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**General debate: actions for the further implementation of the  
Programme of Action of the International Conference on Population  
and Development at the global, regional and national levels**

**Flow of financial resources for assisting in the further  
implementation of the Programme of Action of the  
International Conference on Population and Development****Report of the Secretary-General***Summary*

The present report on the flow of financial resources for assisting in the further implementation of the Programme of Action of the International Conference on Population and Development consists of two main parts. In the first part, the Secretary-General discusses overall trends in official and private development aid, as well as aid for population-related matters, notably the costed components of the Programme of Action – sexual and reproductive health, comprising reproductive health, family planning and sexually transmitted infections – as well as population data and policy analysis. In the second part, the Secretary-General puts a spotlight on the Commission's thematic focus for 2022, which concerns the linkages between population and sustainable development, in particular sustained and inclusive economic growth.

Official and private aid reached record levels in 2020, exceeding \$200 billion, but not all those in need have benefited from the increase. In absolute terms, official development assistance (ODA) from the developed countries to the least developed countries has fluctuated around a flat trend since 2011; measured as a share of total ODA, it has declined over the past decade. The developed countries have fallen behind on the target of providing between at least 0.15 to 0.20 per cent of their gross national income in the form of aid to the least developed countries. Furthermore, aid for population-related matters has decreased in both absolute and relative terms. Measured as grant equivalents, official donors allocated \$5.08 per woman of reproductive age in the developing world in 2018; in 2019, this fell to \$3.70, the largest year-on-year decrease in the past 10 years. Aid to support countries in promoting more sustained and inclusive growth has risen over the past decade but remains at very low levels.

\* E/CN.9/2022/1.



## I. Introduction

1. In accordance with the recommendations contained in the report on the flow of financial resources for assisting in the further implementation of the Programme of Action of the International Conference on Population and Development, prepared for the fifty-second session of the Commission on Population and Development ([E/CN.9/2019/4](#)), the present report is focused on the latest trends in official development assistance (ODA). The analysis is based on official development aid data reported to and published by the Organisation for Economic Co-operation and Development (OECD) and complemented by private aid flows reported to the organization.

2. The breakdown of aid by sector and thematic area is based on the Creditor Reporting System of the OECD international development statistics databases. Unlike aggregate aid flows, which were available up to 2020 at the time of writing, disaggregated aid flows by sector were available only up to 2019. These flows do not yet take account of the impact of the coronavirus disease (COVID-19) pandemic on development aid. They are expressed in constant United States dollars and in net disbursement terms. Furthermore, OECD introduced a new methodology for estimating ODA in 2018. Since then, ODA has included only aid allocations with a minimal grant element. The introduction of the “grant equivalent” methodology implies a downward adjustment of ODA and necessitates caveats in the interpretation of ODA trends.

3. The report includes two main parts. In the first part, the Secretary-General provides an update on overall trends in development assistance (section II) and on development assistance allocated to population-related matters (section III). The second, thematic part covers funding for the special theme of the Commission (section IV). The final section of the report contains a summary of key findings, and conclusions and recommendations (section V).

4. The special theme of the fifty-fifth session of the Commission on Population and Development, to be held in April 2022, is “Population and sustainable development, in particular sustained and inclusive economic growth”. As such, in the thematic part of the report, the Secretary-General discusses aid allocations to areas of significance for the promotion of sustained and inclusive economic growth. In the report, the term “sustained” refers to not only continued economic growth but also more sustainable and greener economic growth. In particular, the Secretary-General examines herein aid allocations for fostering employment and extending social protection, which are essential for more inclusive economic growth, as well as such allocations for environmental protection and renewable energy, which are needed for greener economic growth. He also examines aid allocations aimed at strengthening governance capacities – both of which are essential framework conditions for sustainable economic development. The analysis of aid flows to these areas is coherent with the discussion of the linkages between population and sustained economic and inclusive growth, as presented in the other reports to the Commission ([E/CN.9/2022/2](#) and [E/CN.9/2022/3](#)).

## II. Overall trends in official development assistance

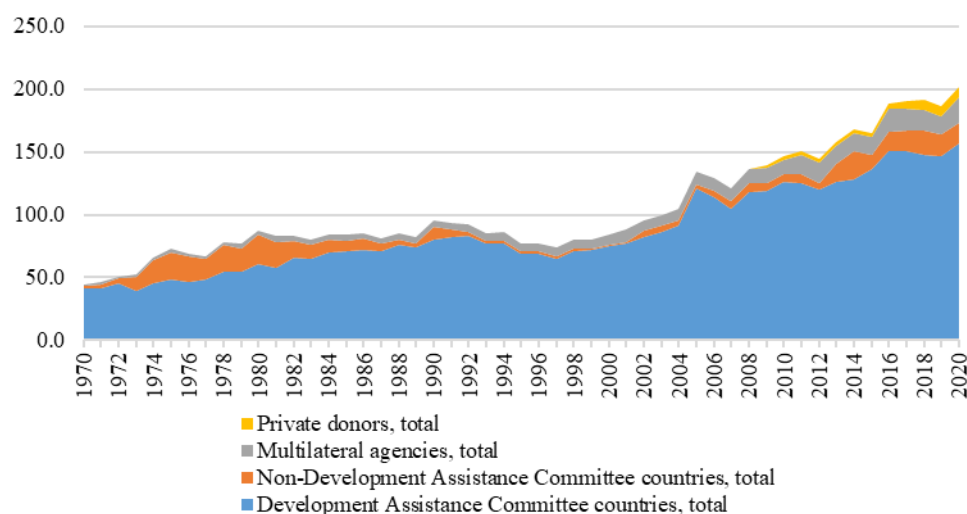
5. Preliminary data for 2020 show that official aid reached record levels, exceeding \$200 billion. This rise is the result of a notable increase in official aid from the donor countries that are members of the Development Assistance Committee of OECD (Development Assistance Committee donors) as well as multilateral agencies. By contrast, less aid was reported by the donor countries that are not members of that

Committee (non-Development Assistance Committee donors). Net disbursements of official aid allocations declined by almost \$5.0 billion between 2018 and 2019 but increased by no less than \$15.8 billion between 2019 and 2020. The increase was mostly attributable to higher aid allocations by Development Assistance Committee countries (+\$10.5 billion) and multilateral agencies (+\$4.9 billion), which compensated for a decrease in aid from non-Development Assistance Committee countries (\$-0.5 billion).

Figure I

**Aid disbursements by official and private donors to all countries, 1970–2020**

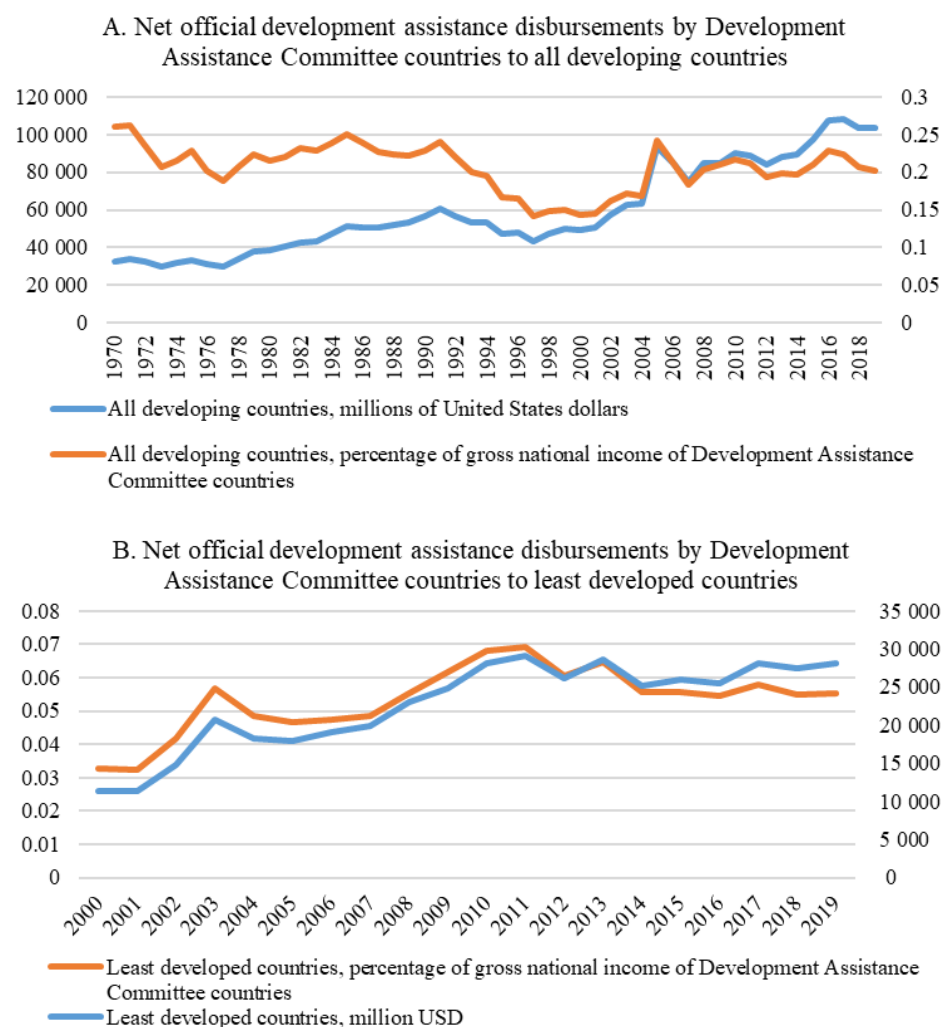
(Billions of constant United States dollars)



Source: Estimates based on OECD international development statistics: Development Assistance Committee table 1, “Total flows by donor”, available at <https://stats.oecd.org/Index.aspx?DataSetCode=TABLE1>; and Development Assistance Committee table 2a, “Aid (ODA) disbursements to countries and regions”, available at <https://stats.oecd.org/Index.aspx?DataSetCode=TABLE2A>.

6. The available aid data do not yet allow for an assessment of how the pandemic has affected aid flows. On the basis of partial evidence, it is probable that the pandemic has caused a decline in aggregate aid and plausible that it has encouraged a shift in favour of aid for health. The interpretation will also depend on whether the provision of vaccines to developing countries will be classified as development assistance, and if so, how it will be classified in the current system. In any case, the impact of the pandemic on aid will need to be assessed on the basis of a more comprehensive set of data over the coming years.

**Figure II**  
**Aid disbursements by Development Assistance Committee donors, 1970–2019**  
 (Percentage of gross national income of Development Assistance Committee donors and millions of United States dollars)



Source: Estimates based on OECD international development statistics online databases.  
 Available at <https://stats.oecd.org/Index.aspx?ThemeTreeID=3&lang=en>.

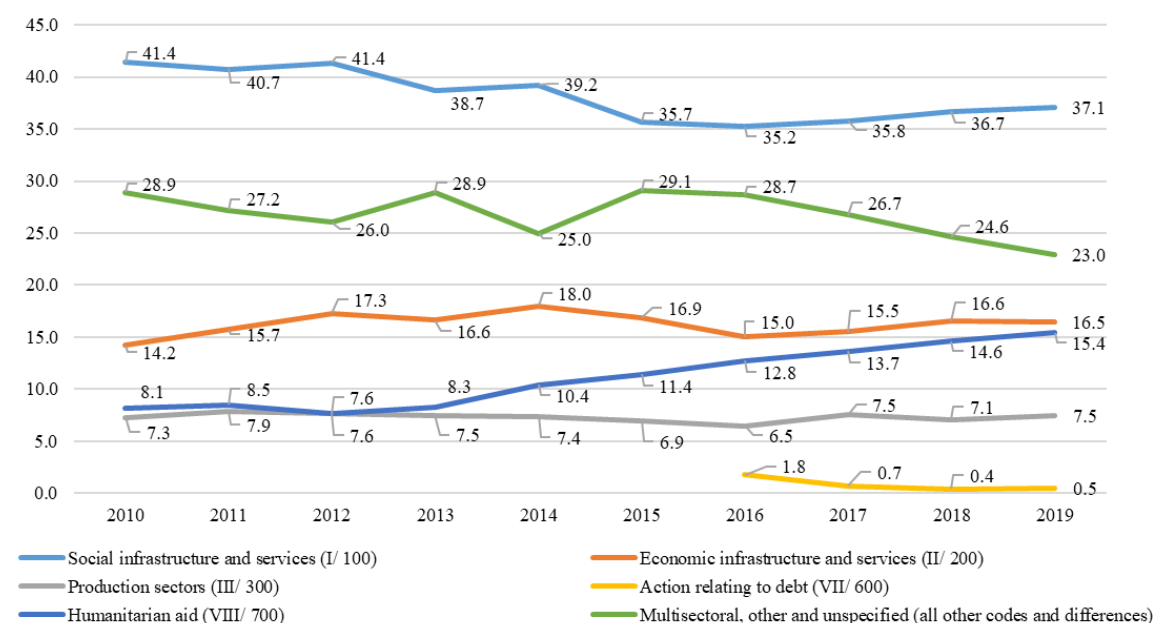
7. The high level of aid, however, has not been universally beneficial. Aid to the poorest countries remains inadequate, and the developed countries are falling behind on their aid targets. In absolute terms, aid from Development Assistance Committee donors to all developing countries increased until 2016, but has fallen since then. In 2019, it stood at 0.2 per cent of the gross national income of Development Assistance Committee donor countries and significantly below the declared aid target of 0.7 per cent of gross national income (figure II.A.). By comparison, aid from Development Assistance Committee donors to the least developed countries was erratic until 2011 and has fluctuated strongly around a flat trend since then. In 2019, the level of such aid stood at only 0.05 per cent of the gross national income of Development Assistance Committee donor countries, amounting to less than one third of the aid target of between 0.15 and 0.20 per cent of gross national income. The figures in annexes I and II show aid allocations by Development Assistance Committee countries with regard to both targets.

8. The share of total official and private aid for social infrastructure and services remained the largest and rose for the fourth consecutive year (see figure III), although it remained 4 percentage points lower in 2019 than in 2010. By contrast, the share of aid for economic infrastructure and services in 2019 was 2.3 percentage points above the 2010 level. However, it amounted to less than half of the share of aid for social purposes in 2019.

9. The increasing share of total aid for humanitarian purposes continued to outpace that of aid for development purposes, almost doubling between 2010 and 2019. The share of total aid for humanitarian purposes was almost as high as that of aid for economic development in 2019 and more than double the share of aid for the agricultural, industrial and services sectors, which are the main production sectors. While there are good reasons for the increase in aid for humanitarian purposes, the shift in the allocation of development assistance poses challenges for the promotion of higher, more sustained and more inclusive economic growth. Humanitarian aid is largely reactive, and without aid to promote sustainable development and build resilience, humanitarian crises will keep occurring. Aid for the social and economic sectors, as well as for environmental protection and renewable energy, is essential for sustainable development. It will also help to reduce emergencies and strengthen local capacities for coping with future emergencies.

Figure III  
Aid disbursements by official and private donors by sectors, 1970–2019

(Percentage of total aid)



Source: Estimates based on OECD international development statistics online databases.

10. The share of total aid for debt relief, reduction and rescheduling (see figure III) fell notably over the past four years. However, many countries significantly increased their public debt during the pandemic. Without sustained economic growth, many countries may soon be confronting unsustainable debt burdens. According to data from the International Monetary Fund, 2020 saw the largest one-year debt surge since the Second World War, with global debt reaching \$226 trillion. Public debt accounted

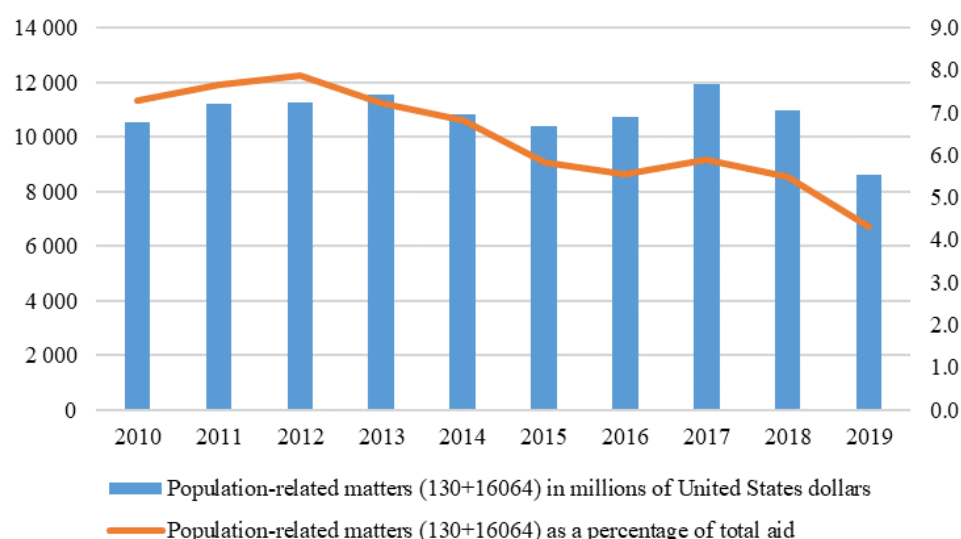
for about 40 per cent of this total.<sup>1</sup> The debt burden of the poorest countries is at a level not seen since the early 2000s, when many of them benefited from special debt relief efforts. The debt pressure is likely to rise further amid weak economic growth forecasts as well as upward pressure on prices and interest rates. Given the current situation, it is likely that the poorest countries will soon demand greater action on debt, while the richest countries will take measures to reduce their own debt levels. This will probably have negative implications for future development assistance and for public spending more broadly. The main beneficiaries of public spending – in particular, young and older people – will thus bear a disproportionate burden as a result of these adjustments.

### III. Official development assistance for the costed components of the Programme of Action of the International Conference on Population and Development

Figure IV

#### Aid disbursements by official and private donors for population-related matters, 2010–2019

(Percentage of total aid)



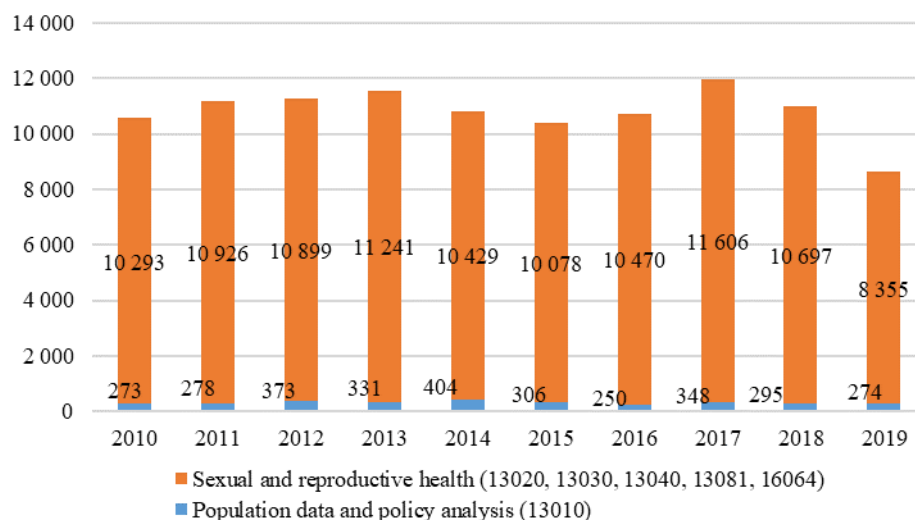
Source: Estimates based on OECD international development statistics online databases.

11. The increase in official and private aid between 2019 and 2020 followed a fall in aid between 2018 and 2019. Disaggregated aid flows are available only for the latter period, which is the focus of the sections below. The decrease in official and private aid for population-related matters between 2018 and 2019 was consistent with the aggregate trend over that period. However, the decline in aid for such matters outpaced the general decline in aid over the period, resulting in a decreasing share of aid for population-related matters. Figure IV shows that aid for population-related matters fell by a total of \$2.4 billion, a drop of 0.4 per cent in total official and private aid allocations, and the largest year-on-year decline in the past decade.

<sup>1</sup> See Vitor Gaspar, Paulo Medas and Roberto Perrelli (International Monetary Fund (IMF)), “Global debt reaches a record \$226 trillion”, IMFBlog, 15 December 2021. See also IMF, Global Debt Database, <https://www.imf.org/external/datamapper/datasets/GDD>.

**Figure V**  
**Aid disbursements by official and private donors for population data and policy analysis, as well as sexual and reproductive health, 2010–2019**

(Millions of United States dollars)



Source: Estimates based on OECD international development statistics online databases.

12. This decline gives even more reason for concern. As COVID-19 has dealt a blow to the baseline for many of the objectives set out in the Programme of Action, resource needs have spiralled.

13. A breakdown of official and private aid disbursements for population-related matters by main area – sexual and reproductive health, and population data and policy analysis – reflects the overall trends in aid (see figure V). Aid for sexual and reproductive health accounted for about 97 per cent of the total in 2019, with the remaining 3 per cent dedicated to population data and policy analysis. Accordingly, the overall decline in aid for population-related matters has mostly been associated with a decline in aid for sexual and reproductive health. Between 2018 and 2019, aid for sexual and reproductive health fell from \$10.7 billion to \$8.4 billion, a decline of \$2.4 billion, or 21 per cent, from the previous year – the largest decrease in aid for sexual and reproductive health in the past decade. Between 2018 and 2019, aid for population data and policy analysis fell from \$295 million to \$274 million.

14. In 2019, estimates of the resources needed for other priorities, including ending preventable maternal deaths, ensuring universal access to family planning and eliminating violence against women, have been put at \$264 billion for the period 2020–2030. It is expected that about \$42 billion of this figure could be financed through donor assistance, with the remaining \$222 billion covered by a variety of external and national public and private sources, including out-of-pocket expenditures (see E/CN.9/2021/4). The significant need for additional resources, on the one hand, and the decline in aid for sexual and reproductive health, on the other, are major reasons for concern. As outlined in the programmatic report of the Secretary-General to the Commission in 2022, ending gender-based discrimination and investing in human capital, including sexual and reproductive health, are essential for the development of human capital and for more sustained and inclusive economic development (see E/CN.9/2022/3). Commitments by official and private donors made at the Nairobi Summit on the International Conference on Population and

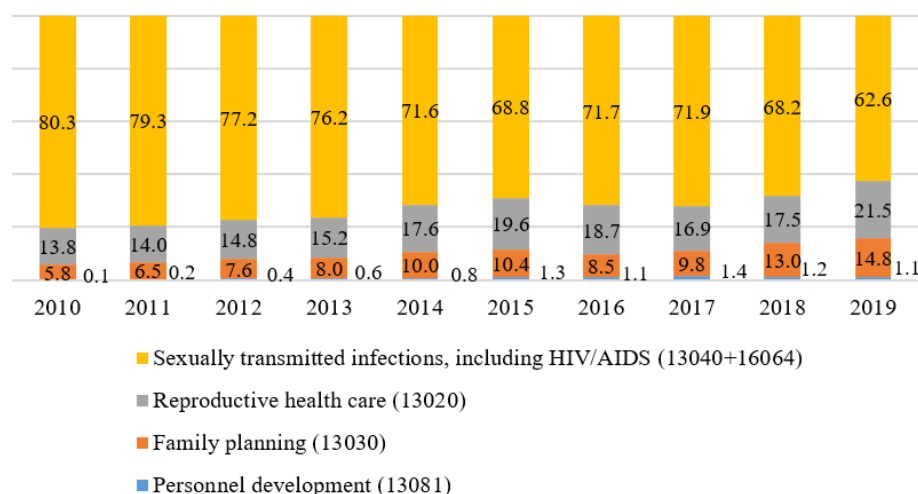


Development held in 2019,<sup>2</sup> on the occasion of the twenty-fifth anniversary of the International Conference, give hope that the shortfall in support for population-related matters will be reversed.

Figure VI

**Aid disbursements by official and private donors, by subcategories of sexual and reproductive health, 2010–2019**

(Percentage share of total aid for sexual and reproductive health)



Source: Estimates based on OECD International Development Statistics online databases.

15. The fall in official and private aid for sexual and reproductive health was mainly attributable to a decline in its largest subcategory, namely, aid for HIV/AIDS as well as other types of sexually transmitted infections. The share of this aid fell from 71.9 per cent of the total in 2017 to 68.2 per cent in 2018 and 62.8 per cent in 2019, the most recent year for which data are available. Conversely, the decline in this subcategory was accompanied by a proportional increase in aid for reproductive health and family planning during recent years. The share of aid for personnel development was low initially and then decreased. However, some of these shifts in the subcategories of aid for sexual and reproductive health may be due to the reclassification of aid because, as an example, it is hard in practice to separate aid for sexually transmitted infections from aid for reproductive health and aid for family planning. Better access to condoms could serve all three purposes, for instance.

16. The decline in official and private aid for sexual and reproductive health is greater when converted into dollars per year per woman of reproductive age in the developing world. This is because, as absolute aid for sexual and reproductive health fell, the number of women entering reproductive age in the developing world increased. Between 2010 and 2019, official and private aid for sexual and reproductive health per woman of reproductive age in the developing world fell from \$6.87 to \$5.13 per year. As table 1 shows, the decrease in this form of aid over the decade was mostly the result of a fall in ODA from Development Assistance Committee countries and multilateral donors; non-Development Assistance Committee countries provide relatively little aid for sexual and reproductive health overall. The decline in aid from official donors was offset in part by an increase in aid from private donors. By far the largest private donor with regard to population-related matters, and notably sexual and reproductive health, was the Bill and Melinda Gates Foundation.

<sup>2</sup> For a list of the commitments, see <https://www.nairobisummiticpd.org/commitments>.



Table 1  
**Aid disbursements by official and private donors for sexual and reproductive health per woman of reproductive age in the developing world, 2010, 2018 and 2019**  
 (United States dollars per woman)

	<i>Aid disbursements</i>			<i>Aid as grant equivalent</i>		
	2010	2018	2019	2010	2018	2019
Official and private donors	6.87	6.62	5.13	..	..	..
Official donors	6.58	6.09	4.65	..	5.08	3.70
Development Assistance Committee countries	5.06	5.10	3.73	..	5.07	3.70
Non-Development Assistance Committee countries	0.00	0.00	0.00	..	0.00	0.00
Multilateral agencies	1.53	0.99	0.92	..	0.01	0.01
Private donors	0.28	0.52	0.48	..	..	..
Bill and Melinda Gates Foundation	0.28	0.39	0.37	..	..	..
Other private donors	0.00	0.13	0.11	..	..	..

Source: Estimates based on OECD International Development Statistics online database.

17. The decline in aid is even greater if only aid with a minimal grant element is considered.<sup>3</sup> At present, OECD only publishes such aid from official donors. Table 1 shows that, between 2018 and 2019, aid for sexual and reproductive health from Development Assistance Committee countries per woman of reproductive age in the developing world fell from \$5.07 to \$3.70 per year. This represents a decline of \$1.37, or 27 per cent of the total, in a single year.

#### IV. Official development assistance for sustainable development, in particular sustained and inclusive economic growth

18. Demographic changes, including population growth, population ageing and population decline, as well as falling fertility, rising life expectancy and accelerating migration, affect societies and economies. They shape progress towards many development goals: the reduction of poverty, inequality and unemployment; the provision of food security, housing and social protection; universal access to health care and education; the adequacy of infrastructure; the promotion of economic growth; and the protection of the environment, among other things. Therefore efforts to ensure progress towards many of those goals have placed increasing focus on accounting and planning for demographic change.

19. Other reports of the fifty-fifth session of the Commission on Population and Development address the linkages between population and sustainable development in greater detail (see [E/CN.9/2022/2](#) and [E/CN.9/2022/3](#)). The contents of the reports underscore that countries at an earlier stage of the demographic transition can realize a first demographic dividend when the working-age population is growing, and that countries at a later stage in the demographic transition might be able to realize a second demographic dividend even as the working-age population is beginning to shrink because of the ageing population. However, the realization of either demographic dividend is not an automatic process. Both dividends depend on investment in human capital throughout the life course. In addition, the first dividend requires that the growing working-age population is able to find productive and remunerative work, and the

<sup>3</sup> For an explanation of the methodology, see Simon Scott, “The grant element method of measuring the concessionality of loans and debt relief”, working paper No. 339 (Paris, Organisation for Economic Co-operation and Development, 2017).

second dividend demands that a shrinking working-age population is countered by an increase of capital per worker, growing labour productivity and, potentially, higher immigration. To that end, investment in physical capital, notably machinery and infrastructure, is an essential complement to investment in human capital.

20. Table 2 shows aid allocations to areas that have direct implications for sustainable and inclusive economic growth, notably the strengthening of human capital (education and health); the creation of more inclusive economies (employment creation and social protection); and the promotion of greener economies (environmental protection and renewable energy). This analysis is complemented by table 3, which shows aid allocations to areas that are essential to providing an enabling environment for sustained and inclusive economic growth, notably the promotion of production and supply capacities (infrastructure, production and services); and the strengthening of governance capacities (public administration, institutions and measures against corruption).

Table 2

**Aid disbursements by official and private donors for human capital development, as well as inclusive and green economic growth, 2010–2012 and 2017–2019**

	<i>Value (millions of constant United States dollars)</i>		<i>Share (percentage of all sectors)</i>		<i>Change (percentage points)</i>
	<i>2010– 2012</i>	<i>2017– 2019</i>	<i>2010– 2012</i>	<i>2017– 2019</i>	<i>2010–2012 and 2017–2019</i>
<b>All sectors (1000)</b>	144 878	201 090	100.0	100.0	0.0
<b>A. Human capital</b>					
Human capital	28 594	38 980	19.7	19.4	-0.4
Education	12 320	15 520	8.5	7.7	-0.8
Basic education (112)	3 395	4 055	2.3	2.0	-0.3
Secondary education (113)	1 126	1 886	0.8	0.9	0.2
Post-secondary education (114, 43082)	4 281	5 793	3.0	2.9	-0.1
Other (110, 43081)	3 519	3 786	2.4	1.9	-0.5
Health, water supply and sanitation	16 273	23 460	11.2	11.7	0.4
Health (120)	10 324	16 029	7.1	8.0	0.8
Water supply and sanitation (140)	5 950	7 430	4.1	3.7	-0.4
<b>B. More inclusive and greener economies</b>					
More inclusive and greener economies	10 447	13 430	7.2	6.7	-0.5
More inclusive economies	3 610	4 833	2.5	2.4	-0.1
Employment	482	980	0.3	0.5	0.2
Employment creation (16020)	482	852	0.3	0.4	0.1
Labour rights (16070)	0	98	0.0	0.0	0.0
Social dialogue (16080)	0	29	0.0	0.0	0.0
Social protection	3 128	3 854	2.2	1.9	-0.2
Social protection, various (16010, 16050)	2 910	3 023	2.0	1.5	-0.5
Housing (16030, 16040)	218	625	0.2	0.3	0.2
Food security (11250, 43071, 43072, 43073)	0	205	0.0	0.1	0.1
Greener economies	6 837	8 597	4.7	4.3	-0.4
General environment protection (410: IV.1.)	4 548	4 875	3.1	2.4	-0.7
Energy generation, renewable sources (232: II.3.b.)	2 289	3 723	1.6	1.9	0.3

Source: Estimates, based on OECD international development statistics online databases.

21. Section A of table 2 shows that while the share of official and private aid for the development of human capital in total aid allocations declined for some items, the absolute value of aid for the development of human capital overall increased for each item in the table between the periods 2010–2012 and 2017–2019. During that time, aid for human capital development increased by some \$10 billion, and roughly 70 per cent of this increase was attributable to higher aid allocations for health. In the area of health, an increase in aid was recorded, especially for basic health, and water and sanitation. With regard to education, aid increased in particular for basic education and post-secondary education, and less so for secondary education, over the same time.

Table 3

**Aid disbursements by official and private donors for production and supply capacities, as well as governance capacities, 2010–2012 and 2017–2019**

	<i>Value (millions of constant United States dollars)</i>		<i>Share (percentage of all sectors)</i>		<i>Change (percentage points)</i>
	<i>2010– 2012</i>	<i>2017– 2019</i>	<i>2010– 2012</i>	<i>2017– 2019</i>	<i>2010–2012 and 2017–2019</i>
<b>All sectors (1000)</b>	144 878	201 090	100.0	100.0	0.0
<b>A. Production and supply capacities</b>					
Production and supply capacities	33 829	47 370	23.3	23.6	0.2
Infrastructure (2010, 2020, 2030)	17 985	25 260	12.4	12.6	0.1
Primary, secondary and tertiary sectors (310, 320, 332)	15 844	22 110	10.9	11.0	0.1
Agriculture, forestry, fishing (310)	7 399	9 775	5.1	4.9	-0.2
Mining, construction, industry (320)	2 432	3 116	1.7	1.5	-0.1
Tourism (332)	154	214	0.1	0.1	0.0
Trade, banking and financial regulations and services (240, 250, 331)	5 860	9 005	4.0	4.5	0.4
<b>B. Governance capacities</b>					
Governance capacities	21 229	25 759	14.7	12.8	-1.8
Public administration and management (510, 15110, 15111, 15114, 15142, 15125, 16062)	9 902	12 324	6.8	6.1	-0.7
Macroeconomics and public finance (510, 15111, 15114, 15142, 15125)	6 614	8 180	4.6	4.1	-0.5
Public sector and administration (15110)	3 136	3 928	2.2	2.0	-0.2
Statistical capacity-building (16062)	152	215	0.1	0.1	0.0
Decentralization and territorial development (15112, 43030, 43040, 43050)	3 602	4 660	2.5	2.3	-0.2
Democracy, civil society and human rights (15170, 15180, 15190, 15130, 15113, 16063)	4 275	6 078	3.0	3.0	0.1
Law and law enforcement (15130, 15113 and 16063)	3 450	2 697	2.4	1.3	-1.0

*Source:* Estimates, based on OECD international development statistics online databases.

22. While the Millennium Development Goals emphasized universal primary education, the Sustainable Development Goals place equal emphasis on secondary education. It is thus essential that, even as aid for secondary education increases, aid for primary education cannot be decreased in turn. By contrast, in the poorest countries in particular, the number of children of primary school age will continue to increase, and any reductions in aid for primary education would threaten the progress countries have made towards universal primary education.

23. A further breakdown of aid for education, which is not reflected in the table above, shows that aid allocations for all types of technical and vocational education increased by 64 per cent, or \$0.8 billion, between 2010–2012 and 2017–2019. This type of education is deemed of particular importance for the transition from school to work. Furthermore, aid allocations for adult education increased, as did aid allocations for early childhood education. The former increased by 57 per cent, reaching \$0.4 billion during the period 2017–2019, on average, while the latter increased by 56 per cent, reaching \$0.2 billion per year on average during the same period.

24. Aid allocations for health, water and sanitation went mostly to basic health, and water and sanitation. Although communicable diseases remain by far the leading cause of death in the poorest countries, the challenge of non-communicable diseases is increasing worldwide. Thus, while aid is needed to fight communicable diseases, more aid is also needed to fight non-communicable diseases. Overall, health systems are urgently in need of investments, including with regard to the health workforce and health information systems. Without these investments, basic needs in maternal and child health cannot be met, and it will not be possible to adapt to the changing health conditions resulting from sedentary lifestyles, the changing world of work and climate change.

25. While investment in human capital is a necessary condition for economic growth, it is not sufficient. Whether or not people can make use of their human capital depends on the enabling environment. The enabling environment must be understood in the broadest terms, and includes peace, good governance, a good investment climate, a dynamic private sector, job opportunities, social protection measures and growth and employment-oriented economic policies, among other things. The ability to find decent employment is critical in order to sustainably escape poverty and share in the fruits of economic development. The extension of social protection is important so that people do not fall back into poverty if they lose employment. However, official and private aid for more inclusive and greener growth remains small compared with aid for human capital development. While the former amounted to \$13 billion on average during 2017–2019, the latter was three times as high, at an average of \$39 billion.

26. A breakdown of aid for inclusive economic growth shows that about one fifth was spent on efforts to create jobs, including labour rights and social dialogue, and that four fifths were spent on various social protection measures. Among these, efforts to provide housing amounted to some \$0.6 billion, and measures to ensure food security to roughly \$0.2 billion on average. This is inadequate, particularly in the context of population growth, population ageing and urbanization. In the poorest countries, the vast majority of the labour force does not have decent employment with decent income, and without greater dedication to employment creation and social protection, the reduction of poverty and inequality remain elusive goals. Many who are unable to find decent work will migrate from rural to urban areas or seek better opportunities abroad.

27. Likewise, aid allocations by official and private donors for the protection of the environment and the generation of renewable energy are insufficient. Over the past decade, aid for environmental protection has hardly increased, and where it has, aid for the generation of renewable energy remains small. However, both types of interventions are critical in order for countries to contribute to the reduction of carbon dioxide emissions, the deceleration of environmental destruction and the loss of biodiversity.

28. Efforts to promote more inclusive and greener economies must be viewed in the context of broader efforts to strengthen production and supply capacities, as well as efforts to strengthen governance. Table 3, section A, shows aid allocations for the strengthening of production and supply capacities, comprising aid allocations to infrastructure and to the primary, secondary and tertiary economic sectors, as well as

to the regulatory environment and business support services more broadly. Section B focuses on aid allocations for the strengthening of governance capacities, including public administration, territorial governance, democratic processes and human rights, as well as law and order.

29. Aid for infrastructure development increased by \$7.3 billion between 2010 (\$12 billion) and 2017 (\$19 billion), reaching a total aid volume of \$25.3 billion per year during the eight-year period. The aid for infrastructure development was almost evenly divided between transport and storage, on the one hand, and energy, on the other, and relatively few resources were dedicated to the development of communication services. The fact that a relatively large share of aid for infrastructure was dedicated to developing energy is positive, as energy poverty is closely associated with monetary poverty, but the fact that most of this aid was dedicated to non-renewable energy sources undermines sustainability.<sup>4</sup> The relatively small share of aid dedicated to the development of information and communications technology (ICT) was attributable, at least in part, to the relatively low cost of developing ICT in comparison with transport networks and major electricity grids. However, closing the digital divide between and within countries is critical to sustained and sustainable development. As advanced countries and regions take advantage of digitization, there is a real risk that the other countries and regions that are still developing Internet connectivity will rapidly fall behind. Furthermore, experience gained from the COVID-19 pandemic has underscored the vulnerabilities of countries that have limited ICT access.

30. Aid for the production and services sectors increased by \$3.8 billion between the periods 2010–2012 and 2017–2019 and amounted to \$15 billion per year during the period 2017–2019, on average. The largest share of this aid was dedicated to supporting the development of the primary sectors – agriculture, forestry and fishing – but overall the aid for the primary sectors remained very low, as detailed in the previous report on this topic to the Commission (E/CN.9/2021/4). Aid for the primary sector overall amounted to only \$9.8 billion during 2017–2019, compared with \$9.0 billion in aid dedicated to helping countries establish a regulatory framework for trade and finance.

31. Some 12.8 per cent of the total aid was dedicated to building governance capacities during the period 2017–2019, and roughly half of that aid, 6.1 per cent, was dedicated to strengthening the public sector. However, the distribution of that 6.1 per cent was uneven. Some two thirds was allocated to strengthening capacities in macroeconomics and finance, and one third was dedicated to strengthening public administration more generally. Despite a notable increase in aid for the development of statistical capacities between the periods 2010–2012 and 2017–2019, very little aid actually reached that subcategory. In 2017–2019, average annual disbursements of aid for the development of statistical capacities amounted to only \$0.2 billion.

32. Between the periods 2010–2012 and 2017–2019, aid to strengthen democratic processes, civil society and human rights increased from \$4.3 billion to \$6.1 billion and aid for rural and urban development and territorial governance increased from \$3.6 billion to \$4.7 billion. By contrast, aid to strengthen legal systems and law enforcement fell from \$3.1 billion to \$2.4 billion at the same time. However, strong legal systems and law enforcement are an essential aspect of an enabling environment for transparency and accountability and the promotion of private investment.

<sup>4</sup> Notwithstanding higher aid allocations for energy generation, it is estimated that the COVID-19 pandemic increased the number of people without energy access. The situation is particularly severe in sub-Saharan Africa, where four of five persons without energy access are at home. See Laura Cozzi and others, “The pandemic continues to slow progress towards universal energy access”, IEA Commentary, 24 September 2021. Available at [www.iea.org/commentaries/the-pandemic-continues-to-slow-progress-towards-universal-energy-access](http://www.iea.org/commentaries/the-pandemic-continues-to-slow-progress-towards-universal-energy-access).

## V. Conclusions and recommendations

### Notable trends in official development assistance

33. Between 2019 and 2020, official aid increased, notably because of greater aid effort by countries that are members of the Development Assistance Committee of OECD, exceeding \$200 billion in 2020.

34. The increase in aid has not benefited everyone in need. All but two Development Assistance Committee countries fell short of the target to dedicate 0.7 per cent of their gross national income to development assistance (see annex I), and all but three Development Assistance Committee countries fell short of the target to dedicate between 0.15 and 0.20 per cent of their gross national income as aid to the least developed countries (see annex II). Aid to the least developed countries has seen major annual fluctuations, and the trend line had been flat over the past decade.

35. Selected evidence suggests that in response to COVID-19, several important donor countries have further cut development assistance. It is likely that because of the pandemic, overall development assistance has declined, and that a greater share of development assistance has been allocated to support health. However, much depends on whether and how the provision of vaccines to developing countries at no cost or subsidized rates will be classified as official and/or private development assistance.

### Official development assistance for population-related matters

36. The sectoral breakdown in aid shows a decline in aid with regard to population-related matters. The decline in aid has affected the two main components of population-related aid, namely aid for sexual and reproductive health and aid for population data and policy analysis, as well as most subcomponents of aid for sexual and reproductive health. With regard to the subcomponents of aid for sexual and reproductive health, the decline in aid was most pronounced for sexually transmitted infections, especially HIV/AIDS.

37. The decline in aid from 2018 to 2019 for population-related matters was the largest year-on-year decline since 2010. Measured in dollars per woman of reproductive age in the developing world, the decline in aid was even more pronounced, as the number of women of reproductive age in the developing world has continued to increase.

38. If only aid with a minimum grant element is considered, aid by Development Assistance Committee donors for sexual and reproductive health per woman of reproductive age in the developing world reached its lowest level since 2010. From 2018 to 2019, this aid fell by no less than \$1.37 per woman, from \$5.07 to \$3.70.

### Official development assistance for sustainable development, in particular sustained and inclusive economic growth

39. The picture that emerges from the examination of official and private aid aimed at promoting sustained and inclusive economic growth is mixed. Notable aid resources are allocated for the strengthening of human capital, including education, health and water and sanitation, but within these sectors aid allocations are unevenly distributed. Aid for secondary education, as well as aid for the fight against non-communicable diseases, is relatively low compared with needs.

40. The large decline in aid for population-related matters, especially sexual and reproductive health, undermines the development of human capital. Without

adequate aid to this end, there is a risk that many girls and women will not complete their education, pursue their dreams and make a living that protects them from poverty, vulnerability and abuse.

41. Aid allocations to create jobs and extend social protection – the two most direct and important interventions for the promotion of more inclusive economies – is very limited overall, and a rethinking of aid for those areas appears to be of utmost importance. Without marked progress in the elimination of poverty and the reduction of inequalities, there will be mounting pressure on the population to look for better living conditions elsewhere. This will further accelerate urban growth in the poorest countries, where planning capacities for urban development tend to be weak, and can ultimately increase pressures on international migration.

42. Similarly, the resources allocated for greening economies and making economic growth more sustained and sustainable are limited, and resources dedicated to environmental protection have even fallen as a share of total aid over the past decades. A reversal of this trend is urgently needed so that countries can reduce greenhouse gases and meet other environmental commitments and promote more sustainable development.

43. The analysis here underscores the very limited resources that are spent in support of the development of the primary sector (agriculture, fishing, forestry), the secondary sector (construction, extractive industries and manufacturing) and the service sector (notably tourism), which are essential for job creation and more inclusive growth. Aid allocations to infrastructure have increased notably, especially for transport, storage and energy, but most of the aid allocations for energy are for non-renewable energy. In addition, the digital divide between rich and poor countries and regions continues to grow, with negative implications for social and economic development, which is increasingly shaped by digitization processes.

44. With regard to the development of governance capacities, a notable share of aid is dedicated to developing the capacities of public administrations, but a large share of that aid is allocated to developing capacities in macroeconomic and public finance. While essential, this is not enough. Very little aid is used to strengthen statistical capacities, which jeopardizes ambitions to promote more evidence-based policymaking.

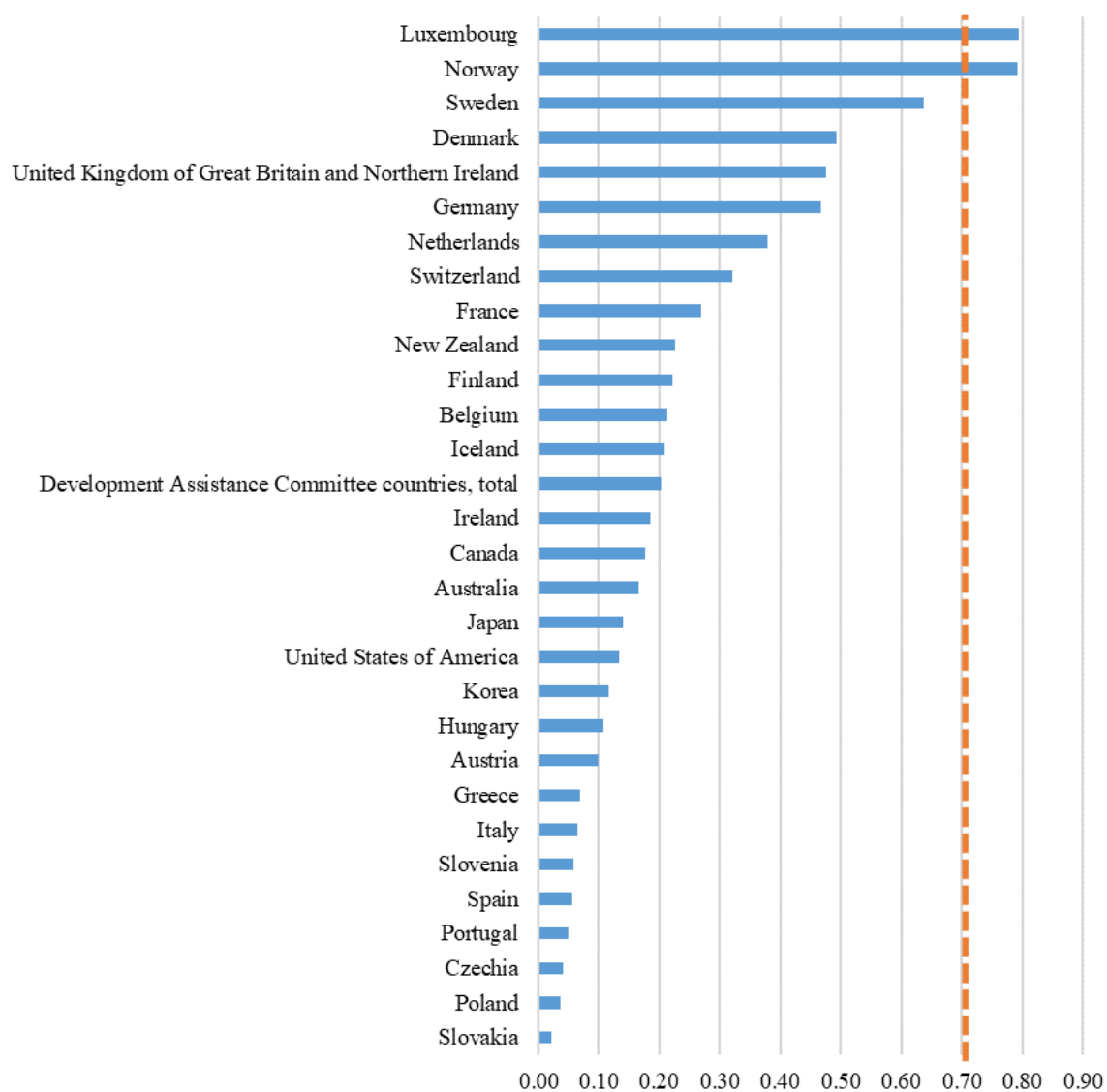
45. Without a greater focus of aid on the factors that matter most for more sustained, sustainable and inclusive economic growth – human capital, job creation and social protection, as well production and supply capacities and governance capacities – many countries will find it hard to realize a first or second demographic dividend.



## Annex I

**Net official development assistance disbursements by countries that are members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development to all developing countries, 2019**

(Percentage of donor gross national income)

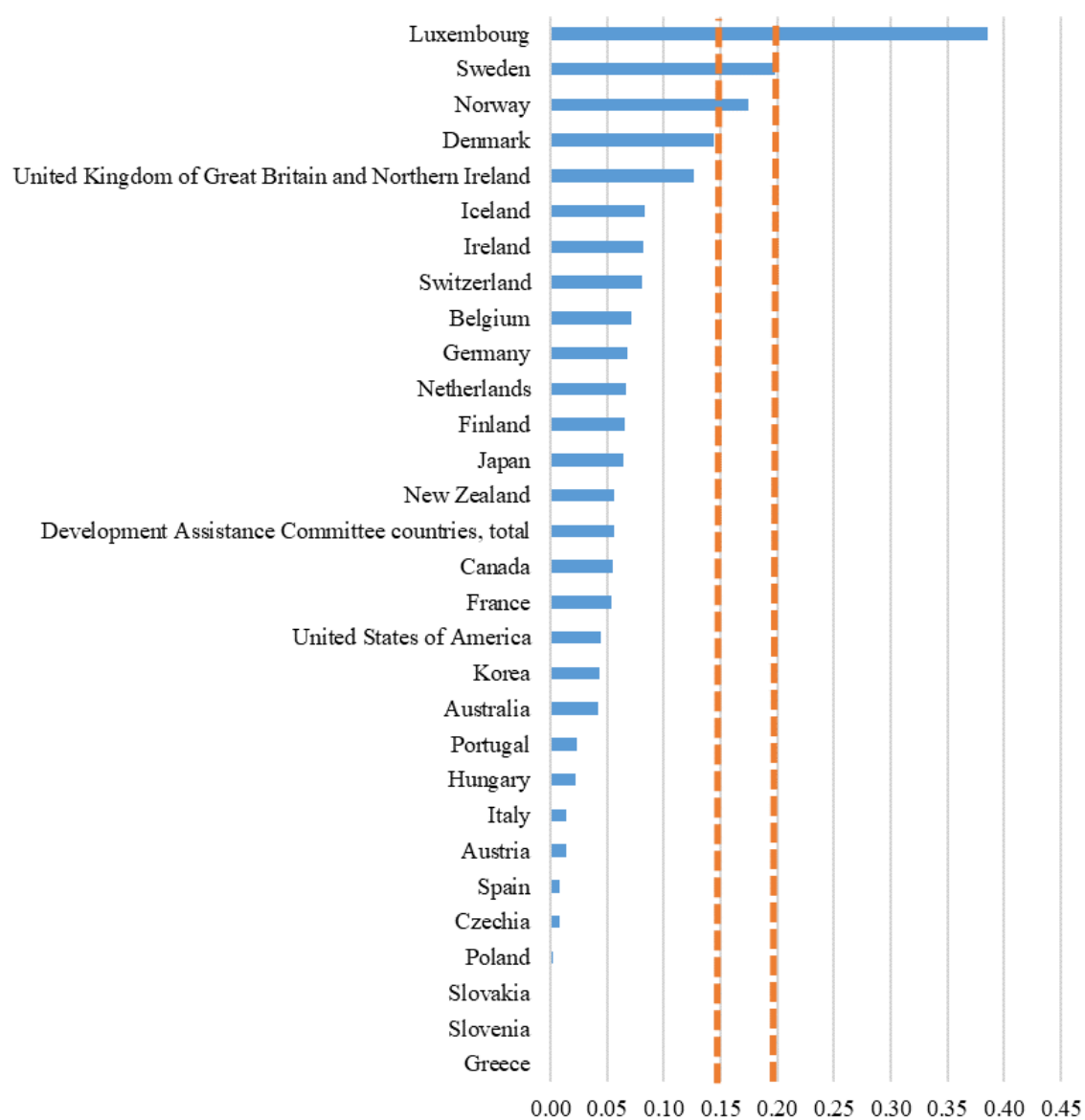


Source: Estimates, based on Organisation for Economic Co-operation and Development international development statistics online databases.

## Annex II

**Net official development assistance disbursements by countries that are members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development to least developed countries, 2019**

(Percentage of donor gross national income)



Source: Estimates, based on Organisation for Economic Co-operation and Development international development statistics online databases.