

# Part II

## OFFICIAL DEVELOPMENT ASSISTANCE IN FY2008

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# Chapter 1

## Japan's Official Development Assistance in Terms of Disbursement

Photo: Kenshiro Imamura/JICA

Japan's net bilateral ODA disbursements <sup>(Note 1)</sup> in 2008 totaled approximately US\$6,823.25 million (approximately ¥706.2 billion). Japan's contributions to international organizations totaled approximately US\$2,755.86 million (approximately ¥285.2 billion) in 2008. These figures make for a 24.7% increase to approximately US\$9,579.10 million in 2008, compared with overall ODA disbursements in the previous year (approximately a 9.6% increase compared to the previous year on a yen base, to approximately ¥991.4 billion). With regard to gross disbursements, bilateral ODA disbursements totaled approximately US\$17,452.92 million. This represented an increase by roughly 28.6% (approximately a 13% increase on a yen base to approximately ¥1,806.4 billion) on the previous year.

### <Disbursement Analysis>

Japan's 2008 ODA net disbursements ranked fifth, behind the United States, Germany, the United Kingdom, and France, amongst the members of OECD-DAC <sup>(Note 2)</sup> member countries. While Japan remained in fifth place as in 2007, its ODA disbursements rose for the first time in the last three years, and its rate of increase was the highest among the G7 countries. In gross disbursements, Japan rose from third place to second place. The main factors for the increase in ODA gross disbursements (on a dollar base) were an increase in contributions to multilateral organizations (up 45% compared to the previous year) and high yen.

A breakdown of 2008 ODA disbursements (net base) shows that bilateral ODA accounted for roughly 71.2% of overall disbursements, while ODA via international organizations accounted for approximately 28.8%. Bilateral ODA, which is provided after discussions are held with developing countries, is to strengthen the relationship between Japan and recipient countries. Provision of ODA via international organizations enables them to use their specialized knowledge and political neutrality, and to support countries and regions that are difficult to reach on a bilateral level. Japan flexibly uses bilateral assistance and assistance via

international organizations, while instituting collaborations between these two means and ensuring the manner of assistance is adequate.

A breakdown of net bilateral ODA by method indicates that disbursements calculated as grant aid totaled approximately US\$4,776.56 million, amounting to roughly 49.9% of overall ODA disbursements. Of this amount, debt relief accounted for US\$2,801.18 million at roughly 29.2%; grant aid through international organizations accounted for around 7.6% at US\$730.06 million; and funds provided by Japan for grant aid excluding other aforementioned categories accounted for about 13% of the total at US\$1,245.32 million. Additionally, technical cooperation accounted for around 31.2% at roughly US\$2,987.07 million; loan aid amounted to approximately US\$-940.38 million <sup>(Note 3)</sup>; and loan aid excluding debt relief amounted to approximately US\$123.15 million.

Japan's bilateral ODA by region is as follows. <sup>(Note 4)</sup>

- ▶ Asia: Approximately US\$1,073.68 million (approximately US\$7,507.58 million)
- ▶ Africa: Approximately US\$1,395.70 million (approximately US\$1,495.61 million)

Notes: (1) Excluding assistance to East Europe and graduated countries and contributions to the European Bank for Reconstruction and Development (EBRD). Due to rounding the total may not equal the sum of the figures in the charts.

(2) OECD-DAC: Organisation for Economic Co-operation and Development-Development Assistance Committee

(3) In 2008, Japan's loan aid to developing countries amounted to US\$6,933.44 million, but there was a debt repayment of US\$7,873.82 for past loans, so the overall loan aid is a negative figure.

(4) The figures in parentheses are the net amounts.

- ▶ Middle East: Approximately US\$2,371.73 million (approximately US\$3,154.33 million)
  - ▶ Latin America: Approximately US\$269.45 million (approximately US\$768.47 million)
  - ▶ Oceania: Approximately US\$72.93 million (approximately US\$166.94 million)
  - ▶ Europe: Approximately US\$149.93 million (approximately US\$190.96 million)
  - ▶ Assistants covering multiple regions, etc.: Approximately US\$1,605.44 million (approximately US\$1,605.44 million)
- ▶ See Chart II-2 for the ratios of disbursement by region.

Chart II-1. ODA by Type

(Net disbursement basis)

ODA disbursements in 2008 (calendar year)		Dollar basis (US\$1 million)			Yen basis (¥100 million)			Percentage of total (%)
Type		Current year	Previous year	Change from the previous year (%)	Current year	Previous year	Change from the previous year (%)	ODA total
Grant aid		4780.69	3416.10	39.9	4948.02	4024.16	23.0	49.3
debt relief		2801.18	1941.35	44.3	2899.22	2286.91	26.8	28.9
grants provided through multilateral institutions		730.90	395.45	84.8	756.48	465.84	62.4	7.5
grant aid excluding the above		1248.61	1079.30	15.7	1292.31	1271.42	1.6	12.9
Grant aid (excluding disbursements for Eastern Europe and graduated countries)		4776.56	3413.91	39.9	4943.74	4021.59	22.9	49.9
debt relief		2801.18	1941.35	44.3	2899.22	2286.91	26.8	29.2
grants provided through multilateral institutions		730.06	395.03	84.8	755.61	465.35	62.4	7.6
grant aid excluding the above		1245.32	1077.53	15.6	1288.91	1269.33	1.5	13.0
Technical cooperation		3057.82	2630.01	16.3	3164.84	3098.15	2.2	31.5
Technical cooperation (excluding disbursements for Eastern Europe and graduated countries)		2987.07	2568.91	16.3	3091.61	3026.17	2.2	31.2
Total grants		7838.51	6046.10	29.6	8112.86	7122.31	13.9	80.8
Total grants (excluding disbursements for Eastern Europe and graduated countries)		7763.62	5982.82	29.8	8035.35	7047.76	14.0	81.0
Loan aid		-899.66	(206.06)		-931.15	-242.74		-9.3
(loop aid, excluding debt relief)		163.87	159.46	2.8	169.60	187.84	-9.7	
(amount disbursed)		7050.81	5747.36	22.7	7297.59	6770.39	7.8	
(amount received)		7950.47	5953.43	33.5	8228.74	7013.14	17.3	
(amount received excluding debt relief)		6886.94	5587.90	23.3	7127.99	6582.55	8.3	
Loan aid (excluding disbursements for Eastern Europe and graduated countries)		-940.38	(204.67)		-973.29	-241.10		-9.8
(loop aid, excluding debt relief)		123.15	160.85	-23.4	127.46	189.48	-32.7	
(amount disbursed)		6933.44	5682.67	22.0	7176.11	6694.19	7.2	
(amount received)		7873.82	5887.34	33.7	8149.40	6935.29	17.5	
(amount received excluding debt relief)		6810.28	5521.82	23.3	7048.64	6504.71	8.4	
Total bilateral ODA		6938.85	5840.04	18.8	7181.71	6879.56	4.4	71.5
Total bilateral ODA (excluding disbursements for Eastern Europe and graduated countries)		6823.25	5778.15	18.1	7062.06	6806.66	3.8	71.2
Contributions and subscriptions to multilateral institutions		2759.75	1907.35	44.7	2856.34	2246.86	27.1	28.5
Contributions and subscriptions to multilateral institutions (excluding contributions to the EBRD)		2755.86	1900.80	45.0	2852.31	2239.14	27.4	28.8
Total ODA (net disbursement)		9698.60	7747.39	25.2	10038.05	9126.42	10.0	100.0
Total ODA (net disbursement) (excluding disbursements for Eastern Europe, graduated countries and the EBRD)		9579.10	7678.95	24.7	9914.37	9045.80	9.6	100.0
Total ODA (gross disbursement)		17649.07	13700.81	28.8	18266.79	16139.56	13.2	
Total ODA (gross disbursement) (excluding disbursements for Eastern Europe, graduated countries and the EBRD)		17452.92	13566.29	28.6	18063.77	15981.09	13.0	
Preliminary estimate of nominal Gross National Income (GNI) (US\$1 billion, ¥1 billion)		5063.82	4524.08	11.9	524105.80	532936.30	-1.7	
% of GNI		0.19	0.17		0.19	0.17		
% of GNI (excluding disbursements for Eastern Europe, graduated countries and the EBRD)		0.19	0.17		0.19	0.17		

\*1 Japan has a record of disbursements to the following 15 graduated countries and regions: Brunei, Singapore, Kuwait, Qatar, the United Arab Emirates, Israel, Hong Kong, Cyprus, the Republic of Korea (ROK), Macao, New Caledonia, Malta, Slovenia, Bahrain and Saudi Arabia

\*2 The 2008 exchange rate designated by the Development Assistance Committee (DAC): US\$1 = ¥103.5 (¥14.3 appreciation compared to 2007).

\*3 Due to rounding the total may not equal the sum of each type of assistance.

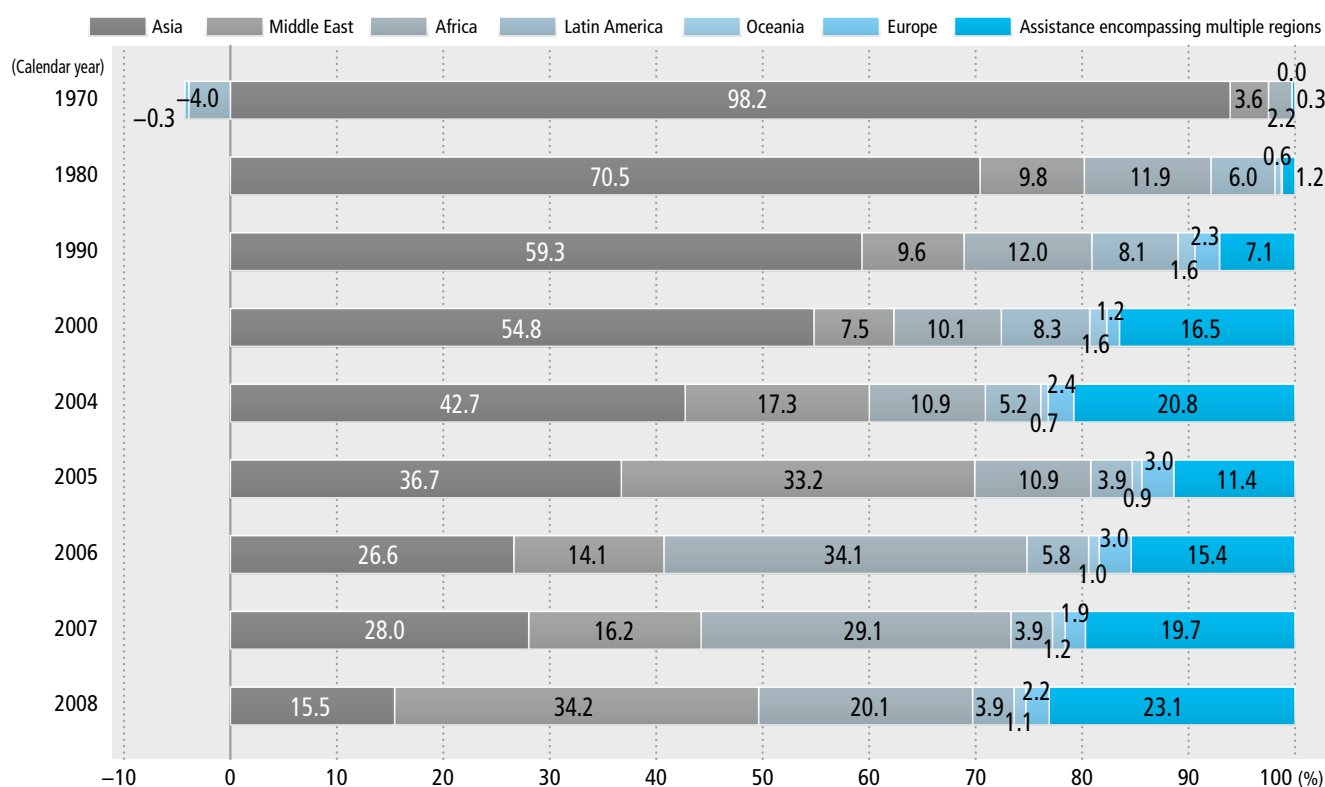
\*4 EBRD = European Bank for Reconstruction and Development.

\*5 Debt relief includes debt cancellation of yen loans and debt reduction of insured commercial claims. It does not include debt rescheduling.

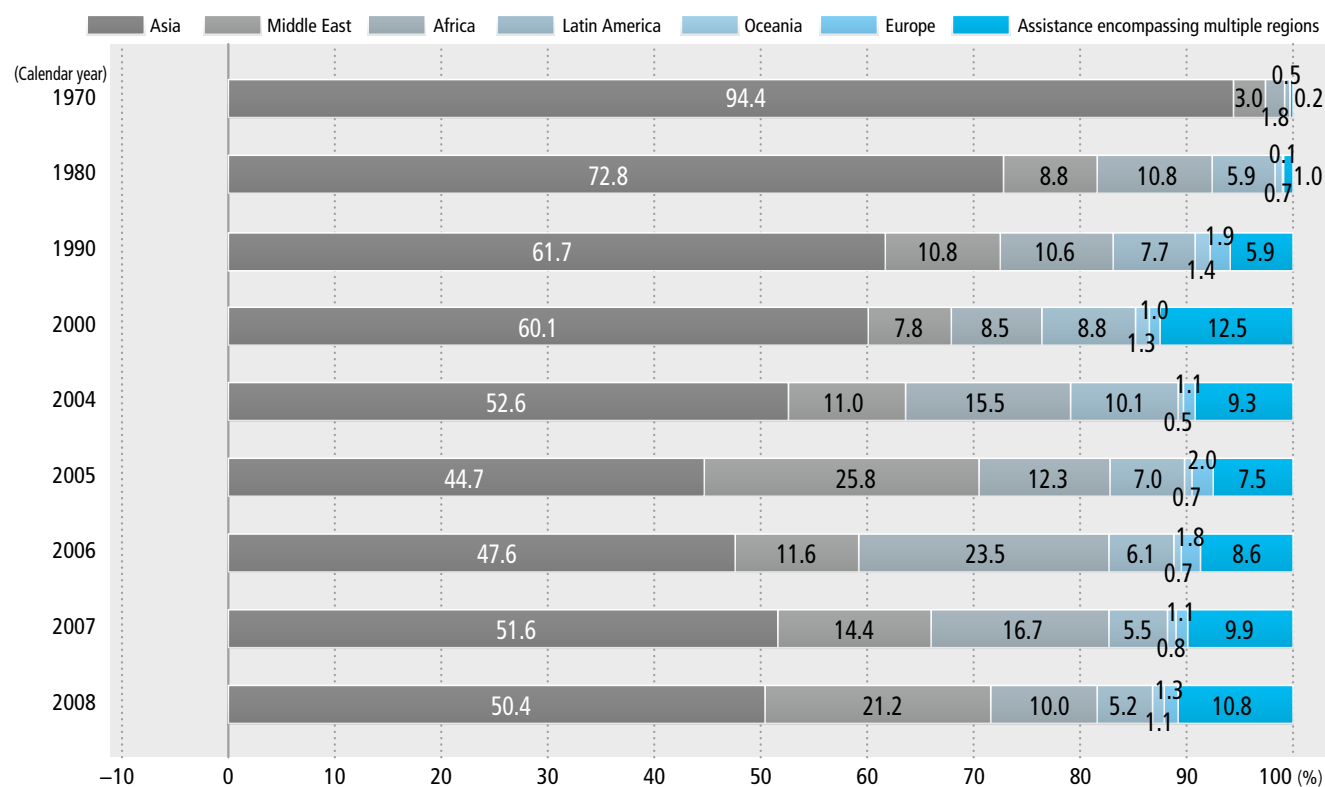
\*6 Grants provided through multilateral institutions have conventionally been reported as "Contributions and subscriptions to international organizations, etc." However, since 2006, expenditures clearly addressing a country at the point of disbursement are considered as bilateral ODA and therefore newly reported as "Grant aid."

Chart II-2. Trends in Bilateral ODA by Region

### Net Disbursement



### Gross Disbursement



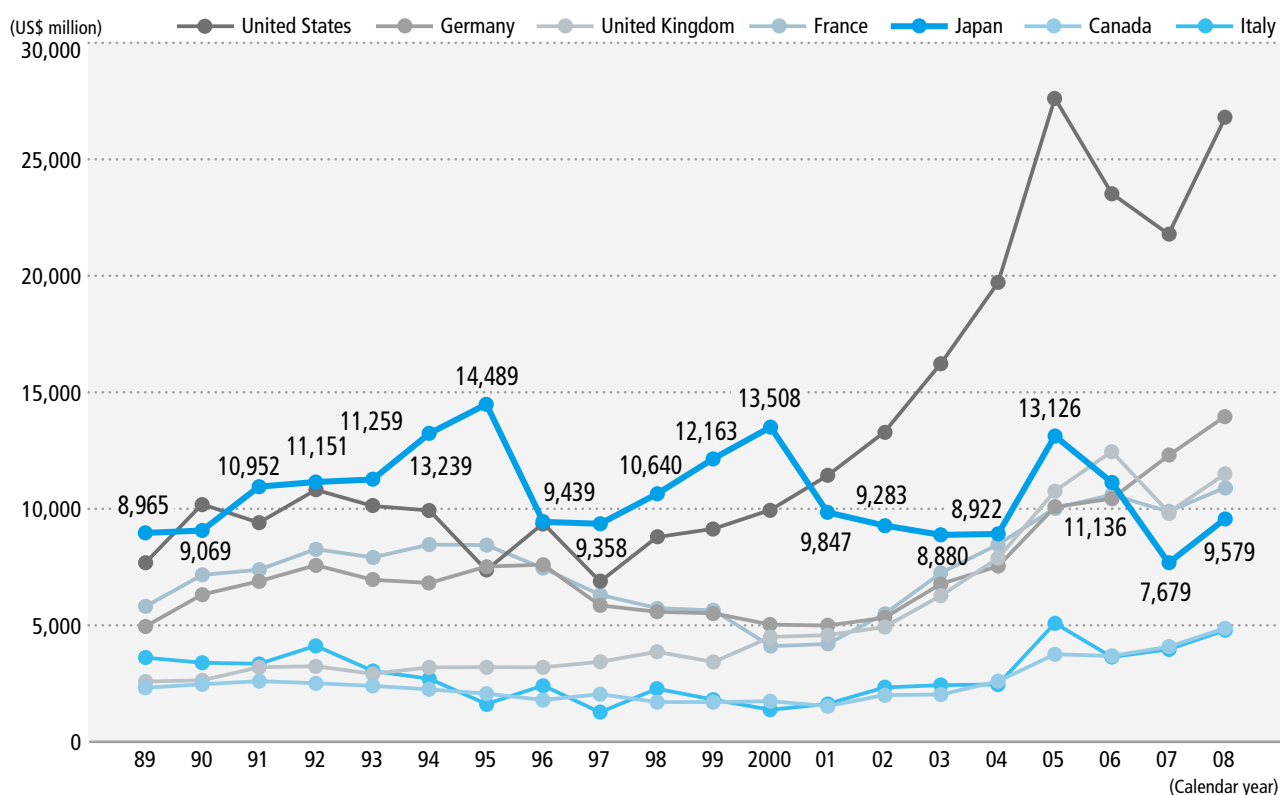
\*1 ODA to the European region since 1990 includes aid to the Eastern Europe.

\*2 If the amount received of loan aid exceeds its disbursements, the figure can be negative (this only applies to net disbursements).

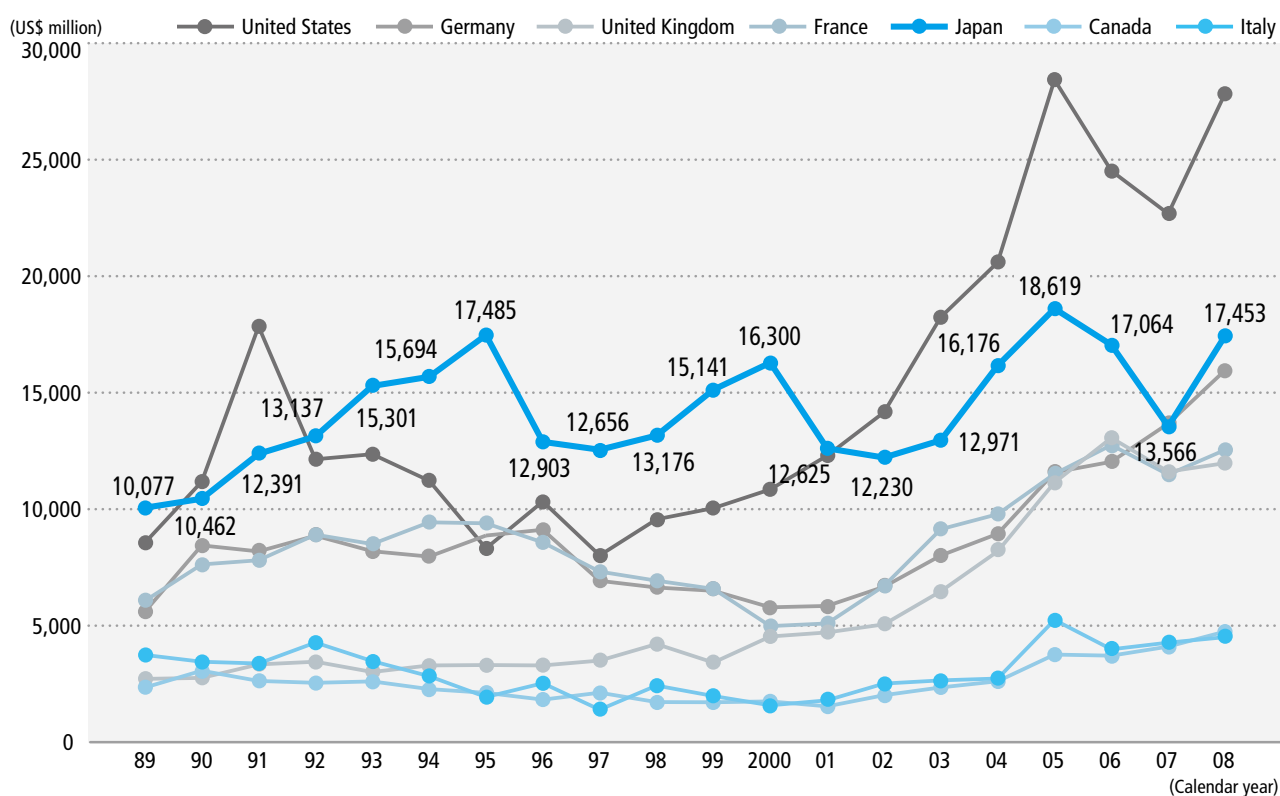
\*3 Assistance encompassing multiple regions includes the dispatch of survey groups, administrative costs and promotion of development awareness, all encompassing multiple regions.

Chart II-3. Trends in the ODA of Major DAC Countries

## ● Net Disbursement



## ● Gross Disbursement

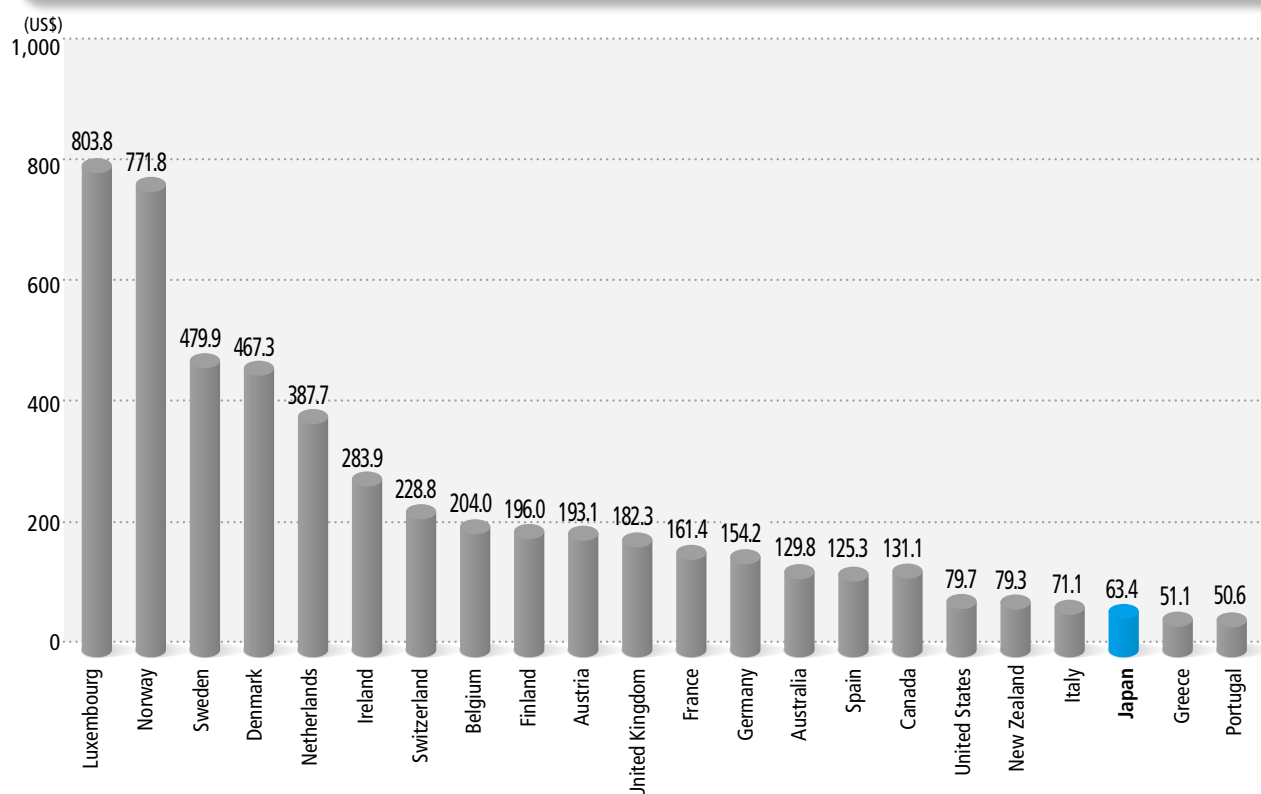


Source: OECD/DAC

\*1 Excluding assistance to Eastern Europe and graduated countries.

\*2 US figures for 1990-1992 exclude military debt relief.

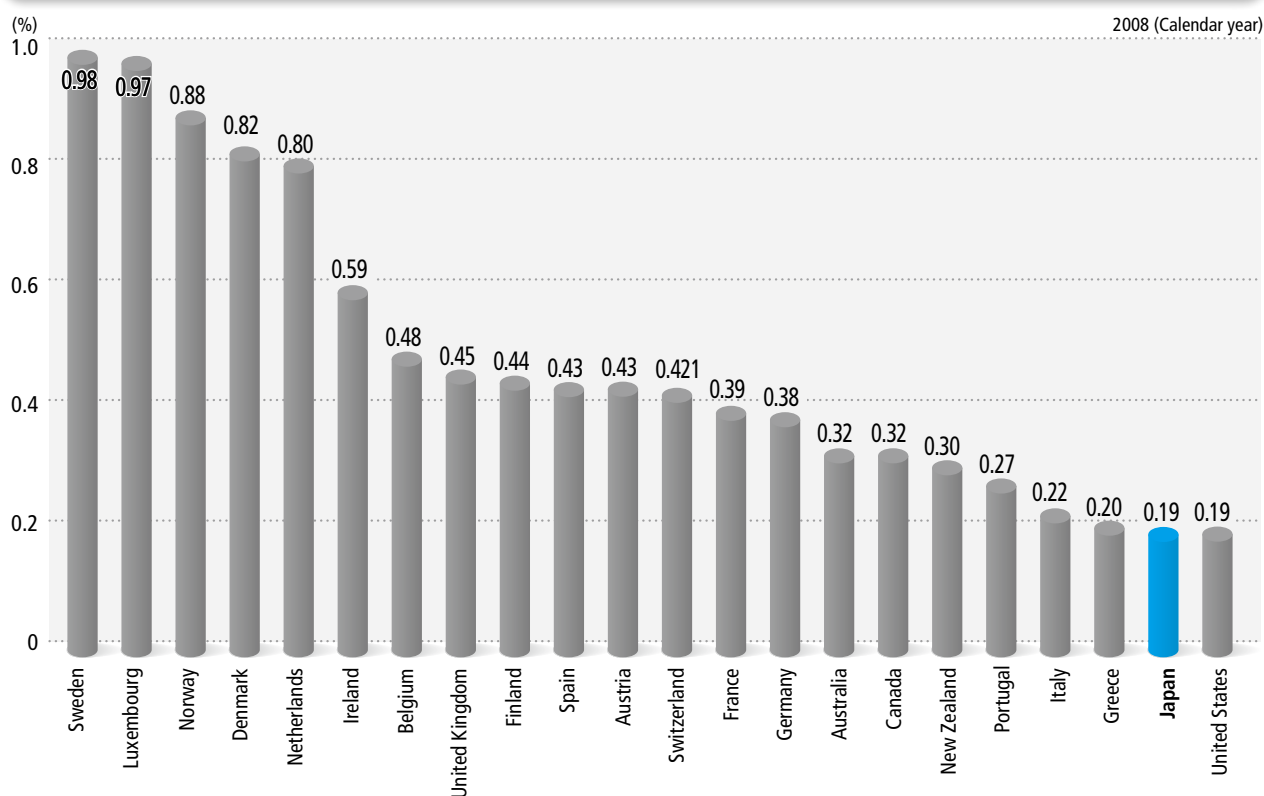
**Chart II-4. Per Capita ODA in DAC Countries**



Source: OECD/DAC (average figures in 2007 and 2008)

\*1 Excluding assistance to Eastern Europe and graduated countries.

**Chart II-5. Ratio of ODA to GNI in DAC Countries**



Sources: OECD / DAC

\*1 Countries are placed in descending order of their ratios of ODA to GNI in 2008.

Chart II-6. Trends in Japan's ODA and as Percent of GNI



\*1 Up until 1998 the figures show ODA Disbursements as percent of GNP, from 1999 onward they show it as percent of GNI.  
(GNP: Gross National Product; GNI: Gross National Income)

\*2 Excluding assistance to Eastern Europe and graduated countries.