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**OFFICIAL DEVELOPMENT ASSISTANCE ALERT:
G7 COUNTRIES AVERAGE IS LAGGING 5 YEARS
BEHIND THE LINE TO THE UN 2015 TARGET**

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G7 COUNTRIES ARE IN 2007 WELL BEHIND THE UN TARGET FOR NET OFFICIAL DEVELOPMENT ASSISTANCE EFFORT

OECD Development Assistance Committee (DAC) published preliminary result for 2007 of the implementation of Net Official Development Assistance. These results deal with many issues and there are several ways in which they can be presented. For the recipient countries the most important way of looking at the decrease of Official Development Assistance (ODA) in 2007 is in terms of the reduced resources available.

In this analysis we look at the relative measure of the share of ODA in gross national income of donor countries as an indication of the effort in the implementation of the UN Millennium Development Goals target to reach 0.7% value by 2015. Several of the analysed countries are not officially committed to this target but a common benchmark allows also for the relative comparisons of the assistance effort. We shall use a novel statistical measure (S-time-distance) to provide an easily understandable overview of this situation across DAC countries and over time. We have used the time distance for tracking the implementation of MDGs for other indicators (Sicherl 2006, 2007a) and here it is applied also to the ODA/GNI target.

S-time-distance measure provides a transparent bird's eye view of the official development assistance effort and political will

Tracking timetable of implementation of MDGs with time distance measure is providing a new perspective of looking at the situation complementing other methods of assessment whether the actual development is on- or off- the track. For indicators for which numerical estimates are available the UN MDG Progress Chart can be complemented with time distance measure to provide some additional information or background facts for such judgments on the progress of implementation.

S-time-distance measure¹ is a clear concept. It measures the difference in time when two compared units (or time series in general) attain a given level of the indicator. Expressed in time units (years, months, etc.) the interpretation for monitoring with S-time-distance measure is straightforward and intuitively understandable to everyone. For given level of actual values it deals with the deviation (lead or lag in time) between the time when such actual value was attained and the time when that level was supposed to be reached on the line to the respective target. It is like tracking the actual arrivals in comparison with the train or bus timetable.

The tracking of the timetable of implementation starts with specifying the line to target thus establishing the 'timetable' of values of the indicator and time when such values are supposed to be reached. For each of the analysed countries the line from their initial value of ODA/GNI in 2000 to the 0.7% target in 2015 is calculated by assuming a constant yearly percentage rate of growth (exponential line to target). The example for DAC total is shown in Table 1. The first line is the assumed line to the UN target of 0.7% in 2015, also portrayed in the graph as the red line. This is compared with the actual values until 2007, accompanied with the projection for 2010 of the OECD-DAC Secretariat (UN, 2008) and OECD (2008c).

¹ For a brief introduction see the background paper for the Second OECD World Forum on 'Statistics' Knowledge and Policy', Istanbul, Turkey (Sicherl 2007b). For S-time-distance as a new generic statistical measure using an additional perspective by comparing the time series in the horizontal dimension, i.e. for a given level of the variable (extracting additional information left unexplored by the present state-of-the-art) see e.g. Sicherl (2006 and 2007d), which deal also with the inter-temporal aspect of well-being and progress.

Table 1. DAC Total ODA/GNI

DAC Total ODA/GNI	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Line to target	0.22	0.24	0.26	0.28	0.3	0.32	0.35	0.38	0.41	0.44	0.48	0.51	0.56	0.6	0.65	0.7
Actual value	0.22	0.22	0.23	0.25	0.26	0.33	0.31	0.28			0.35					
S-time-distance	0	1.0	1.4	1.4	1.8	-0.3	1.6	3.9			4.0					
Time on LT	2000	2000	2000.6	2001.7	2002.2	2005.3	2004.4	2003.1			2006					
Deviation in [%]	0	-7.4	-10.4	-9.8	-13.2	2.0	-11.3	-25.9			-26.5					

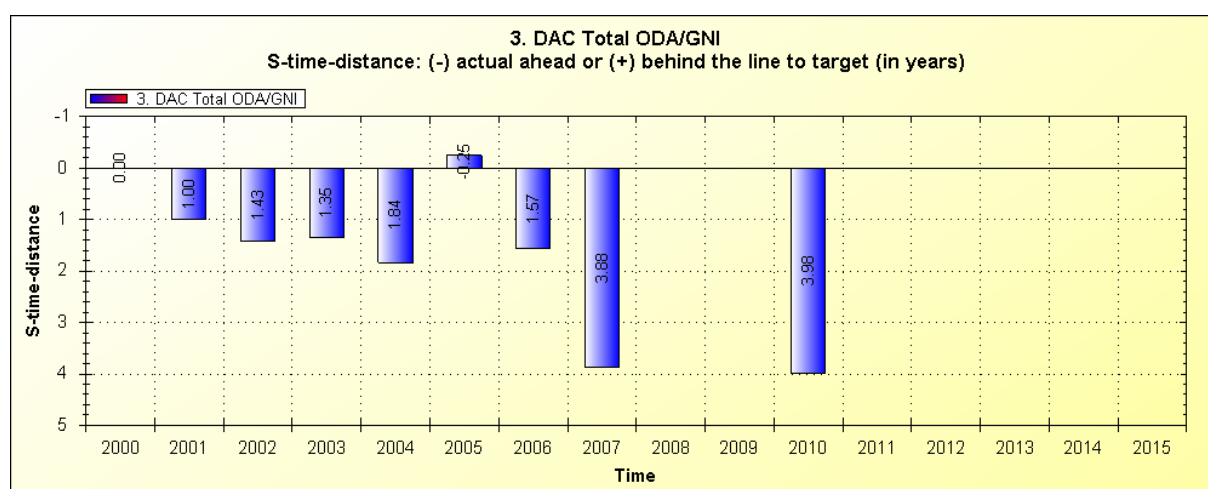
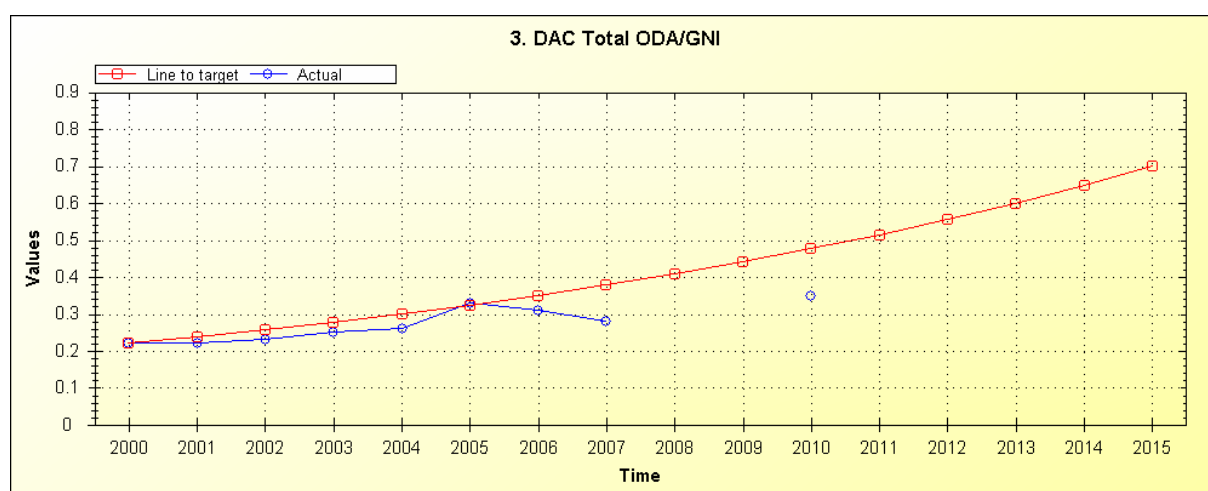


Table 1 offers two ways of comparing the degree of implementation which complement each other. The last line shows the deviation of actual values from the line to target; in 2007 the actual value of ODA/GNI of 0.28 in 2007 was about 26% below the line to target. This value of 0.28 in 2007 was supposed to be reached on the line to target in 2003; therefore the S-time-distance measure shows a delay of 4 years behind the line to target.

The relative degree of implementation can thus be evaluated in the two dimensions: lead or lag in time (for a given level of the indicator) and positive or negative percentage deviation (at a given point in time). The time distance information is at least as helpful in providing a proper perception of the progress in implementation or the lack of it as is the percentage difference.

As it will be shown later by showing the results for all 22 DAC countries, average for G7 countries shows an even larger delay in following the UN target, the S-time-distance for 2007 is 5 years. In a similar way the line from the initial value of ODA/GNI of 0.19 in 2000 to target in 2015 was established. The actual value for G7 of 0.23 for 2007 was supposed to be achieved on the line to target already in 2002, the lag in time being 5 years.

The projection for 2010 shows the same unacceptable delay for ODA/GNI for G7

The OECD-DAC Secretariat prepared projections (not forecasts) for all DAC countries based on a set of assumptions explained in OECD (2008c, p.17). For DAC total and for G7 the respective values for 2010 are 0.35 and 0.3.

The Millennium Development Goals including the UN targets for ODA/GNI are ambitious to meet the challenges of the world development. They are time-bound targets by which progress can be measured. For DAC total it would imply a growth rate of 8% per year of the ratio, for those countries with lower than average values even more. As mentioned before, several of the analysed countries are not officially committed to this target. However, the 2007 values with S-time-distance showing delay of 4 years for DAC total and 5 years for the G7 average in the seven year period are so much off the track that a very serious question can be raised about the development assistance effort and political will to give more to the poor nations.

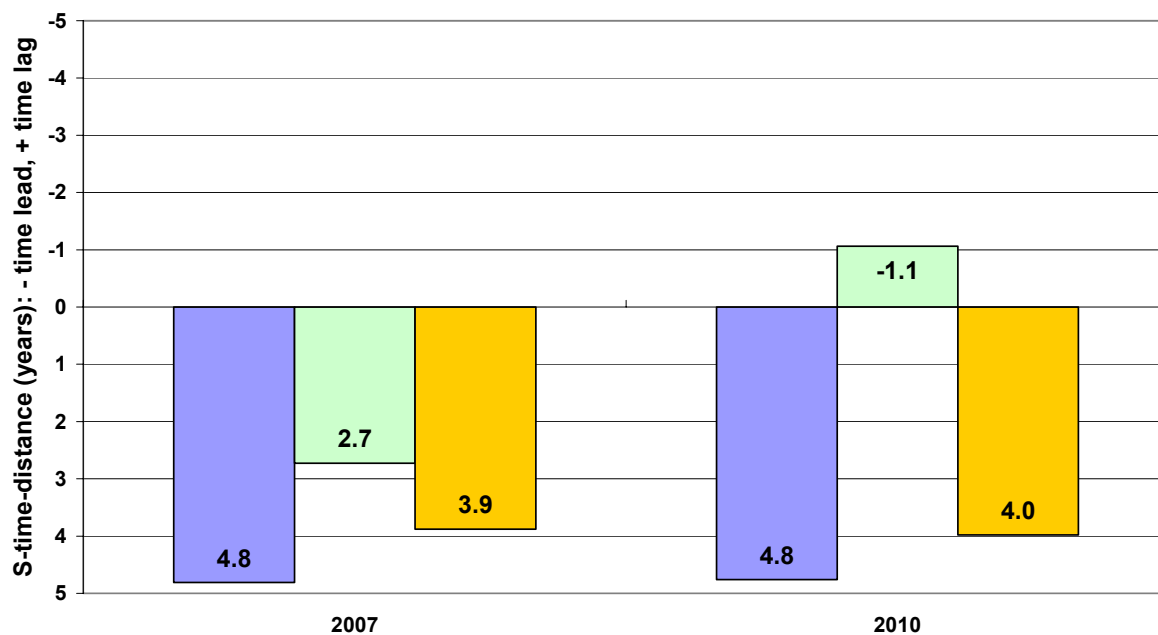
There are two sides of the picture. The above projections for 2010 require a substantial effort of the donor countries but as this analysis shows they may be able at best only to arrest the present striking delays from increasing further but not to shorten the time lag behind the line to the UN target. The 0.35 for DAC total for 2010 was supposed to be achieved on the line to target in 2006 so that delay behind the line to the UN target would still remain 4 years. Similarly the 0.3 value for the G7 average in 2010 was supposed to be achieved in 2005 thus the S-time-distance would still amount to 5 years, now to 5 years in the 10 year period.

The graphs below demonstrate that the assumed effort by 2010 still keeps the very large gap between the actual level of ODA/GNI and the line to the UN target unchanged, whether we measure the gap by time distance deviations or percentage deviations from the line to target. The latter indicate that in 2007 the implementation was for 34% below the line to target thus being lower by the whole of one third of the expected values. Again, no improvement in percentage fulfillment is projected by 2010.

The projected shift is between DAC EU countries and G7 total, though there is some overlapping between the two groups. The projection for 2010 indicates the shift of DAC EU countries total from the time distance lag of 2.7 years in 2007 to a time lead of 1.1 years ahead of the line to the UN target. In percentage terms it means the shift from 13% below the line to 6% above the line to target, though not very likely by past performance. Since values for both DAC total and for G7 group stay unchanged between 2007 and 2010 it would mean that the non-EU DAC countries are projected to perform worse than the DAC EU countries.

The detailed results for all 22 DAC countries will be provided in the next section and in the two annexes using the free GAPTIMER monitoring tool developed by SICENTER with the donations from The Government Office for Growth, Republic of Slovenia; The Slovenian Science Foundation; and EUROCHAMBRES, Brussels. The free web tool is available on <http://www.gaptimer.eu/content/view/25/34/>.

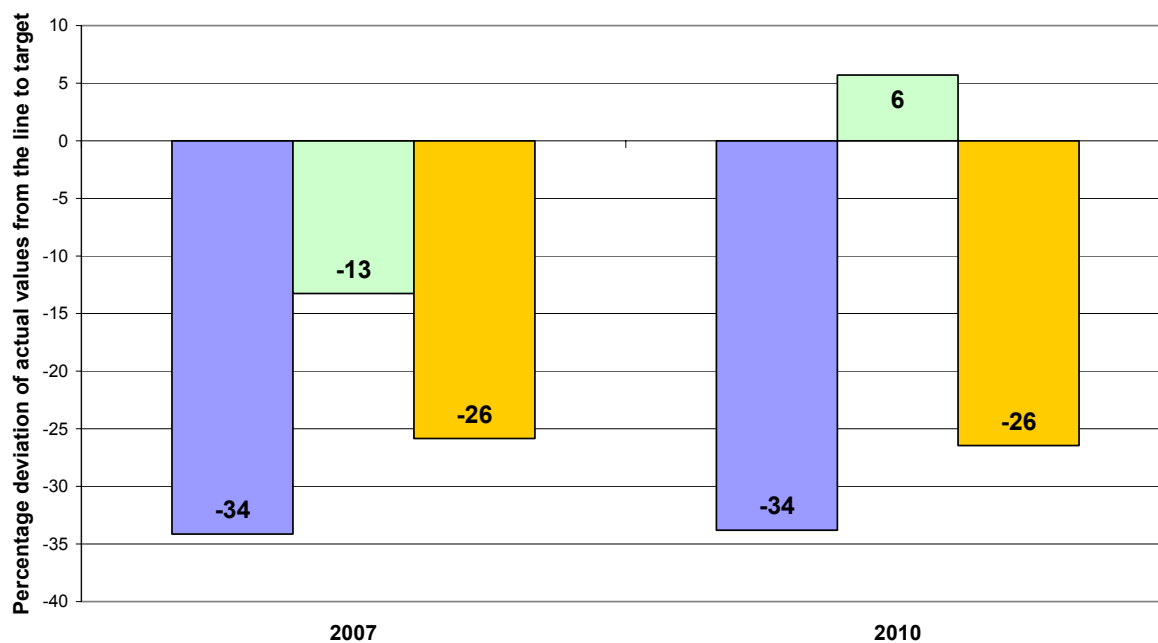
**Tracking timetable of implementation of Net Official Development Assistance
for the UN ODA/GNI target of 0.7% for 2015**



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■ G7 ■ DAC EU countries ■ DAC Total

**Percentage deviations of actual values of Net Official Development Assistance
from the line to the UN ODA/GNI target of 0.7% for 2015**



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■ G7 ■ DAC EU countries ■ DAC Total

Time distance monitoring of implementation by individual DAC countries

The time distance deviation from the line to the UN target for all DAC countries are shown in Table 2. The countries are ordered first by the magnitude of ODA/GNI and then secondly by their performance against the UN target. In 2007 only 8 out of 22 countries were ahead of this line to target, the other 14 are lagging behind it. The details are provided in tables and graphs in Annex Tables and Annex Graphs by Countries on the www.gaptimer.eu web page.

The outstanding group is the group of 5 European countries (Norway, Sweden, Luxembourg, Denmark and Netherlands) which devote more than 0.8% of their GNI to the official development assistance and were above the UN 2015 target throughout the analysed 2000-2007 period. Also projections for 2010 show their political will for a continuous long-term effort in this respect.

Table 3 shows two different characteristics for the next group of 5 European countries. Their ODA/GNI share is between 0.4% and 0.54%, i.e. about one half of the percentage share in GNI of the leading group. Ireland and Austria are more than 3 years and Spain more than 1 year ahead of the line to target. Belgium and Finland from this group and France and Germany at the head of the next group show a delay of about 2-3 years behind the line to the UN target.

In the group of countries with 2007 ODA/GNI values from 0.2% to below 0.4% there are also 5 other countries for which the delay shown by S-time-distances was in 2007 already about 5 years (UK, Switzerland, Australia, Canada and New Zealand).

The last group devoted in 2007 less than 0.2% of their GNI to net official development assistance, which is in relative terms four times less than in the first group. They are Italy, Portugal, Japan, USA and Greece. For three of them, Portugal, Japan and Greece, the values for 2007 are lower than in 2000, which means that the time distance is more than 7 years. The lower values of time distance for USA and Italy are result of the fact that because of very low values they have to grow at a higher rate of growth and a year of delay in their case means a greater percentage deviation. In 2007 in this group the percentage shortfall ranges from 33% for Italy and USA to 60% for Japan.

In the global terms it is unfortunate that this last group represents 57% of the population of the 22 countries as shown in Table 4. This raises the question whether this means that more than one half of the population in these countries are not willing to contribute more towards the effort of the international community for MDG than the one fourth of the share of their gross national income that is contributed in the first group. Or is it the question of political will and priorities of the respective governments? And the projections for 2010 do not promise improvements in this respect; in 2010 the percentage shortfall would amount to 54% for the USA and 59% for Japan.

If one includes countries with values of ODA/GNI in 2007 between 0.2% and 0.4% then the whole 88% of the population of 22 countries contribute only one half of the share in the gross national income as in the 5 European countries in the first group. The performance of the latter is clear indications that with the right political will much more has been and can be done and that the UN target is not out of reach pending a drastic re-orientation in the development assistant effort in other countries.

Table 2. DAC countries by the level of ODA/GNI in 2007 and by S-time-distance deviation from the exponential line to the UN 2015 target for the period 2000 - 2007

ODA/GNI (%) in 2007	S-time-distance	2000	2001	2002	2003	2004	2005	2006	2007
0.28	DAC Total	0	1.0	1.4	1.4	1.8	-0.3	1.6	3.9
0.95	Norway	TA	TA	TA	TA	TA	TA	TA	TA
0.93	Sweden	TA	TA	TA	TA	TA	TA	TA	TA
0.90	Luxembourg	TA	TA	TA	TA	TA	TA	TA	TA
0.81	Denmark	TA	TA	TA	TA	TA	TA	TA	TA
0.81	Netherlands	TA	TA	TA	TA	TA	TA	TA	TA
0.54	Ireland	0	-1.2	-3.5	-2.0	-1.0	-1.3	-4.6	-3.6
0.49	Austria	0	-4.3	0.4	> 3	4.0	-6.0	-3.6	-3.2
0.43	Belgium	0	0.4	-2.0	-8.5	1.1	-3.7	-1.4	3.0
0.41	Spain	0	-3.0	-0.2	2.4	2.9	2.4	1.2	-1.1
0.40	Finland	0	0.4	-0.2	0.8	0.8	-2.3	1.3	2.3
0.39	France	0	0.4	-1.7	-2.1	-1.5	-3.0	-2.0	2.4
0.37	Germany	0	1.0	2.0	2.4	3.4	0.5	1.5	2.0
0.37	Switzerland	0	1.0	> 2	0.2	0.1	-0.4	3.2	5.3
0.36	UK	0	1.0	> 2	1.8	1.8	-2.4	-2.9	4.8
0.30	Australia	0	> 1	> 2	> 3	> 4	> 5	4.4	5.4
0.28	Canada	0	> 1	0.4	> 3	2.9	0.5	3.8	5.4
0.27	New Zealand	0	1.0	> 2	> 3	> 4	3.9	4.9	5.9
0.19	Italy	0	-0.3	-1.8	0.6	2.7	-2.1	2.2	3.6
0.19	Portugal	0	> 1	1.4	> 3		> 5	> 6	> 7
0.17	Japan	0	> 1	> 2	> 3	> 4	5.0	> 6	> 7
0.16	USA	0	0.3	0.0	-0.1	-0.1	-1.1	1.5	3.4
0.16	Greece	0	> 1	1.4	2.4	> 4	> 5	> 6	> 7

S-time-distance in years: - actual ahead of path to target, + actual behind the path to target

Calculated from data sources for ODA/GNI %: 2000-2005 UN data web page, accessed 9 May 2008, 2006-2007 OECD web page, accessed 8 May 2008

TA	- Target already achieved
> x	- Actual value is worse than the starting value, therefore S-time-distance is more than x years

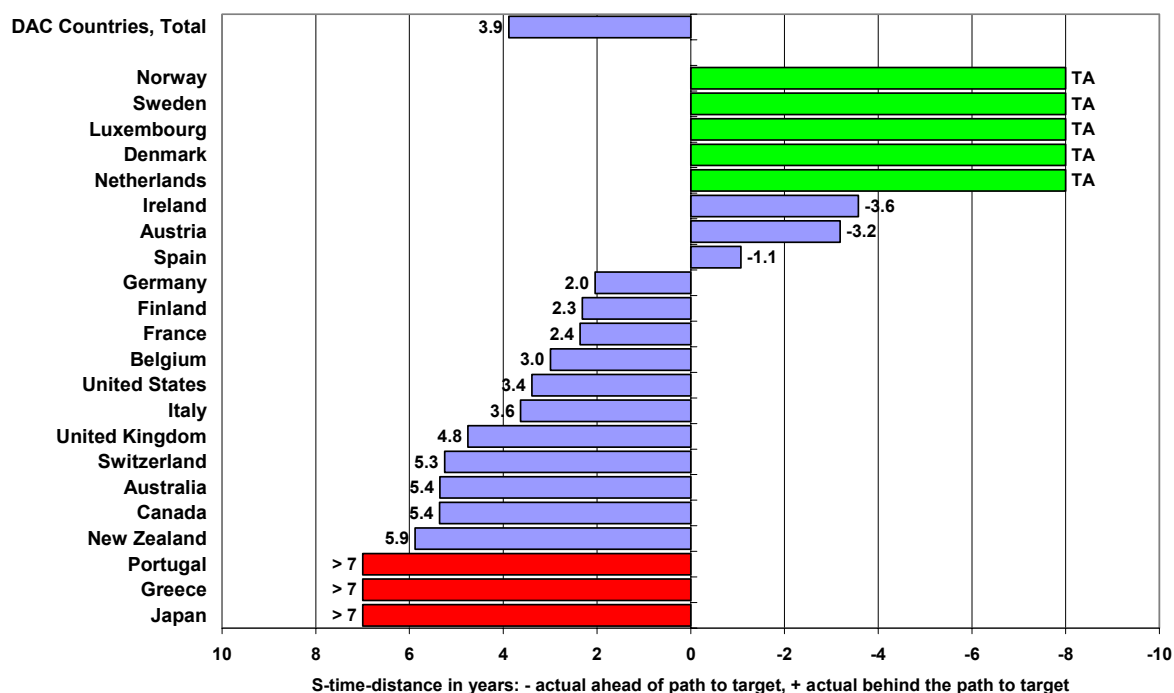


Table 3. Distribution of DAC countries by the level of ODA/GNI in 2007 and by S-time-distance deviation from the exponential line to the UN 2015 target

ODA/GNI (%)									Norway Sweden Luxemburg Denmark Netherlands
0.8 – 1									
0.6 – 0.79									
0.4 – 0.59			Belgium Finland		Spain	Ireland Austria			
0.2 – 0.39		UK Switzerland Australia Canada New Zealand	France Germany						
0 – 0.19	Portugal Japan Greece		Italy USA						
	6 – 8	4 – 6	2 – 4	0 – 2	0 – -2	-2 – -4	-4 – -6	-6 – -8	
	Years behind of the line to UN target				Years ahead of the line to UN target				
	S-time-distance deviations (in years) from the line to 2015 UN target for ODA/GNI								

ODA/GNI (%)	Table 4. Percentage distribution of population of DAC countries by the level of ODA/GNI in 2007 and by S-time-distance deviation								Sum by level
0.8 – 1								4.1%	4.1%
0.6 – 0.79									0%
0.4 – 0.59			1.8%		5.0%	1.4%			8.2%
0.2 – 0.39		14.2%	16.2%						30.4%
0 – 0.19	16.8%		40.5%						57.3%
Sum by S-T-D	16.8%	14.2%	58.5%	0%	5%	1.4%	0%	4.1%	100%
	Years behind of the line to target				Years ahead of the line to target				
Years	6 – 8	4 – 6	2 – 4	0 – 2	0 – -2	-2 – -4	-4 – -6	-6 – -8	
	S-time-distance deviations (in years) from the line to 2015 UN target for ODA/GNI								

Summary conclusions

1. For the net official development assistance 2007 was another disappointing year. This study uses OECD DAC preliminary results for 2007 and examines the development assistance effort and the political will in this respect for 22 DAC countries using the indicator percentage of gross national income devoted to official development assistance (ODA/GNI). This indicator was studied for the period 2000-2007 and for projections for 2010 in relation to the UN 2015 target of 0.7%. For each of the analysed countries the line from their initial value of ODA/GNI in 2000 to the 0.7% target in 2015 is calculated by assuming a constant yearly percentage rate of growth. It should be stated that several analysed countries are not officially committed to this UN target.
2. The monitoring of whether these countries and groups are on- or off- the track to this target a novel statistical measure S-time-distance was used to get a bird's eye view of the situation. It measures the deviation (lead or lag in time) between the time when the actual value was attained and the time when that level was supposed to be reached on the line to the respective target. It is like tracking the actual arrivals in comparison with the train or bus timetable and as such it is an excellent presentation tool easily understood by policy makers, experts, managers, media and general public; it can support decision-making as well as influence public opinion.

3. Tracking the timetable for reaching the UN target with time distance showed how widely the performance in 2007 was off the track: a delay of 5 or 4 years, respectively, for G7 as a group and for DAC total in a seven year period is a drastic underachievement. This can be demonstrated by an analogy: in the seventh year the ODA/GNI value was at the level supposed to be achieved already in 2002 and 2003, respectively. Public awareness of these facts should be instrumental for public pressure on the governments for far-reaching improvements in this domain.
4. However, when applying the time distance monitoring also to the hypothetical projections for 2010 by the OECD-DAC Secretariat the results indicated that no radical breakthrough is in sight. The time gap would stay unchanged: 5 and 4 years, as the hypothetical 2010 levels were supposed to be reached already by 2005 and 2006 on the line to the UN target, respectively. Additionally, the projected improvements in some European countries are very much out of line with their past implementation.
5. There is not only a wide gap between expectations and actual implementation at the overall level but also a wide gap between the development assistance efforts among the observed 22 countries. The ODA/GNI value in the 5 European countries that have already reached the 0.7% target is in relative terms four times higher than in the last group where it is below 0.2%. It is sad that the latter group devoting less than 0.2% of their GNI for official development aid amounts to 57% of the population of the DAC countries. Furthermore, the whole 88% of this population is in the countries with values below 0.4% and between 2-7 years behind the line to target. They need to find the political will to do much better, especially the G7 countries. It is hoped that the forthcoming G8 Summit in Japan can make an important contribution to remedy this unacceptable situation.
6. Annex tables and graphs provide detailed information on individual countries. They are prepared using the free GAPTIMER monitoring tool for calculation and graphing of S-time-distance deviations from the line to target. This web tool allows a variety of interested users such as international and national organizations, NGOs, experts, managers, educators, students and media to monitor the implementation with S-time-distance. It delivers the lead or lag in time from the Lisbon and NRP targets in the case of EU and from the UN Millennium Development Goals or other planned, budget, or aid disbursement targets at world, regional, national, sub-national and business levels.
7. A substantial effort of the international and national organizations as well as research organizations has been and will be channeled into collecting and analyzing the necessary data for the systems of indicators under discussion. However, the benefit for better decision making and wide participation of broad range of stakeholders will depend critically on the *human interface: understanding of the information and communication of that understanding* (Sicherl, 2006). S-time-distance methodology enables countries and other stakeholders to take advantage of this novel statistical measure for policy debate at various levels and for many issues. It is hoped that in the case of official development aid it will bring in simple terms to the general public the perception of the unsatisfactory response to the Millennium Development Goals, especially in the G7 countries. This should put the pressure to politicians to respond appropriately and give the official organizations as well as the media and NGOs an additional analytical and presentation tool for continuous monitoring of the implementation of established targets.

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