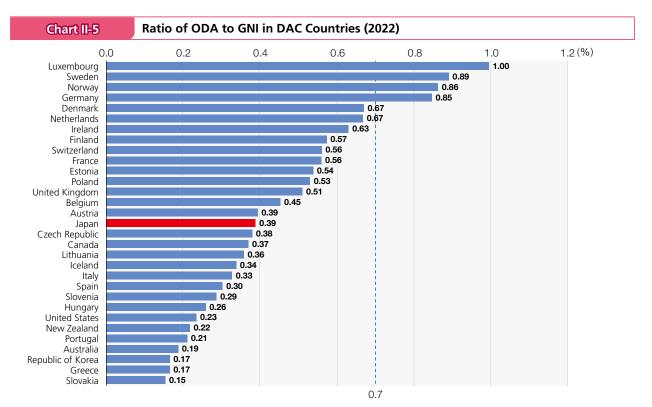
Source: OECD database (OECD.Stat) (December 2023)

Notes:

- Grant equivalent basis.

- Lithuania became a member of the DAC in 2022, and Estonia in 2023.

- The OECD database contains Estonia's per capita ODA as a DAC member for 2022, and therefore this chart includes Estonia.



Source: OECD database (OECD.Stat) (December 2023)

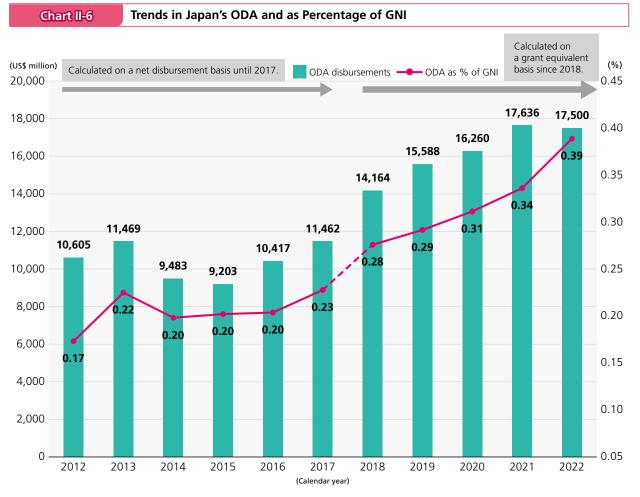
Notes:

- Grant equivalent basis.

- In 1970, the UN General Assembly set a target of 0.7% of GNP (currently of GNI) for ODA.

- Lithuania became a member of the DAC in 2022, and Estonia in 2023.

- The OECD database contains Estonia's per capita ODA as a DAC member for 2022, and therefore this chart includes Estonia.



Source: OECD database (OECD.Stat) (December 2023)

Note:

- Disbursements were calculated on a net disbursement basis until 2017, and on a grant equivalent basis since 2018.