

# AUSTRALIA

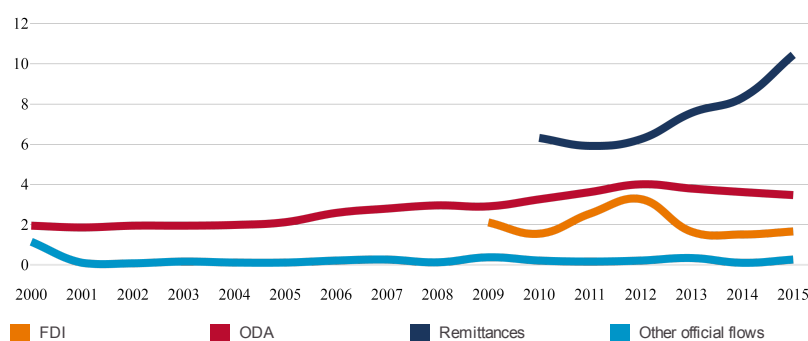
Remittances are by far the largest resource outflow from Australia, up by US\$2.1 billion from 2014. They are now three times greater than ODA, which has fallen for a third consecutive year to levels 13% lower than its peak in 2012.

- Almost 80% of Australia's aid is bilateral, compared with a DAC country average of 73%
- 25% of ODA goes to Oceania, while 24% goes to Far East Asia.
- 45% of bilateral aid is provided as cash grants

## Resource flows to developing countries

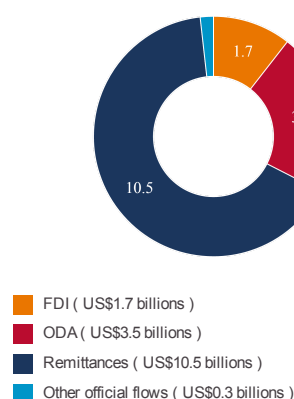
**Remittances grew over 25% in 2015 while FDI rose by 9.6% and ODA fell 4%**

US\$ billions, constant 2015 prices



**Remittances account for two-thirds of flows**

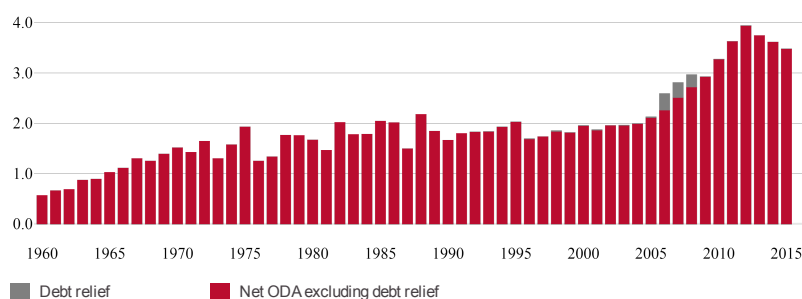
2015, US\$ billions



## How much ODA does Australia give?

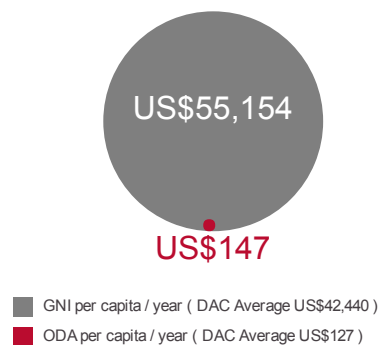
**ODA fell to US\$3.5 billion in 2015, down from a peak of US\$4.0 billion in 2012**

US\$ billions, constant 2015 prices



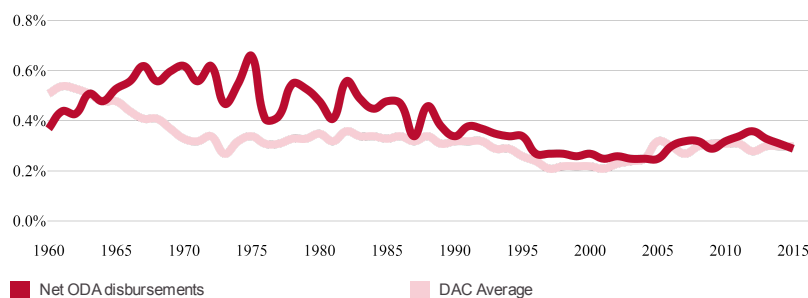
**ODA is equivalent to US\$147 per person**

2015



**ODA fell to 0.29% of GNI in 2015, down from a peak of 0.36 in 2012**

Net ODA as % of GNI



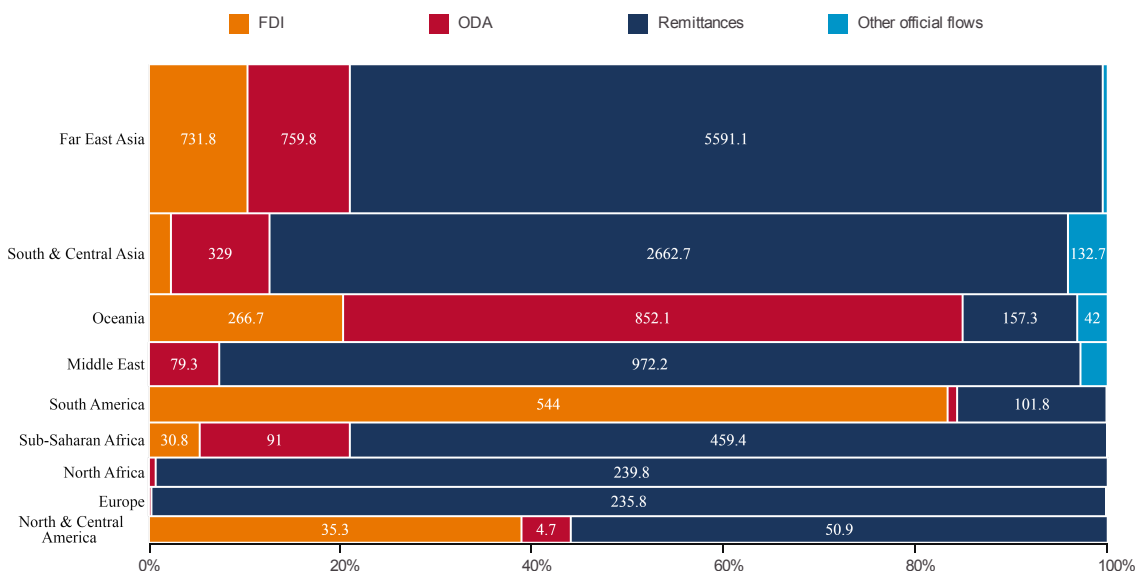
Notes: Acronyms: DAC: Development Assistance Committee; FDI: foreign direct investment; GNI: gross national income; ODA: official development assistance; OOFs: other official flows.

## Where do resources from Australia go?

Almost half of all resources from Australia to developing countries go to the Far East Asia region. Remittances are the largest flow to this and many other regions, though ODA is the largest flow to Oceania.

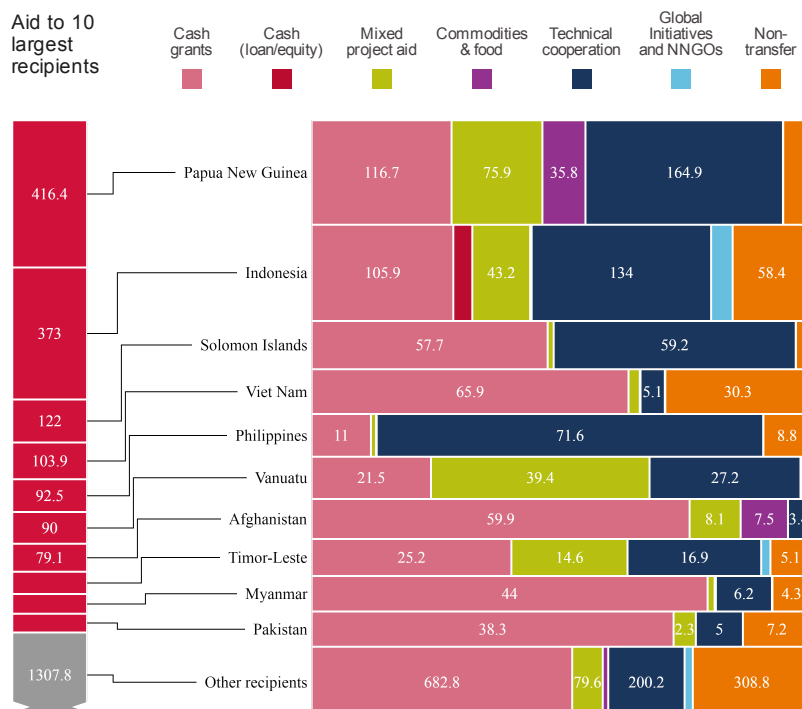
### Remittances account for around 80% of flows to Far East Asia and South and Central Asia; ODA accounts for 65% of flows to Oceania

Distribution of international resources by region, 2015, labels are US\$ millions



### 40% of ODA to Papua New Guinea, the largest recipient, is technical cooperation

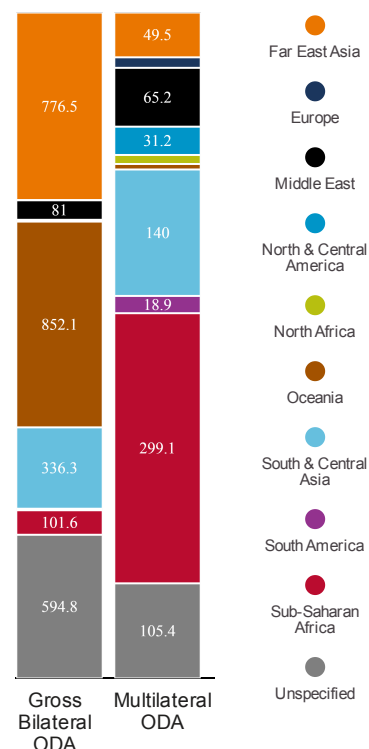
2015, gross bilateral ODA, labels are US\$ millions



What does the aid bundle look like for each recipient?

### 79% of ODA is bilateral

Gross ODA, %, 2015, labels in US\$ millions



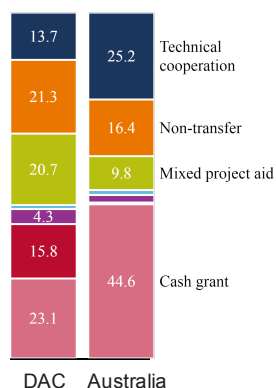
Note: Non-transferred ODA includes debt relief, costs of refugees and students in donor countries, administrative costs and other forms. Where available, FDI figures are based on the 4th edition of the OECD Benchmark Definition of FDI; otherwise they rely on data reported according to the 3rd edition. OOFs data shown does not include OOFs export credits. Acronyms: OECD: Organisation for Economic Co-operation and Development

## What is in the ODA bundle from Australia?

Cash grants account for 45% of bilateral ODA and are the primary modality in most of the largest sectors, including education, health and humanitarian assistance. Technical cooperation accounts for 25% of bilateral ODA and is the primary modality in the largest sector, governance and security.

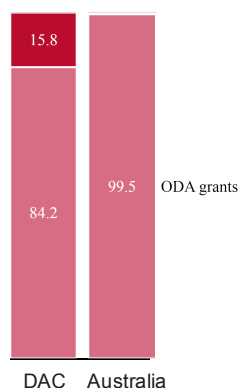
### Cash grants and technical cooperation account for almost 70% of ODA

2015, % of gross bilateral ODA



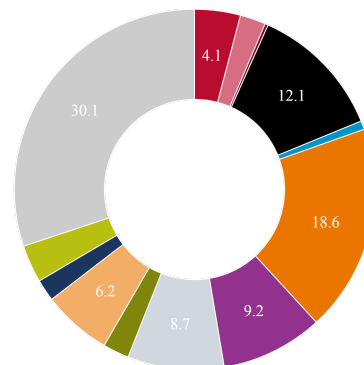
### Over 99% of ODA is provided as grants (less than 1% as loans)

2015, % of gross bilateral ODA



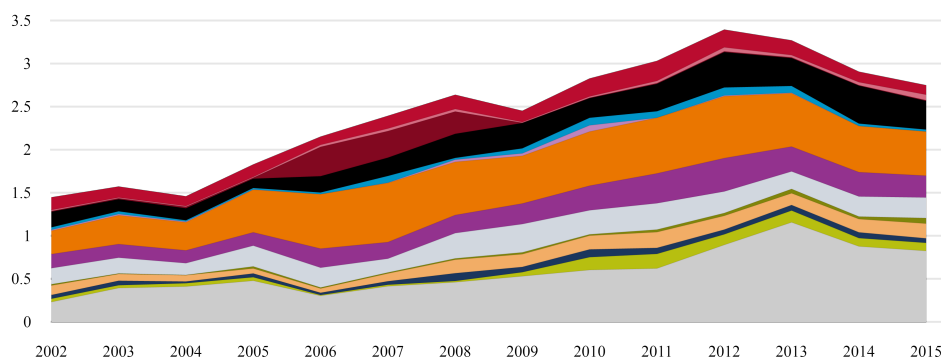
### Governance and security is the largest single sector, followed by education

Gross bilateral ODA by sector, % of total, 2015



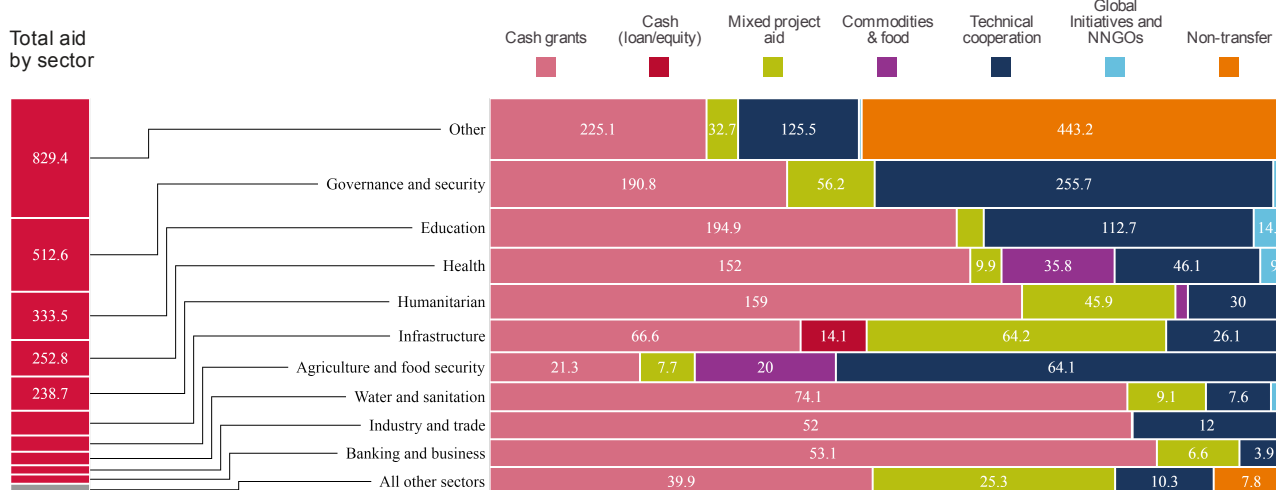
### The industry and trade sector saw the largest ODA growth in 2015 while education fell by almost a quarter

Gross bilateral ODA by sector trends, US\$ billions, constant 2015 prices



### Technical cooperation is the main instrument in the largest sector, while cash grants are in other large sectors

2015, gross disbursements ODA, labels are US\$ millions



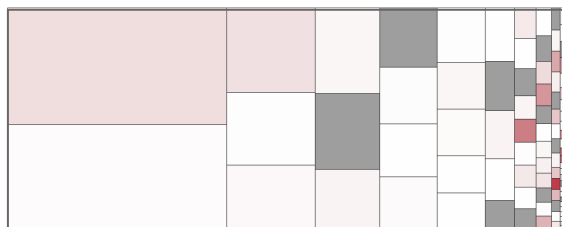
What does the aid bundle look like for each sector?

## How are resources from Australia targeted?

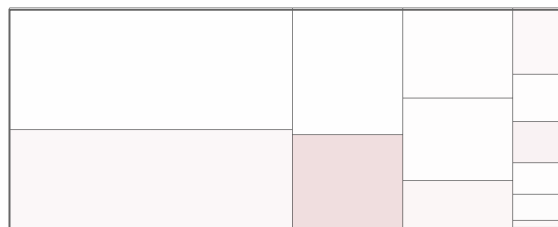
The largest recipients of resource flows from Australia include large emerging economies and Pacific Islands. China, India and Viet Nam are the largest destinations for remittances, while Papua New Guinea and Fiji are among the largest for FDI. Almost half of ODA goes to countries where the depth of poverty is high (above 5%); 29% goes to where it is most severe (above 20%). The largest country recipients of bilateral ODA are Papua New Guinea, Indonesia and the Solomon Islands.

**70% of FDI and two-thirds of remittances are concentrated in just four countries; ODA is provided more widely**

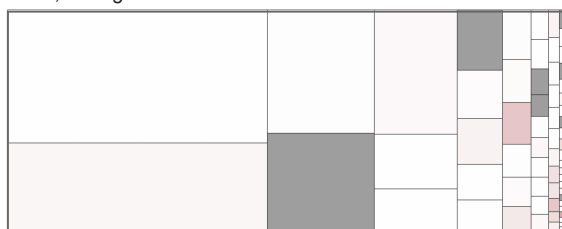
2015, ODA



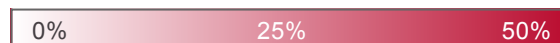
2015, Remittances



2015, Foreign direct investment



Depth of poverty in destination countries

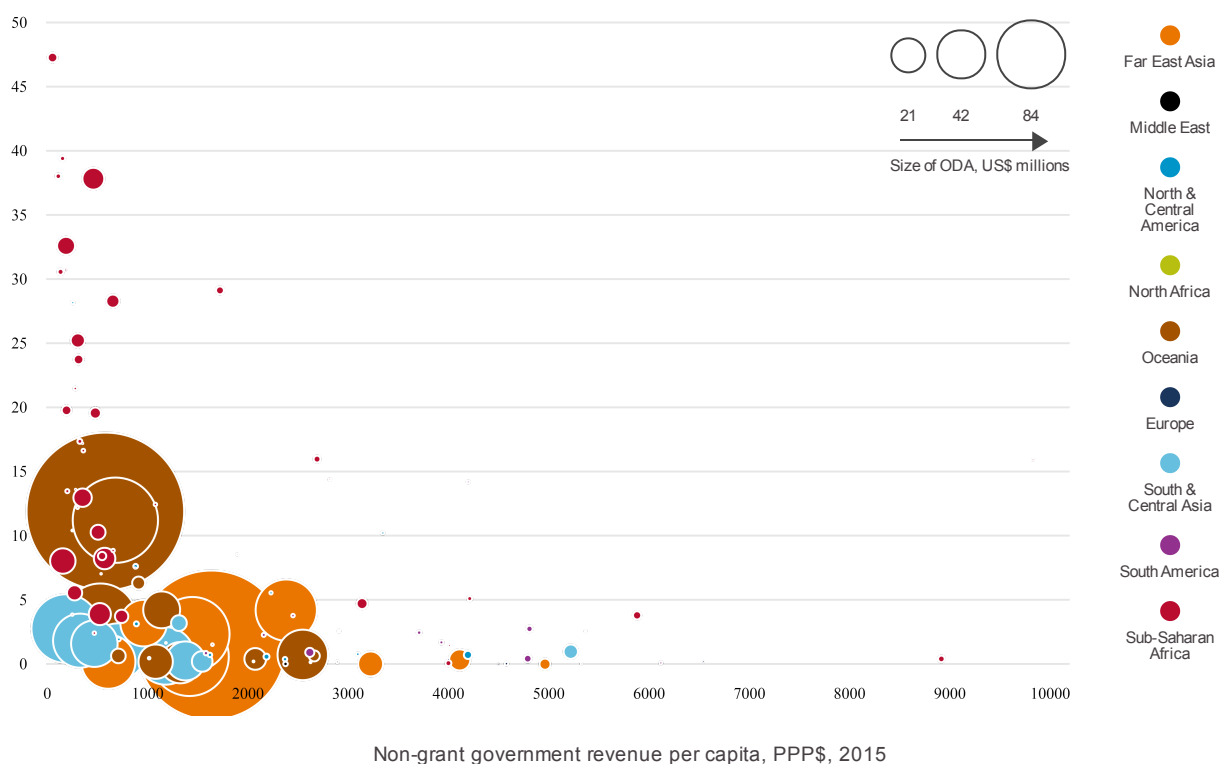


No data



**98% of bilateral ODA goes to countries where government revenues are below the median \$2,620 across all developing countries; 52% goes to countries where it is less than \$750 per person**

Depth of poverty %



*Note:* Depth of poverty is a measure of the average gap in incomes for people living below the poverty line spread across the population of the whole country, expressed as a percentage of the 2011PPP\$1.90 a day poverty line. 'Purchasing power parity' (PPP) prices are the rate at which a country's currency would have to be converted into that of another country to buy the same amount of goods and services in each country. Government revenue refers to the total non-grant revenue either collected or projected to be collected by the government in the financial year 2015. Median government revenue across all developing countries in 2015 was 2015PPP\$2,620 per person; a quarter of developing countries have revenues of less than 2015PPP\$758 per person.