AID for TRADE FLOWS

WTO CTD

Geneva, 3 July 2018

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OECD

Outline

Financing for Development

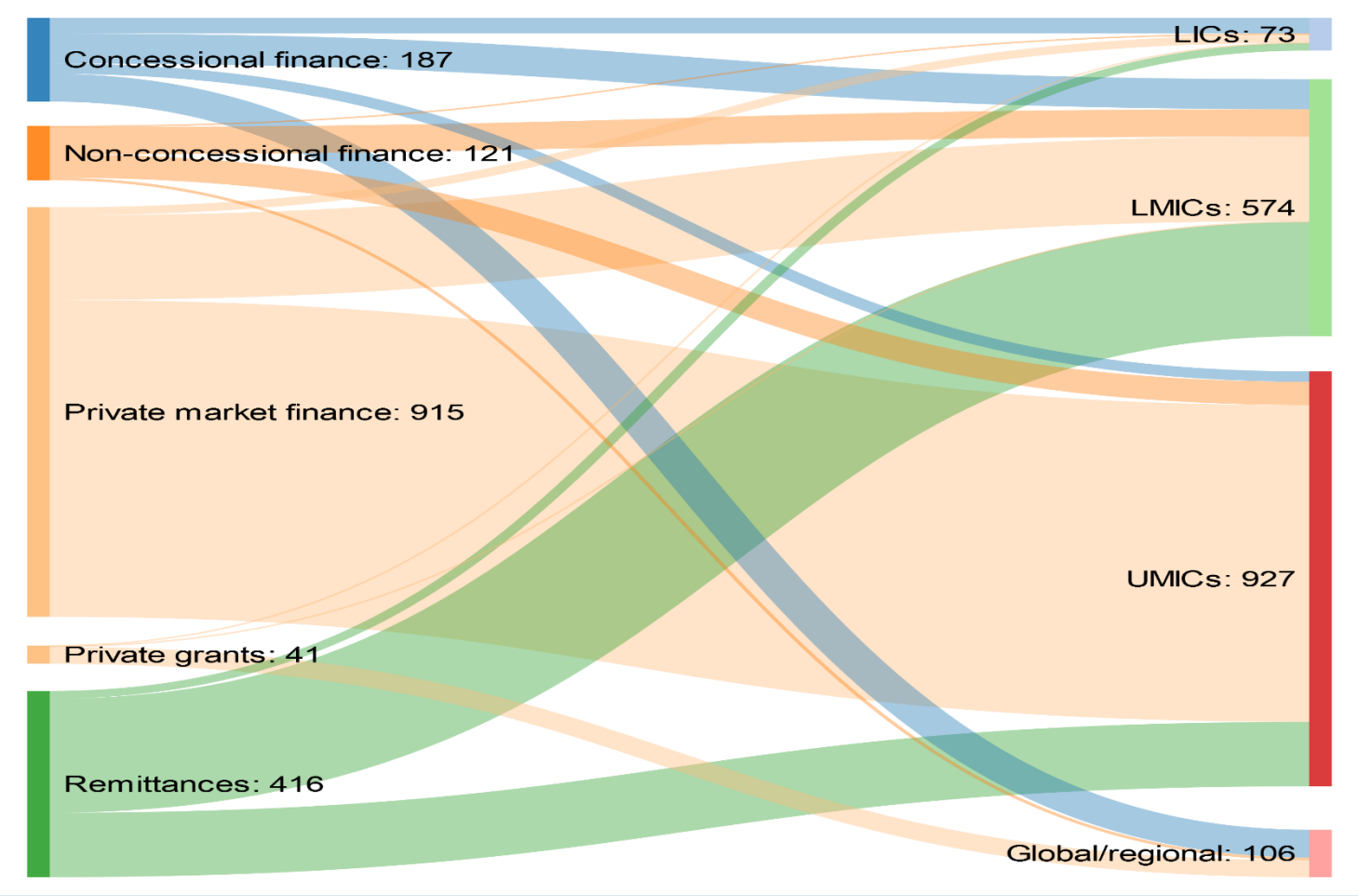
Aid for Trade

- **Disbursements**
- **Commitments**
- **Financing modalities**

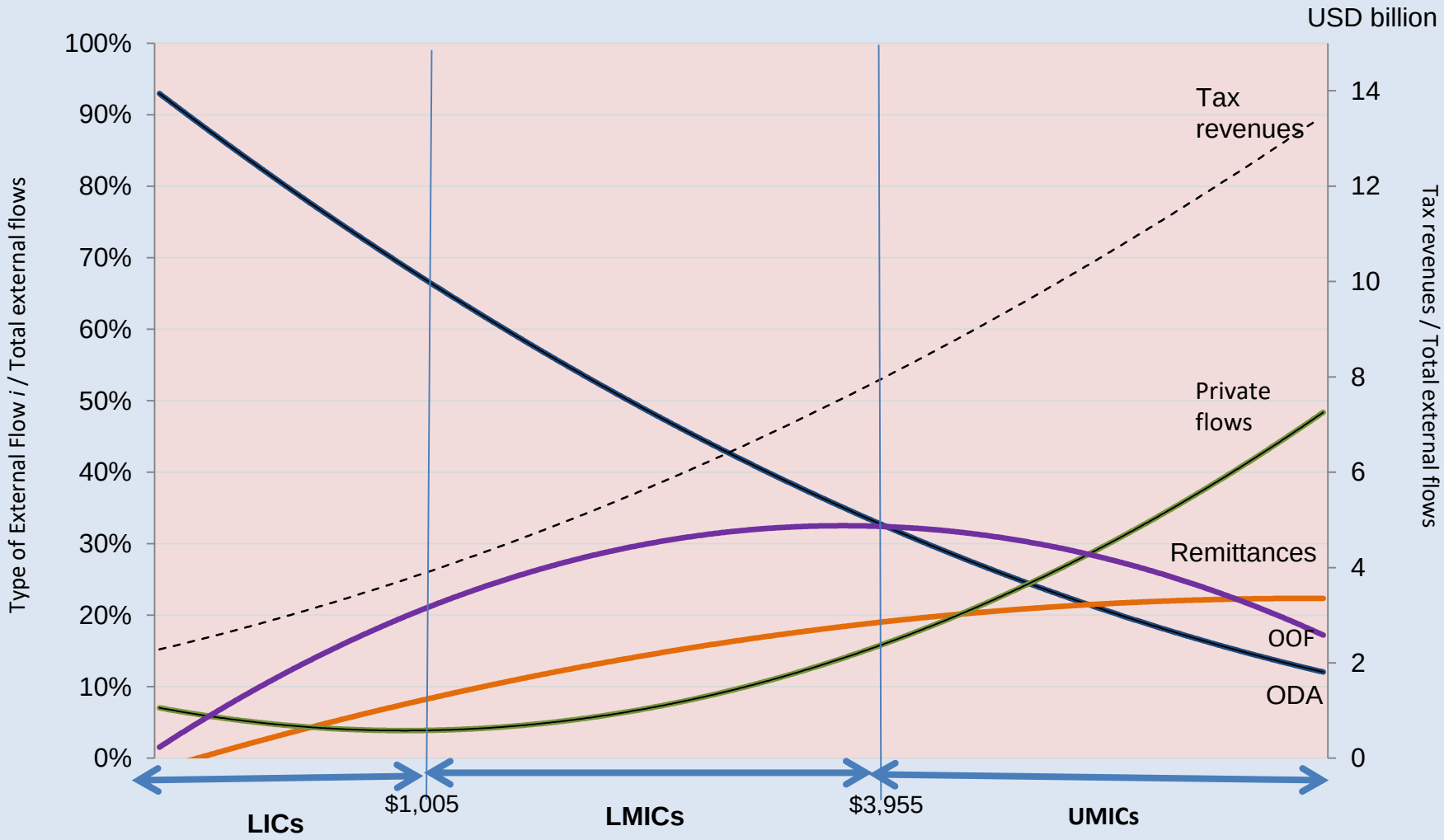
Trade-related Other Official Flows

Finance for Development (1) Source and Destination

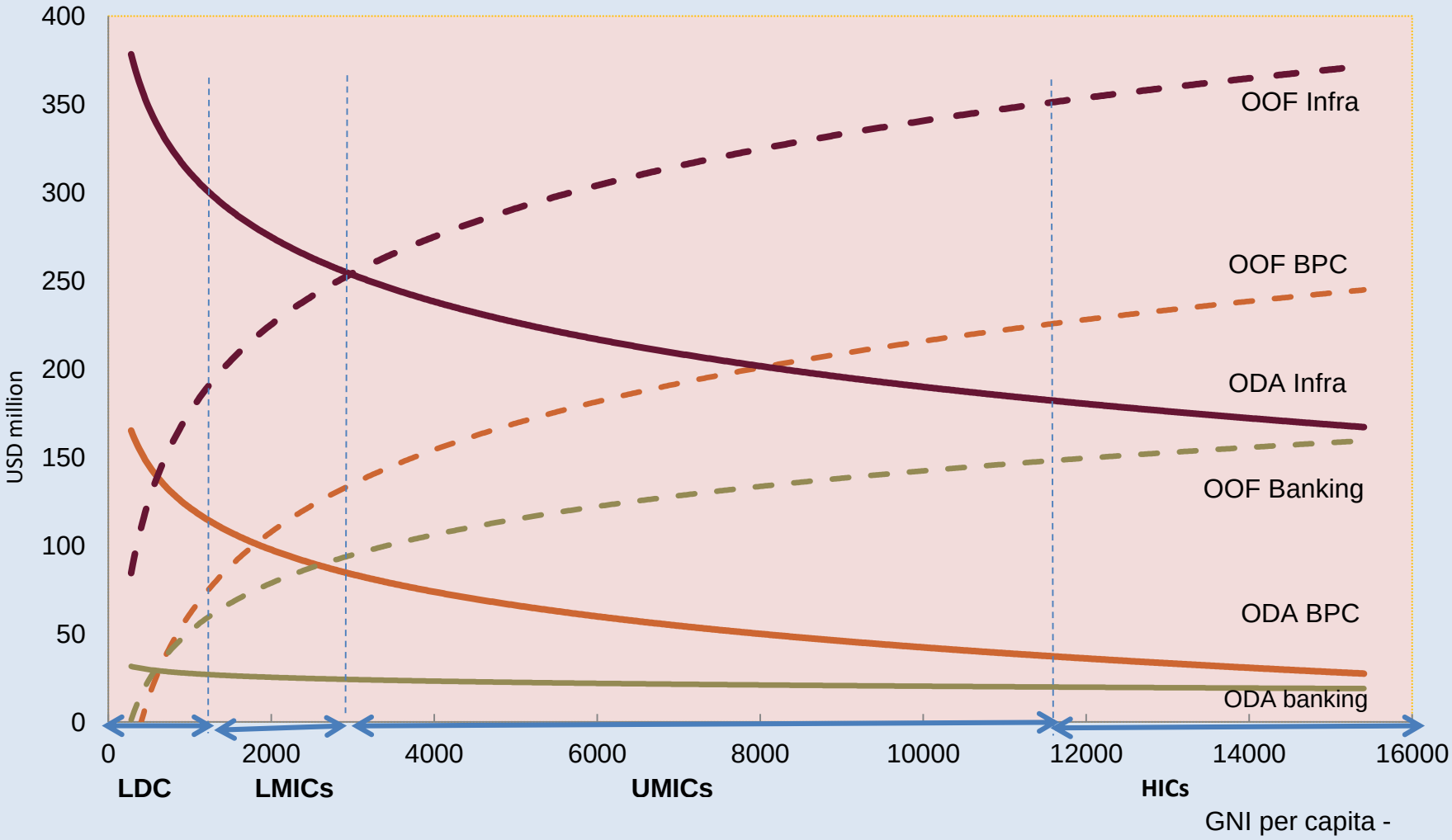
USD billion



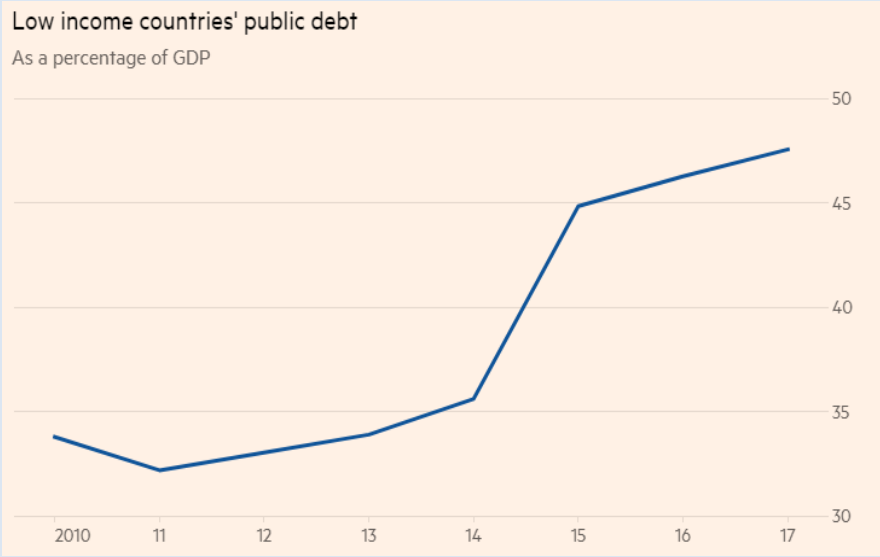
Finance for Development (2)
The Importance of ODA



Finance for Development (3)
Finance modalities for sectors

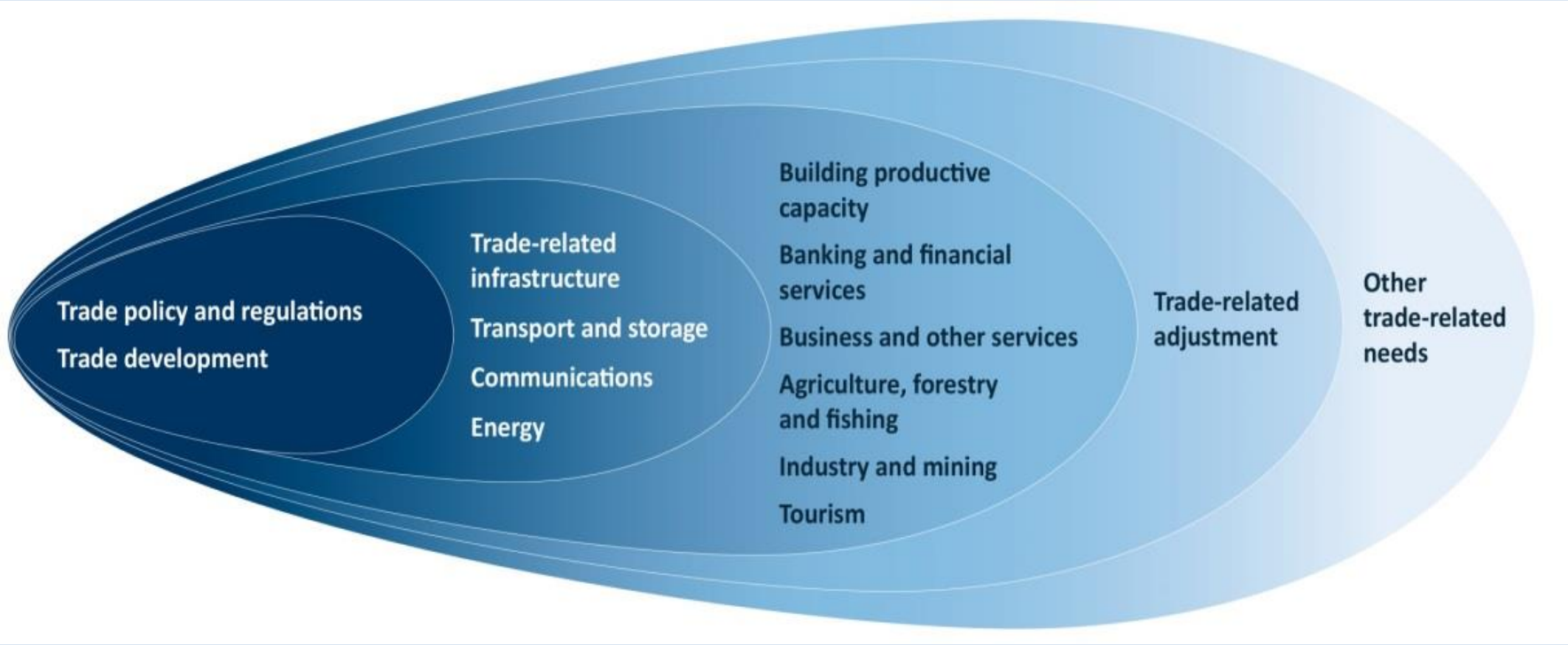


Finance for Development (4)
Debt sustainability in LICs



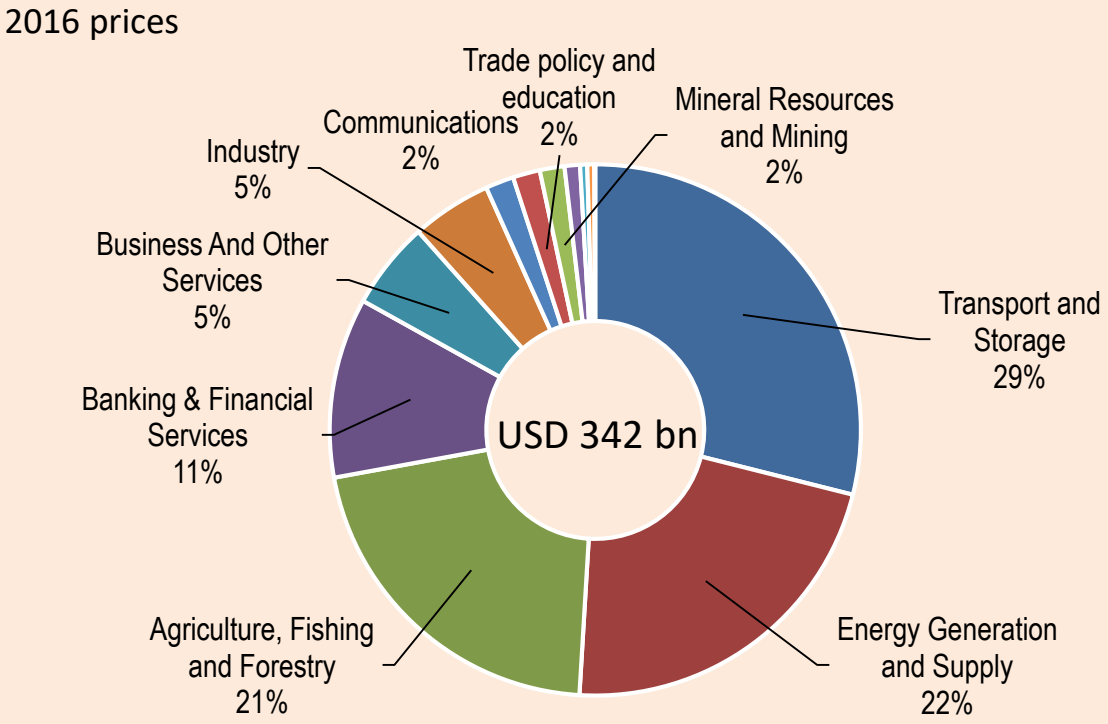
Measuring aid for trade

Clear and agreed benchmarks to monitor global efforts and assure accurate accounting to assess additionality



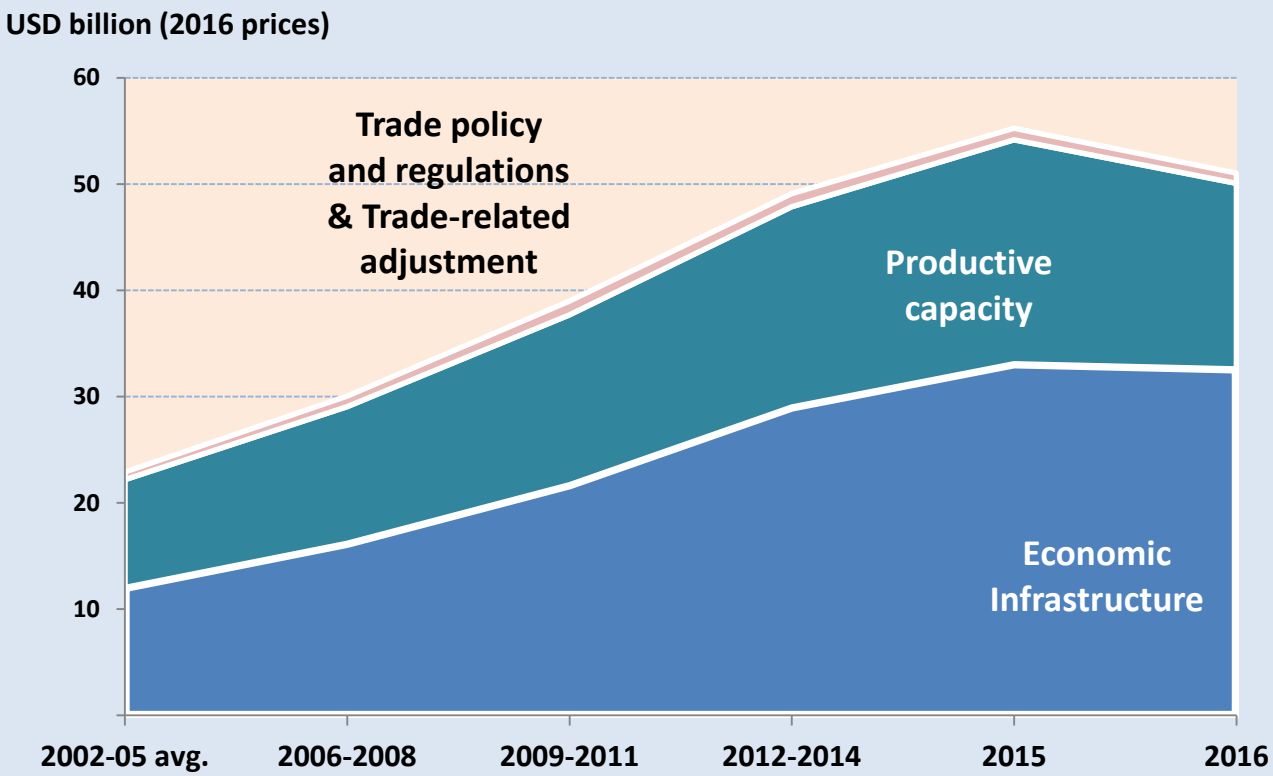
Disbursements : sector distribution

USD 342 bn. disbursed since 2006



Commitments : sector distribution

Trade policy, BPC and Econ Infra up since 2006



IN 2016 DOWN 7.6%

- Trade Policy -9%
- Econ. Infra. -1.5%
- BPC +17%

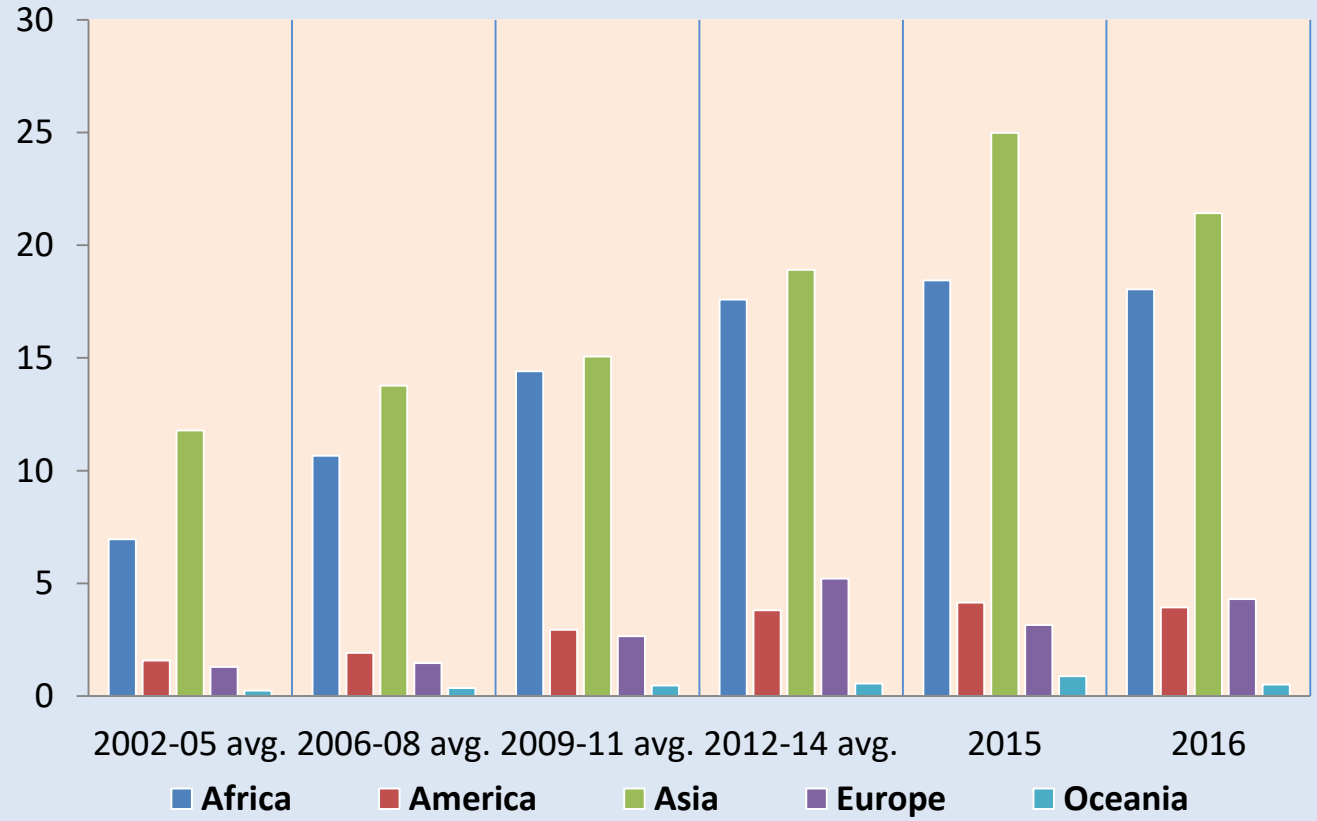
SINCE BASELINE UP 122%

- Trade Policy +32%
- Econ. Infra. +170%
- BPC +72%

Commitments : regional distribution

Asia and Africa largest recipients

(USD billion, 2016 prices)



In 2016

Asia	-14.2%
Africa	-2.2%
America	- 5.0%
Europe	+36.0%
Oceania	+42.3%

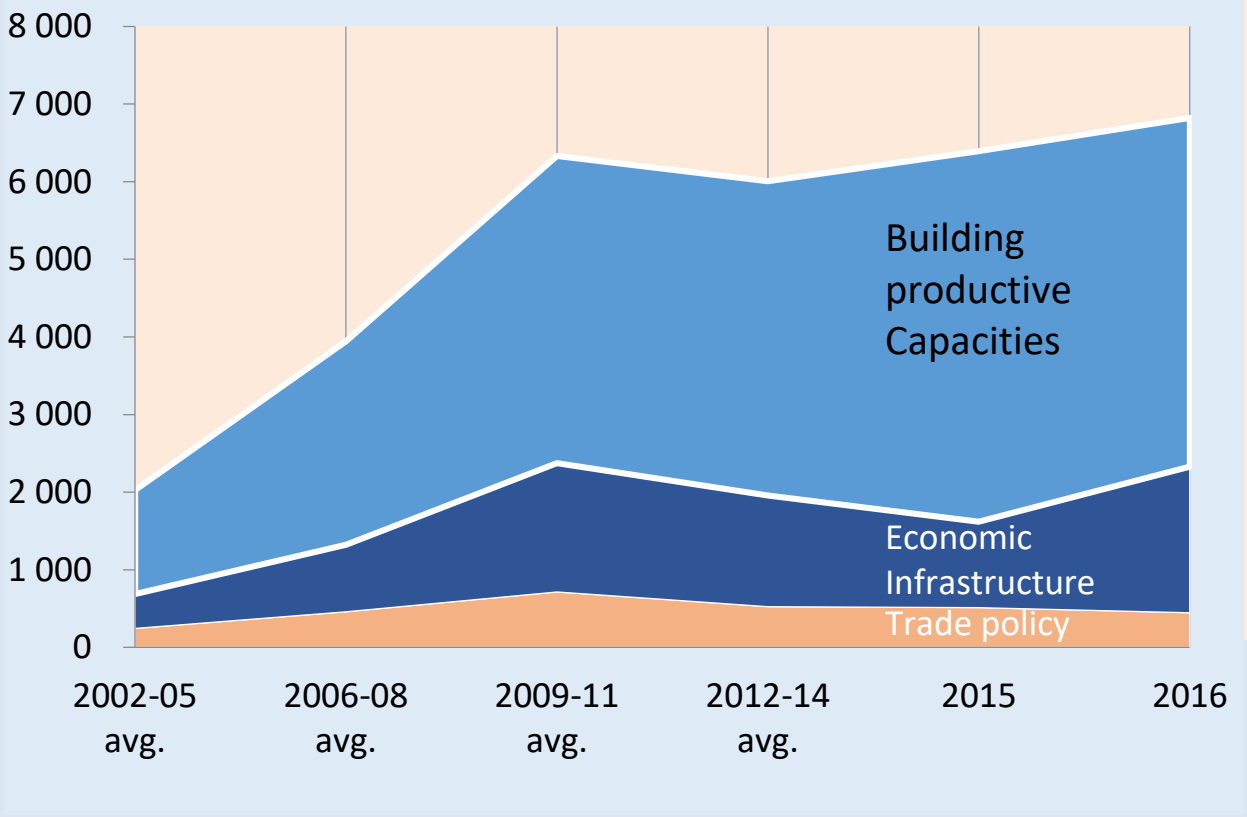
SINCE BASELINE

Asia	+82%
Africa	+159%
America	+150%
Europe	+233%
Oceania	+119%

Commitments : regional and global programs

continued growth esp. in BCP and Econ Infra

(USD million, 2016 prices)



In 2016

Regional Aid for Trade up 6.7%

- Trade Policy -13.3%
- Econ. Infra. +70%
- BPC -5.8%

SINCE BASELINE

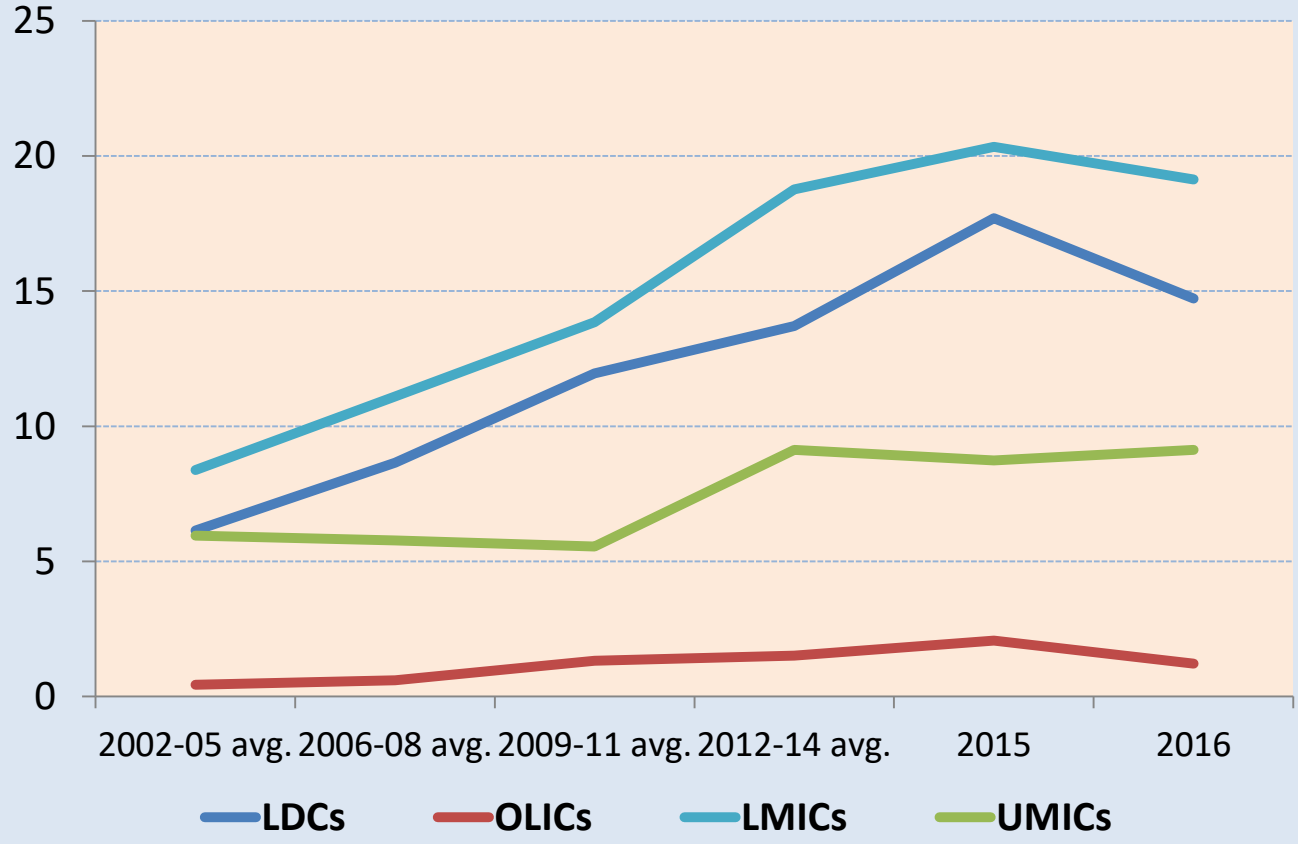
Regional Aid for Trade up 236%

- Trade Policy + 82%
- Econ. Infra. +326%
- BPC +235%

Commitments : income distribution

slow down in commitments to LDCs

(USD billion, 2016 prices)



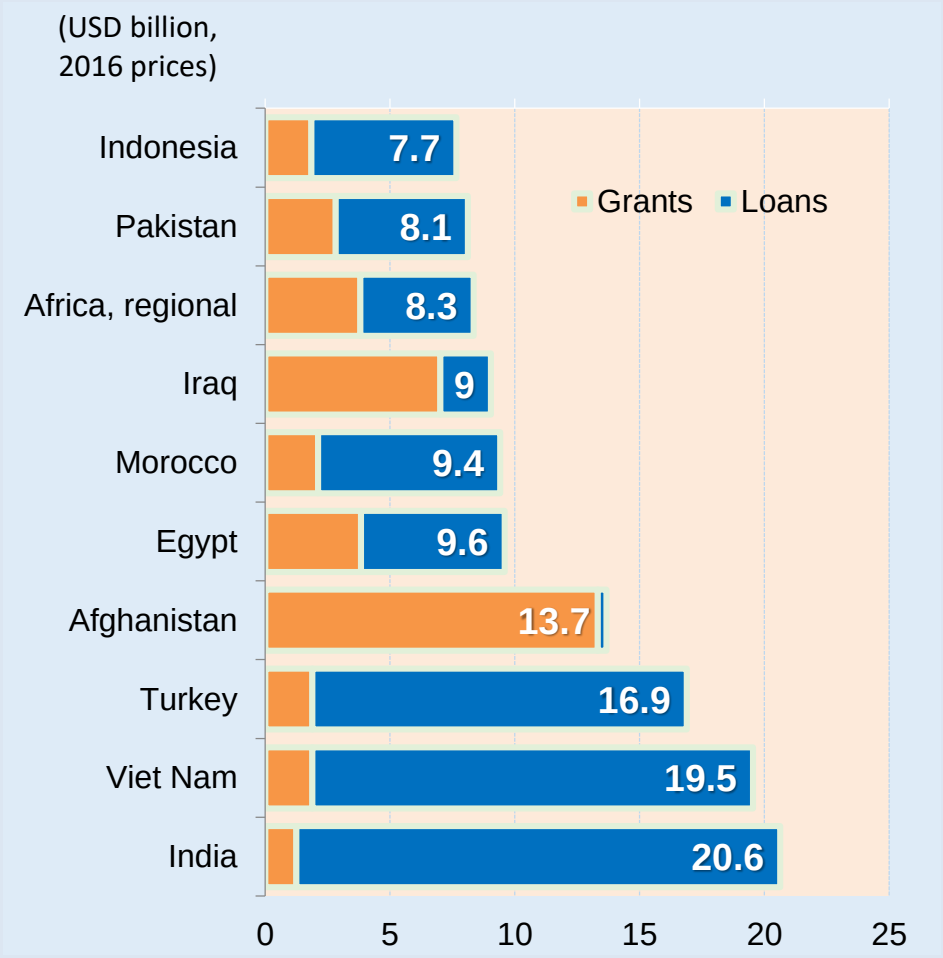
In 2016

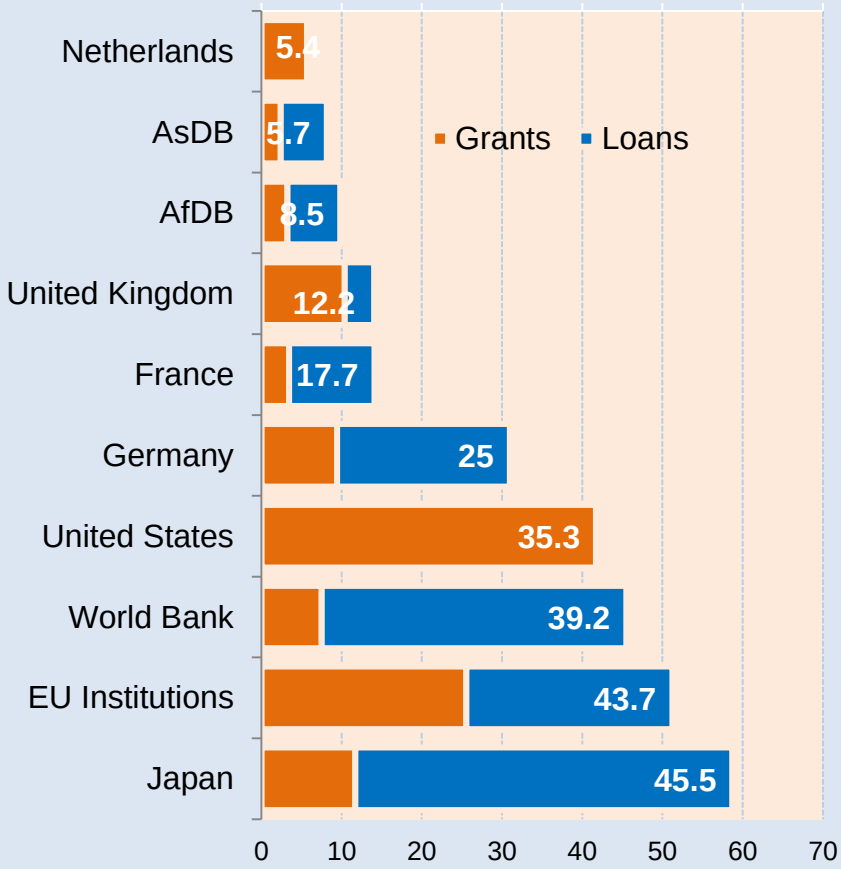
- LDCs -17 %
- oLICs -41.5%
- LMICs -6 %
- UMICs +4.5%

SINCE BASELINE

- LDCs +140%
- LICs +180%
- LMICs +129%
- UMICs + 53%

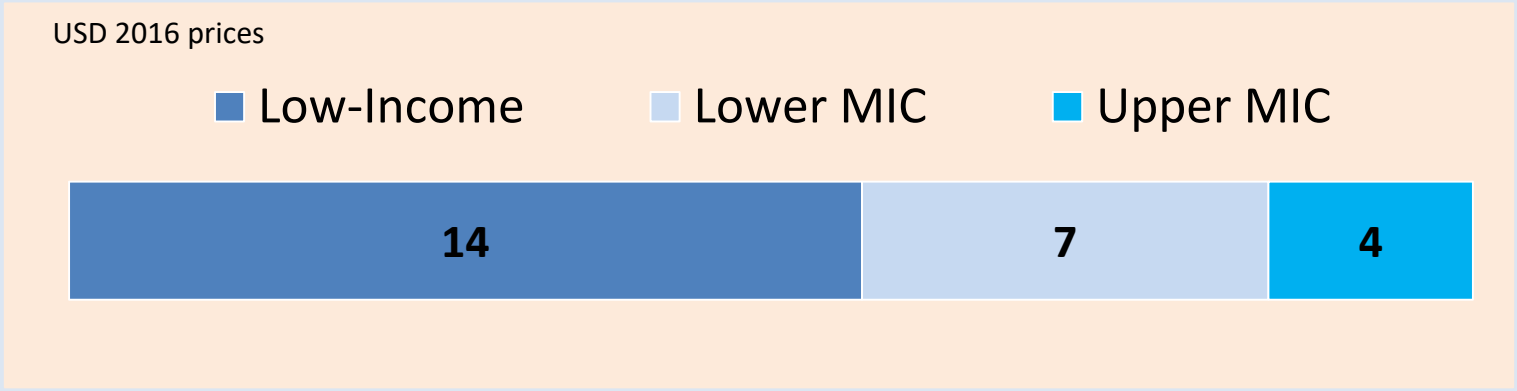
Commitments : largest recipient and donors

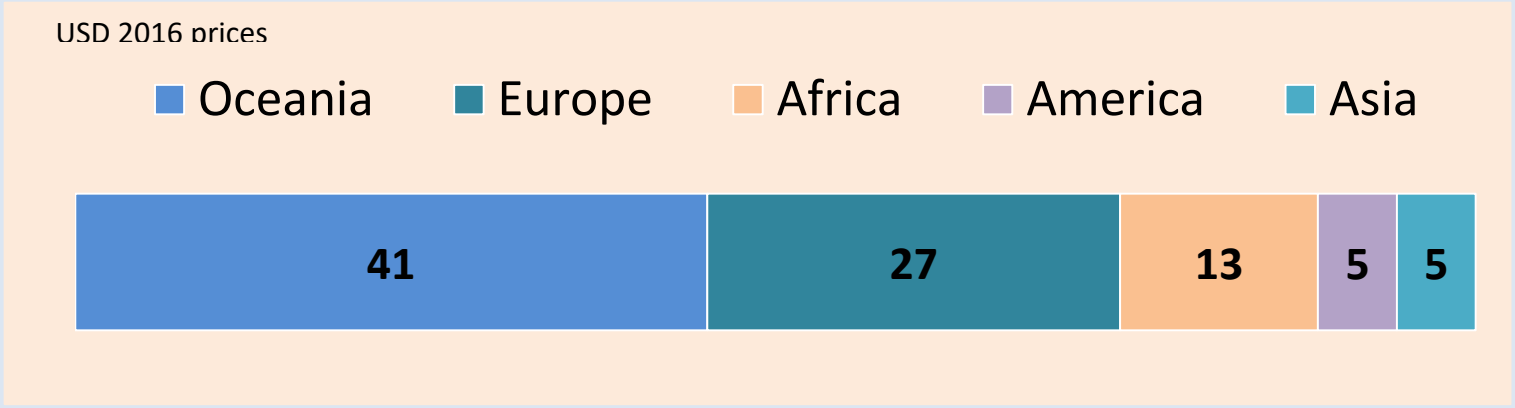




Commitments per capita

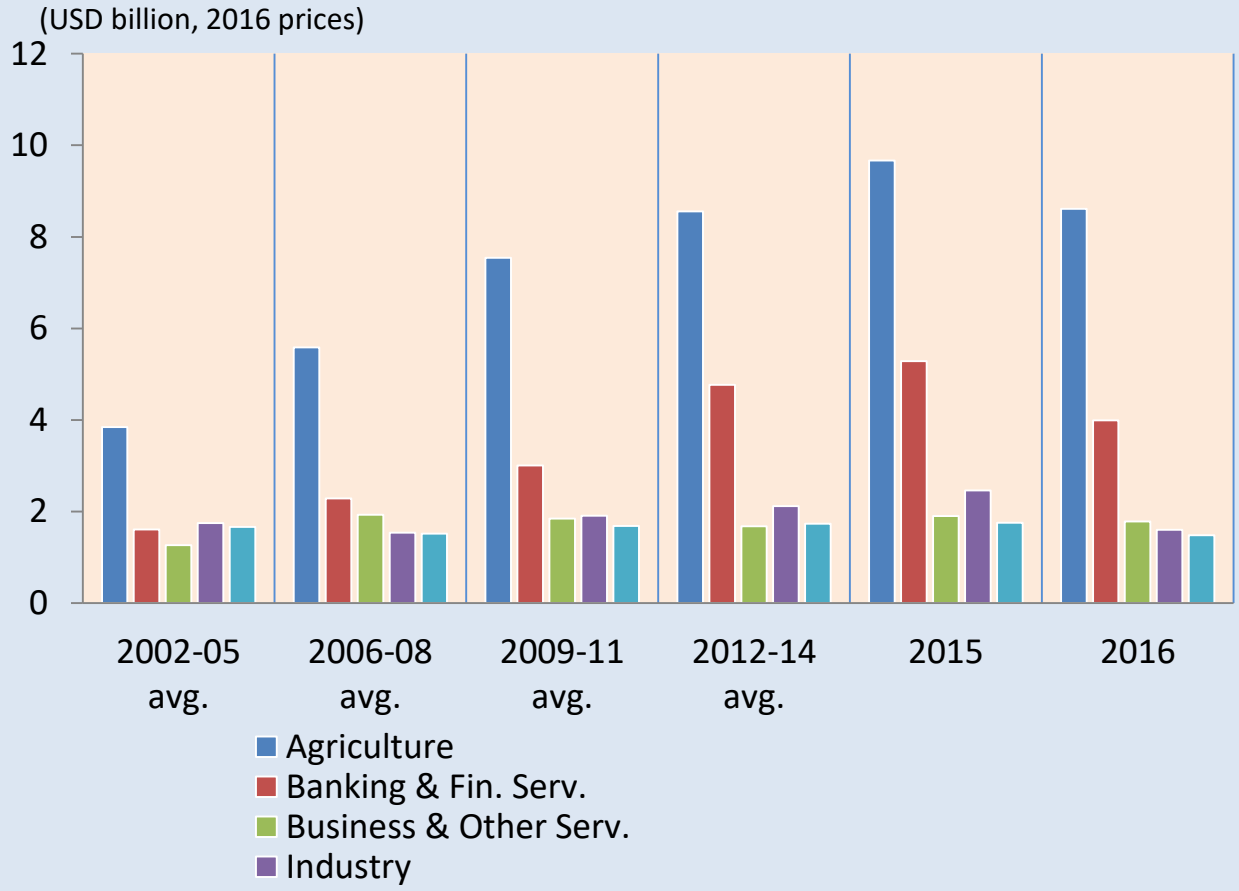
LICs highest AfT per capita recipients





Commitments : Building Productive Capacity

Steady increase since baseline, small decrease in 2016



In 2016

- down 8% esp.
- banking – 25%
- agriculture – 10%

SINCE BASELINE

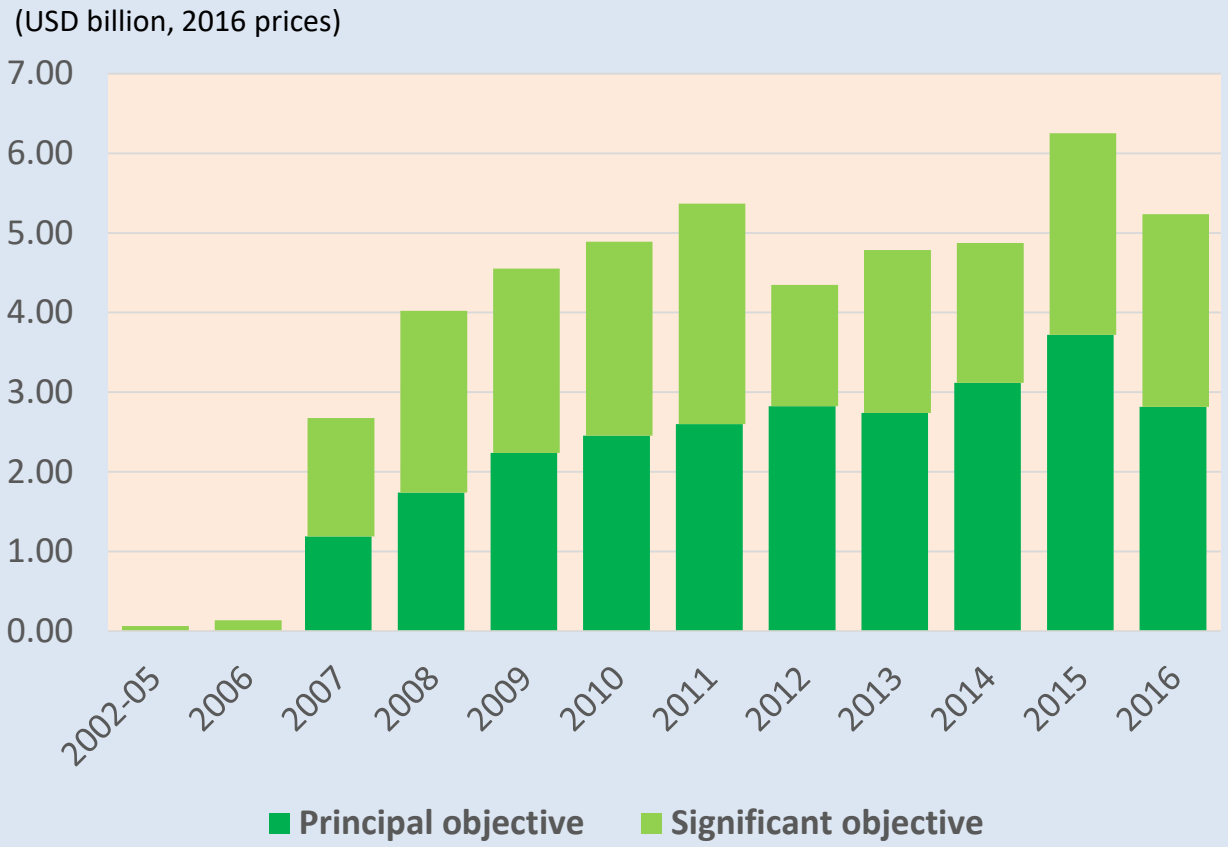
- up 130%

SHARE

- Agriculture 45%
- Banking 28%

trade development marker

One third of BPC is directly trade related



IN 2016

-16%

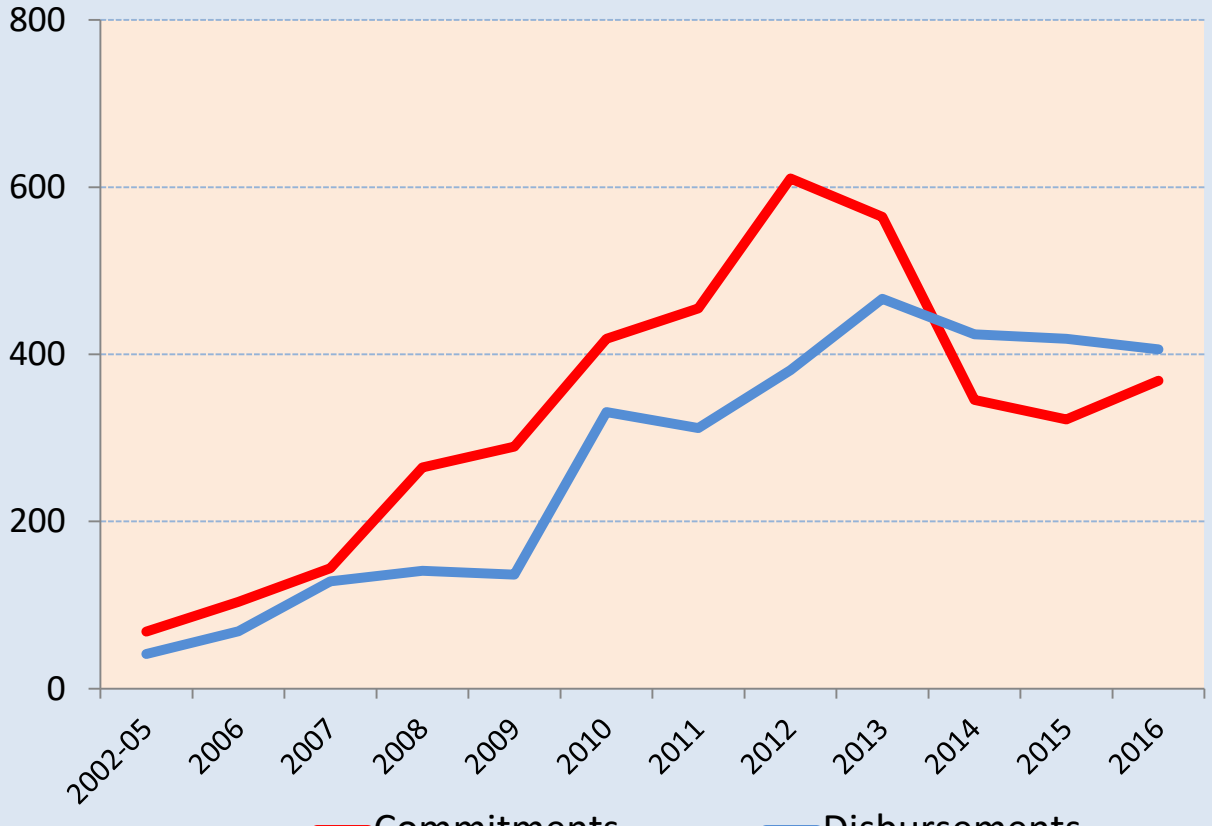
Since baseline

+ 100%

Trade Facilitation

commitments up disbursements down

(USD million, 2016 prices)



In 2016

Commitments up 14.5%

Disbursements down 3%

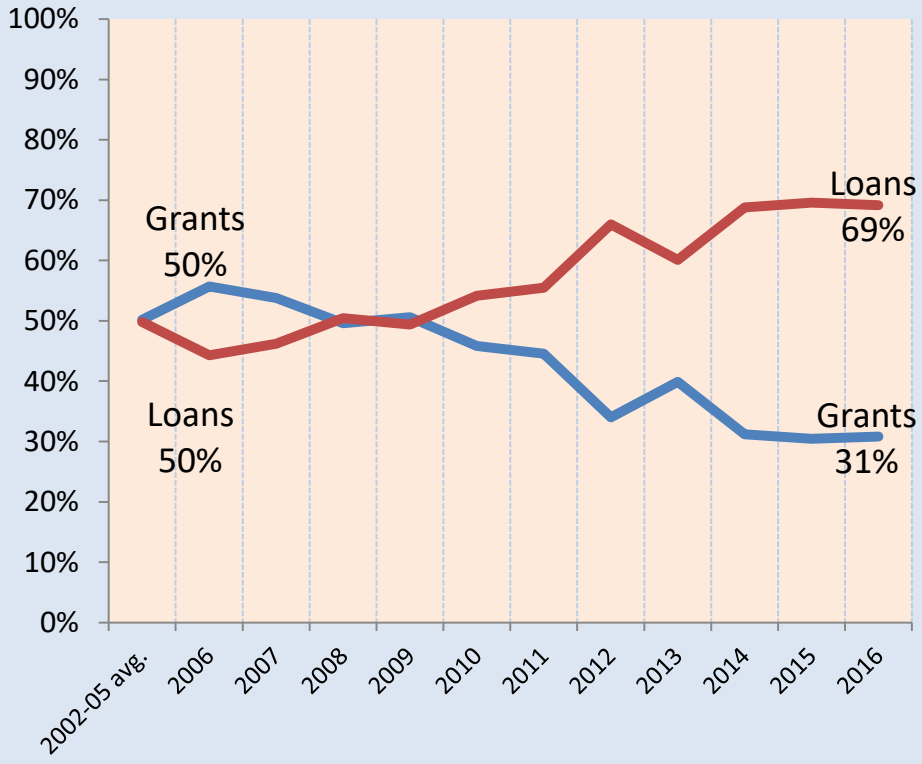
Since baseline

Commitments up 440%

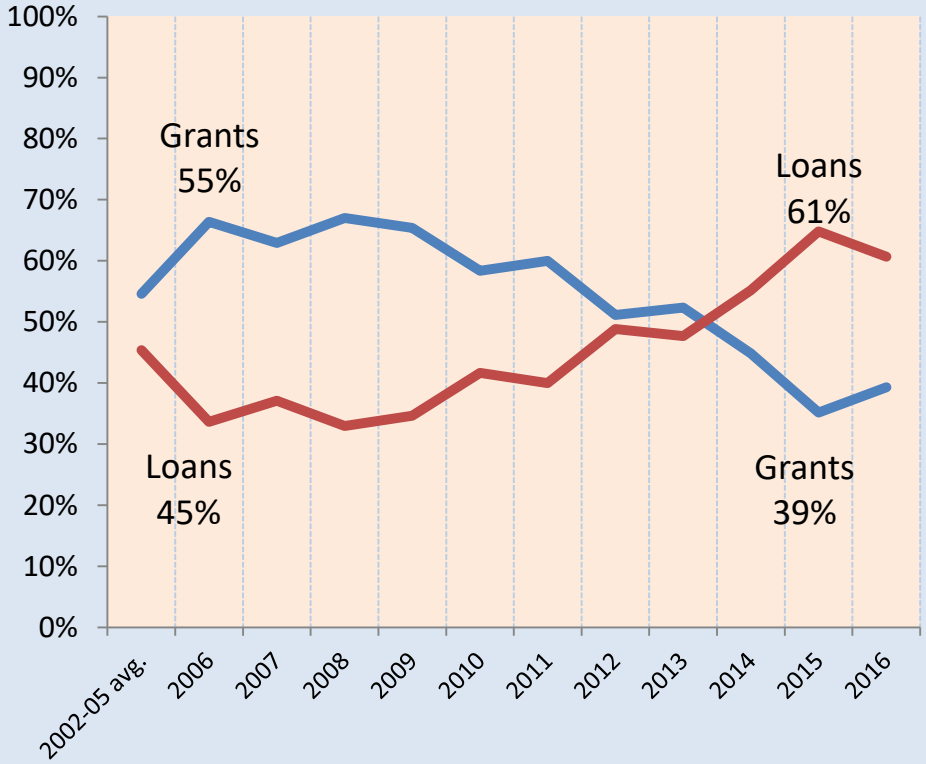
Disbursements up 882%

Grants and loans commitments

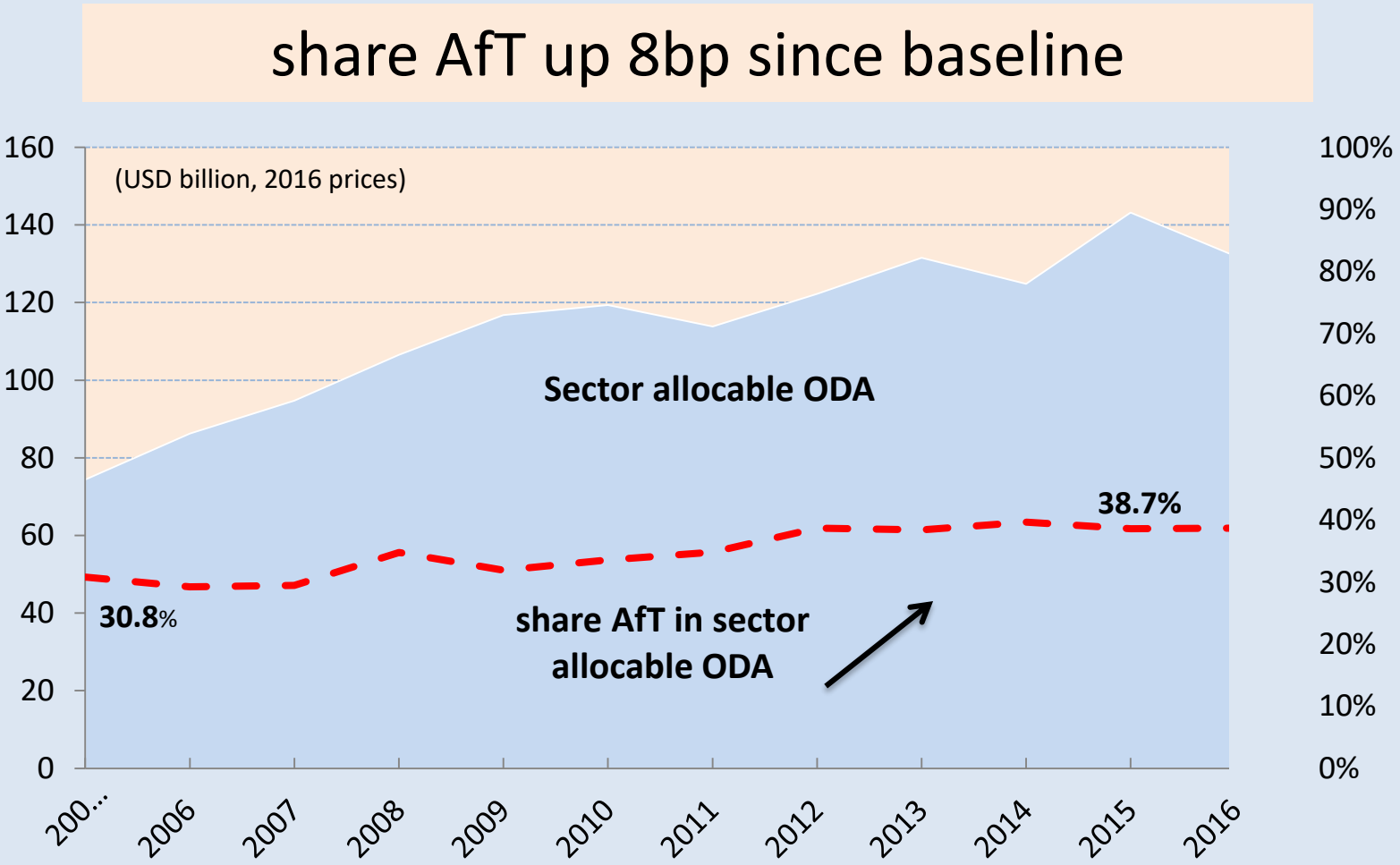
Loans surpass grants since 2009 in DC…



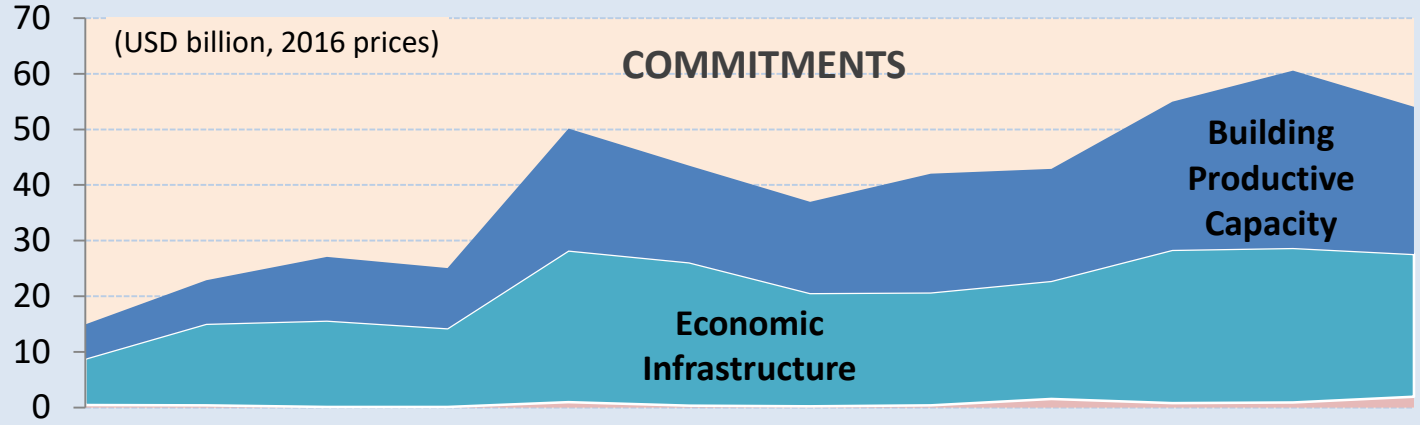
... and since 2014 in LDCs



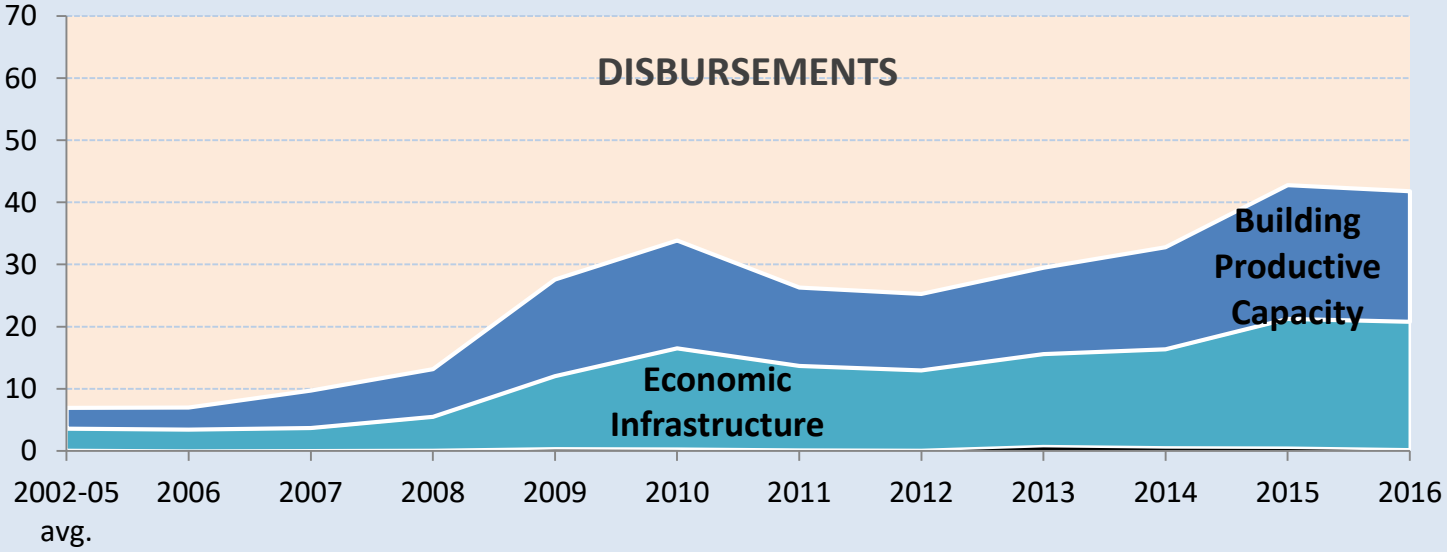
Additionality



Trade-related other official flows



In 2016
TPR 124%
BPC -16%
Infra - 8%
Since baseline
TPR 334%
BPC 330%
Infra 211%

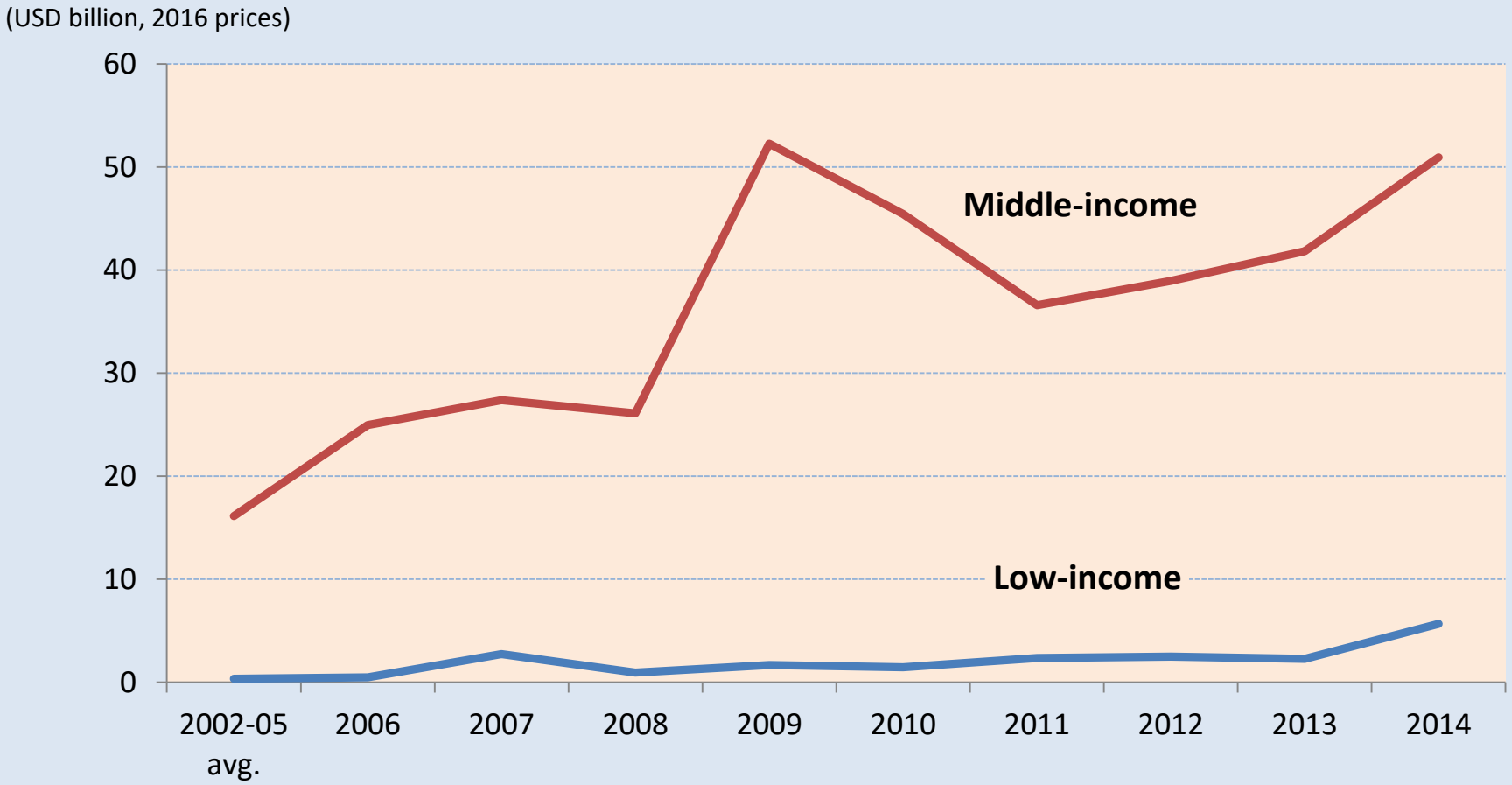


In 2016
TPR -50%
BPC -2%
Infra 0%

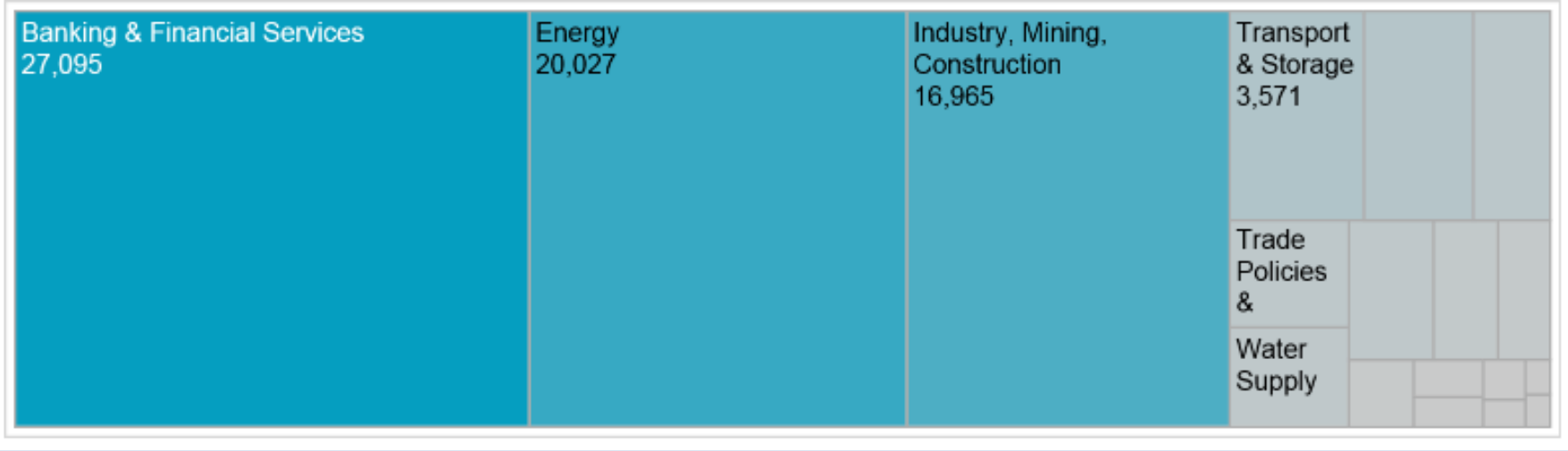
Since baseline
TPR 124%
BPC 527%
Infra 497%

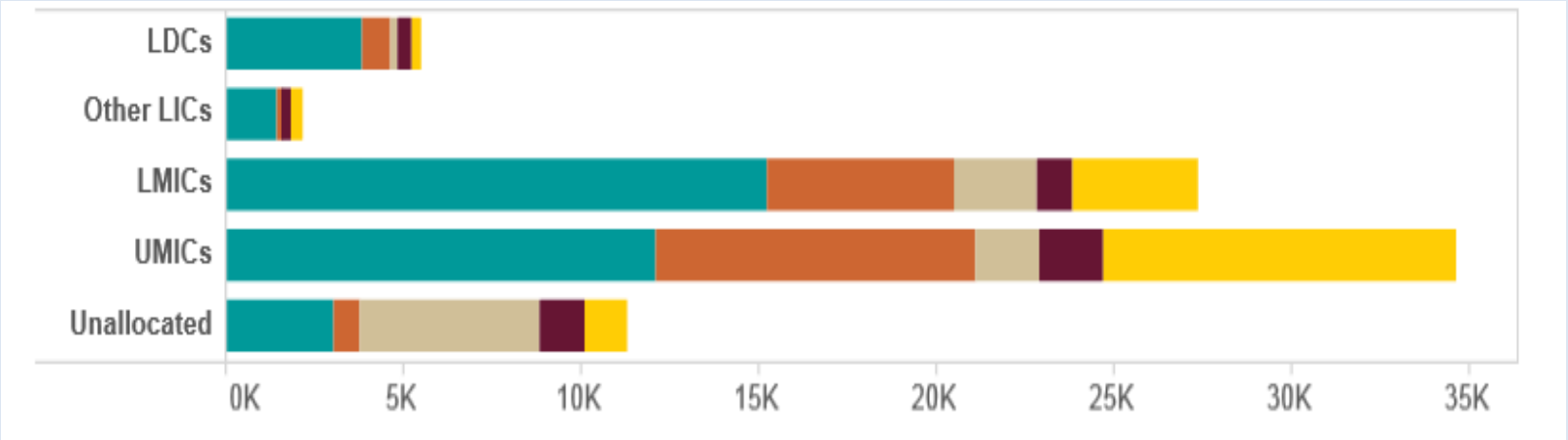
Trade-related other official flows

Middle income countries get 90% of total



Trade-related private finance mobilised





Conclusions

Financing for Development

- **ODA for LICs – OOF for MICs**
- **Terms are hardening for all**

Aid for Trade USD 342 bn. disbursed since 2006

- **Additional 8 basis points since baseline**
- **Commitments up 122% since baseline**
- **Asia and Africa main recipients**
- **LICs highest per capita**

More information

www.oecd.org/development/aft/
www.oecd.org/aidfortrade

Thank you