

ONE

THE 2013
DATA
REPORT

**SPECIAL REPORT TRACKING
DEVELOPMENT ASSISTANCE**

FRANCE

FRANCE



2012 ODA¹ (CHANGE 2011–12)

Global	€8.31BN (-3.1%)
Africa	€2.97BN (-28.1%)²
SSA	€2.24BN (-28.3%)³

2012 ODA/GNI

0.40%

2015 TARGET

Global	€14.99BN
Africa	€7.68BN

% AFRICA TARGET INCREASES MET

-5.6%

% OF ODA CONTRIBUTIONS TO THE EU, 2012

19.6%

COUNTRY PROGRESS, 2005–12

France's official development assistance (ODA) to Africa⁴ (net of debt relief) reached a historic high in 2009 with an increase of 18% compared with the previous year, and remained relatively stable until last year. However, in 2012 it suffered a significant decrease of over €1 billion, falling below the level of 2005. Similarly, ODA to sub-Saharan Africa increased by 47% between 2005 and 2009⁵ but has been decreasing since then, with a particularly sharp decline of 28% between 2011 and 2012, according to the preliminary OECD data.

These figures could be significantly revised in the publication of final data at the end of the year. Of particular note, they do not contain the in-donor categories 'scholarships and student costs' and 'refugee costs' because the regional allocation of the total amount within these categories is not yet available.⁶ According to data provided directly by French government, and estimating on the assumption that regional allocation by share of total is the same as in 2011, these two categories should represent approximately €350 million for sub-Saharan Africa in 2012. These adjustments would bring the drop in French aid to the region to around 17%, which is a somewhat smaller decrease, but nevertheless very significant.

The 2012 decrease in ODA is partly due to the fact that the European Commission (EC) reduced its contributions to the European Development Fund (EDF) in June 2012. Consequently, France's contributions for the current year were reduced by about €200 million. The EC regularly reviews EDF contributions in the course of a year, but in the past France has reallocated such funds to other development efforts. For example, in 2011 funds made available in this way were used to finance the GAVI Alliance. However, this was not the case in 2012: funds earmarked for the EDF but unused were not reallocated to the development sector. This decision contributed to the sharp fall in French ODA, though it does not explain the significant fall in France's

bilateral aid to sub-Saharan Africa. According to the preliminary DAC figures, French bilateral aid (net of relief) to the region decreased by 35% between 2011 and 2012. The drop is still around 14% if the estimates for the categories 'scholarships and student costs' and 'refugee costs' are included.

France continues to play a notable role in health funding. For example, relative to its gross national income (GNI), it is the largest G20 donor contributing to healthcare in developing countries. Between 2000 and 2012, France contributed €55 million directly to the GAVI Alliance.⁷ During 2001–12, it contributed a total of €2.43 billion to the Global Fund to Fight AIDS, Tuberculosis and Malaria, making it the second largest contributor after the United States, and the largest contributor proportional to its GNI.⁸

In 2010, France adopted a ten-year strategy for the first time – 'Development Cooperation: A French Vision' ('Coopération au développement: une vision française').⁹ This strategy differentiates partner countries according to their levels of development and political situations and, based on these categories, sets out different partnership models. It also sets out France's intention to concentrate its most concessional bilateral aid instruments on 17 low-income countries in sub-Saharan Africa.¹⁰ A first implementation report was published in November 2012, but allows only for partial monitoring of the strategy.¹¹ This report also provided a breakdown of 2011 funding for each of the Millennium Development Goals (MDGs), see Figure 2. The vast majority of funds from the Agence Française de Développement (French Development Agency, AFD) go to broadly support 'ensuring environmental sustainability', indicating the agency's focus on infrastructure projects. The breakdown also shows weaknesses such as a complete absence of funds allocated specifically to gender equality and women's rights, and only a tiny proportion going to key social sectors such as education.

FIGURE 1: France's ODA, 2004–12

Euro millions	2004	2005	2006	2007	2008	2009	2010	2011	2012
Global ODA	7,822	9,079	9,305	7,754	7,920	9,410	10,034	9,491	9,419
Debt relief	1,670	3,147	3,202	1,206	742	1,100	1,147	913	1,105
Global ODA (net of debt relief)	6,153	5,933	6,103	6,548	7,179	8,310	8,887	8,578	8,313
ODA/GNI (net of debt relief)	0.32%	0.31%	0.31%	0.32%	0.35%	0.42%	0.44%	0.42%	0.40%
Bilateral ODA	5,140	6,555	6,951	4,910	4,842	5,367	6,050	6,203	6,231
Multilateral ODA	2,683	2,524	2,354	2,844	3,078	4,044	3,984	3,288	3,188
Total Africa ODA	4,797	5,574	6,080	4,275	4,035	5,246	5,224	5,039	4,041
Africa debt relief	1,585	2,514	2,373	586	514	1,094	1,145	912	1,073
Africa bilateral ODA (net of debt relief)	1,857	1,694	2,155	2,206	1,933	1,963	2,109	2,476	1,585
Africa ODA (net of debt relief)	3,212	3,060	3,707	3,690	3,521	4,152	4,080	4,126	2,968
Total SSA ODA	3,913	4,741	5,132	3,521	3,346	4,486	4,518	4,001	3,315
SSA debt relief	1,490	2,389	2,286	503	432	1,030	1,096	873	1,073
SSA bilateral ODA (net of debt relief)	1,247	1,148	1,466	1,705	1,470	1,447	1,602	1,661	1,074
SSA ODA (net of debt relief)	2,424	2,352	2,847	3,019	2,914	3,456	3,422	3,128	2,241

Sources: OECD DAC Tables 1 and 2a and Preliminary Release (April 2013)

Note: Data is in Euro millions (2012 prices), converted from USD using the OECD Annual Exchange Rate. According to French Treasury estimates, figures in italics are expected to rise once the final data is published in December 2013, at which time categories such as 'scholarships and student costs' and 'refugee costs' will be regionally allocated.

FIGURE 2: Distribution of AFD Funding Broken Down by MDG, 2011¹²

MDG	€ MILLIONS	%
1. Eradicating extreme poverty and hunger	69	2%
2. Achieving universal primary education	32	1%
3. Promoting gender equality and empowering women	0	0%
4. Reducing child mortality rates	18	0.5%
5. Improving maternal health	38	1.2%
6. Combating HIV/AIDS, malaria and other diseases	10	0.3%
7. Ensuring environmental sustainability	2,971	91%
8. Developing a global paternship for development	142	4%

COUNTING ODA

In the OECD DAC's preliminary release of 2012 data, it decided for the first time to include certain loans from the European Investment Bank (EIB) as ODA from the EU institutions for the period 2008–11. They were previously not included due to questions over concessionality and their eligibility. However, these loans were only added into the reporting of total aid flows in early April. In a further revision of data on 26 April 2013, the DAC revised its decision so that it now includes these EIB loans for the years 2011 and 2012 only, totalling net amounts of €3.7 billion and €4.4 billion respectively. This decision means that now EU institutions' ODA flows from 2010 and prior include only grants, and will not be comparable with 2011 and 2012 flows. It also has implications for Member States' imputed multilateral contributions via the EU (the proportion of aid allocated to certain regions that is attributable back to Member States based on their overall contribution to the EU).

The DAC does not provide multilateral imputations in its April preliminary release but publishes them the following December. Therefore, ONE uses a set methodology to estimate 2012 multilateral imputations for aid to Africa, which in this case are based on the updated 2011 and 2012 EU institutions' ODA levels. However, at the time this report went to press, the DAC had not yet updated its own 2011 multilateral imputations to match overall EU institutions' aid flows. In other words, the DAC's multilateral imputations currently show a higher proportion of EU institutions' aid (and hence Member States' aid) flowing to Africa than is actually the case once the EIB loans are retrospectively factored in. Thus, at this time, the decrease in total aid to Africa for EU Member States from 2011 to 2012 appears slightly larger than it will be when the DAC eventually updates its 2011 multilateral imputations.

ONE is concerned at the continuing practice among some countries and multilateral donors of inflating their ODA levels by counting unsubsidised loans, and the lack of clarity in the OECD's definition of concessionality. Although loans are an important resource for development, along with grants, the amount of concessionality should be clearly reported for all DAC flows and only those loans that meet strict criteria should be counted under ODA. Other non-concessional loans should continue to be counted as Other Official Flows (OOFs). This debate has implications not just for EIB loans, but also for other countries that count substantive loans within ODA reporting, such as France and Germany.

AID EFFECTIVENESS AND TRANSPARENCY

In 2011, 99% of France's aid was untied.¹³ In addition, French aid has become better targeted for recipient countries. Between 2005 and 2011, the portion of French aid disbursed as country programmable aid (CPA)¹⁴ almost doubled, from 28% to 55%.¹⁵

In terms of transparency, France has developed a national platform for open data, which is available at: www.data.gouv.fr. This is an inter-ministerial portal providing public information, including information on ODA, using different open formats. The government has also adopted a roadmap to promote more open sharing of official data.¹⁶

Despite these efforts, much remains to be done in improving the transparency of French aid. In 2012, the NGO Publish What You Fund¹⁷ assessed three French institutions – the Ministry of Economy and Finance, the Ministry of Foreign Affairs and AFD – as part of its 'Aid Transparency Index'. The index analyses the degree of transparency of 72 organisations globally, based on the accessibility of information, and assigns each a score of between 0% and 100%, with 100% being fully transparent. The French institutions scored poorly on average, with AFD scoring the highest among the three with 35%.

France's future programme law¹⁸ provides the government with a golden opportunity to increase the transparency and effectiveness of its aid, including by clarifying the objectives and goals that French aid is pursuing.

France could also sign up to the International Aid Transparency Initiative (IATI), a standard for open and comparable publication of ODA data. France has attended several IATI meetings as an observer, and the Deputy Minister for Development has confirmed that the government is studying the possibility of France joining IATI, according to a letter sent to ONE and other

NGOs in June 2012. Furthermore, France has committed to implementing the common standard for publishing development financing flows, of the Fourth High Level Forum on Aid Effectiveness, and has published an implementation plan for doing this.¹⁹

France could also take part in the Open Government Partnership (OGP) Initiative. To date, 16 European Union member states have joined the OGP. By joining this partnership, France could share its experiences on open data and governance with other European countries and partners from the South.

In 2012, French aid contributed to the following results:²⁰

- 10 million children attending primary school
- 3 million children enrolled in lower secondary school
- 207,000 people receiving vocational training
- 1.8 million people with improved access to drinking water
- 4.7 million people benefitting from improved waste collection and disposal systems
- 3.2 million people benefitting from improved or new transport systems
- 535,500 HIV-positive people receiving antiretroviral treatment²¹

ODA TRENDS

A number of trends are evident in France's development assistance. The first is the decrease in global ODA flows, for the second year in a row. However, another trend is emerging: within this shrinking budget a decreasing portion of aid corresponds to a genuine 'financial effort' based on the national budget. This means that less taxpayers' money is actually being used for development, with a higher proportion of what is officially counted by the OECD as ODA being leveraged on financial markets rather than originating from the national budget. France's 'financial effort'²² decreased between 2008 and 2010, from 76% to 72%,²³ while an upsurge of loans included in French ODA has continued. Based on the latest budget documents, France's bilateral loans are expected to increase by more than 400% over the 2008–13 period, including by 18% in 2013.²⁴

This goes hand in hand with a third trend: a reduction in the amount of aid going to the poorest countries, which benefit only from highly concessional aid instruments. Indeed, during the 2008–13 period bilateral grants, a key instrument for interventions in social sectors in least developed countries (LDCs), were reduced by almost 21%, with a 2.7% fall between 2012 and 2013.²⁵ In 2012, only 31% of the 'financial effort' made by the AFD focused on priority poor countries, and the amount is projected to be even less in 2013.

This paints a worrying picture for French aid, which appears to be turning its back on its overall ambitions by cutting its contributions to poverty-reducing sectors in the poorest countries.

FRENCH DEVELOPMENT POLICY BEYOND ODA

France has been a key actor within the EU in promoting increased transparency in the corporate sector, first and foremost in the extractives industries, and these efforts should help developing countries to increase their domestic revenues. Oil and mining exports are a significant source of revenue for many countries in Africa, although this does not necessarily translate into development progress for all citizens. Globally, a quarter of the people living in countries that are rich in natural resources still live below the extreme poverty line.²⁶ A recently adopted European directive should at last give citizens greater oversight and control over the incomes generated in their countries through the exploitation of their natural resources. This directive

requires all European oil, gas, mining and forestry companies²⁷ to publish all payments made to governments. In the past, the vast majority of such payments were not made public, which facilitated corruption. France was the first European country to support a transparency law of this kind. President François Hollande announced in October 2012 during a visit to Kinshasa, Democratic Republic of Congo that France wanted this law to require companies to report “project by project” and “without exception”,²⁸ essential prerequisites if it is to be effective.

Since then, driven by civil society and Parliament, France has also committed to transparency in the

banking sector, in particular regarding banks’ activities abroad.²⁹ It has also announced its support for similar rules at the European level for all other sectors.³⁰

A further opportunity to deter tax evasion and improve the revenues of developing countries arises from the overhaul of the EU directive on money laundering. Illicit capital flight sees Africa lose billions of dollars every year³¹ and a large part of this money transits through the European banking sector, in particular through shell companies. It is crucial that the EU enhances transparency in this field and publishes the identities of those hiding behind ‘ghost’ companies.

OTHER FINANCIAL FLOWS

In addition to traditional ODA, France continues to play a leading role in leveraging innovative finance mechanisms for development.³² Along with Brazil, in 2005 France initiated the introduction of an airline ticket tax to support UNICEF and the International Finance Facility for Immunisation (IFFIm). The rates at which this tax is levied are currently under review and might be increased for certain classes of air travel. In July 2012, France was also the first country to partially earmark its Financial Transaction Tax (FTT) for development, and in 2013 this tax should generate €60 million for water projects and global health programmes in sub-Saharan Africa. In its 2014 budget, France has committed €100 million of FTT revenues to development and in 2015 €160 million, accounting for 10% of the initial estimated revenues from the tax. France is also playing a leading role in the introduction

of a European FTT with ten other European countries. President Hollande has repeatedly declared his support for part of the future European FTT to be allocated to development, and in particular to the fight against pandemic diseases.

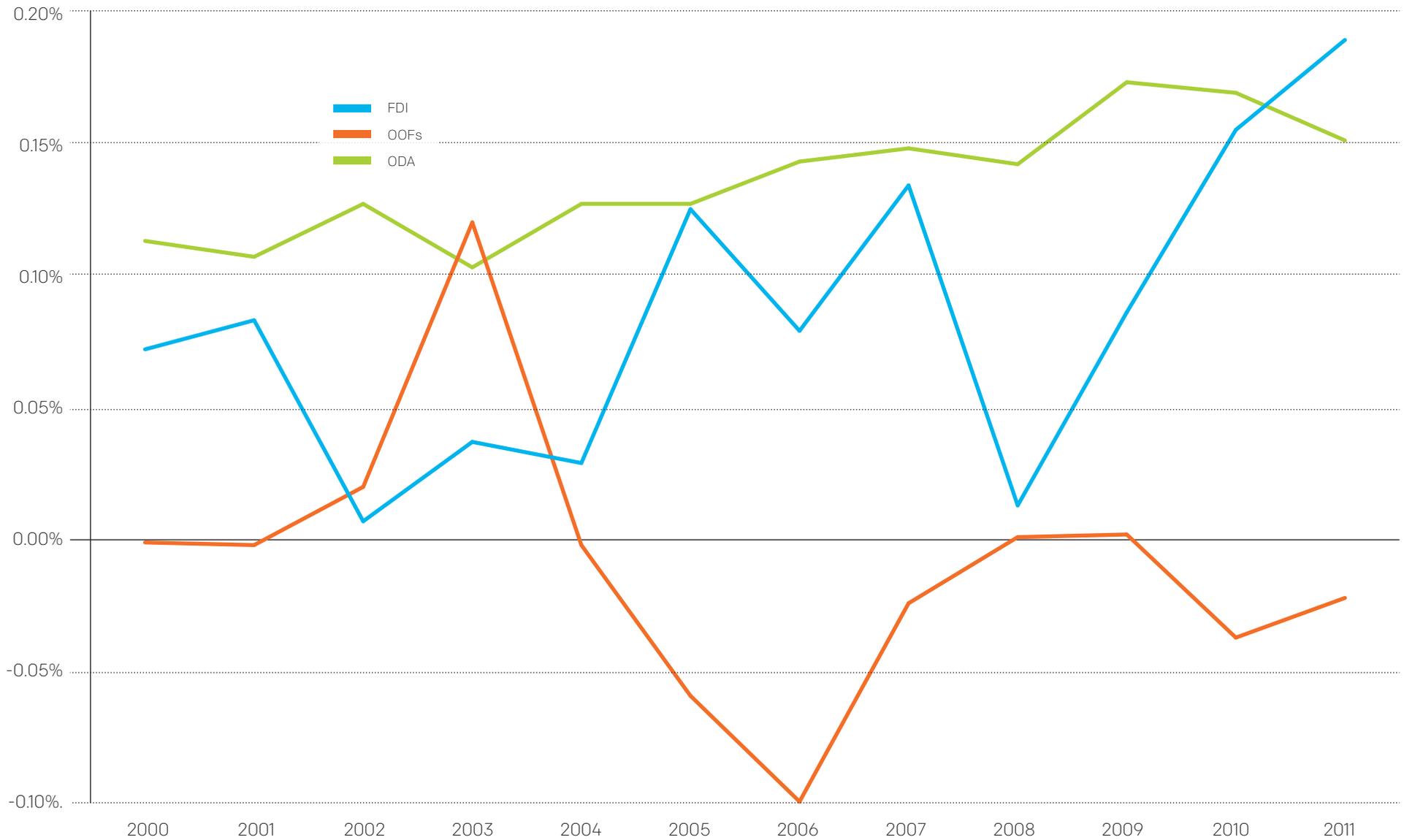
France also plans to introduce a levy of 1% on local waste management, in addition to its existing levy on water, in a measure announced by the President in March 2013. More than €50 million could be raised each year through this mechanism, and used to fund waste management projects in developing countries.

The French government has also pledged €1.27 billion in ‘Fast-Start’ climate financing for 2010–12, putting it ahead of Germany and the UK.³³ This financing will contribute to climate change adaptation and mitigation efforts in developing countries. From 2014, the Green

Climate Fund should be replenished by some of the revenue generated by the FTT, among other sources, according to government plans.

In 2011, foreign direct investment (FDI) flows from France to sub-Saharan Africa reached €3.9 billion (in constant 2012 prices). Consequently, France was the leading investor in sub-Saharan Africa among the G7 nations, ahead of the United States. French FDI to the region amounted to 0.19% of GNI, putting the country ahead of Germany, the US and the UK (in that order). Gabon and Nigeria were by far the two largest recipient countries of French FDI to the region in 2011.³⁴ However, FDI represents an extremely volatile source of financing.

FIGURE 3: FDI, ODA, and Other Official Flows (OOFs) to Sub-Saharan Africa, as a percentage of GNI, 2000–11³⁵



Sources: OECD DAC Tables 1, 2a and 2b, and FDI flows by partner country.

Note: OOFs are net flows, thus include repayments to donor countries. ODA excludes bilateral debt relief and includes imputed multilateral contributions.

FIGURE 4: France's Contributions Through Innovative Financing Mechanisms

	AMOUNT COMMITTED (LATEST YEAR)	AMOUNT COMMITTED (CUMULATIVE)	FUTURE PLEDGES
UNITAID	€110 million (2011) ³⁶	€753 million (2006–11) ³⁷	In 2010, France pledged €110 for each year during the period 2011–13.
Air Passenger Solidarity Tax	€185 million (2012) ³⁸	€1,068 million (2006–12) ³⁹	On 1 July 2006, France introduced a levy on passengers departing from French airports. A tax of €1 (economy class)/€10 (business class) for domestic and European flights and €4 (economy class)/€40 (business class) for international flights was introduced. Since 2008, the proceeds have been counted as ODA. At least 90% of the proceeds are allocated to UNITAID and a maximum of 10% to the IFFIm every year.
International Finance Facility for Immunisation (IFFIm)	€42 million (2012) ⁴⁰	€229 million (2007–12) ⁴¹	France has committed to disburse €1.078 billion in total (2013–31) ⁴²
Debt Swaps (C2D)	€103 million (2012) ⁴³	€706 million for C2Ds completed (between 2000 and 2011) ⁴⁴	€533 million for ongoing C2Ds (2008–16) ⁴⁵
Levy on Water (Oudin-Santini Law)	€19 million (2010) ⁴⁶	€55 million (2007–10) ⁴⁷	The law allows local authorities and water and sanitation agencies to contribute – on a voluntary basis – up to 1% of their budgets to emergency assistance and international aid projects. It is not possible to predict future contributions, but potentially the levy could raise up to €60 million.
Financial Transaction Tax (FTT)	€60 million (2013)	2013 was the first year in which a proportion of the revenues from this tax was earmarked for development	In 2014, €100 million of income from the FTT should be allocated to development. By 2015, at least 10% of revenues from the tax must be allocated to development.

LOOKING AHEAD: 2013–15

To reach its global ODA target of €14.99 billion in 2015, in line with its commitment to dedicate 0.7% of its GNI to development aid by 2015, France would need to increase its global ODA budget by €6.68 billion between 2012 and 2015.⁴⁸

To meet its commitment for Africa in 2015, 50% of all ODA increases should be directed to the continent. Consequently, France would need to increase its aid to Africa by €3.64 billion within three years in order to reach €7.68 billion by 2015 (see Figure 5).

France expects to increase its global ODA by only €121 million in 2013⁴⁹ and €1.21 billion by 2015, meaning that it will miss by a wide margin its target to allocate 0.7% of its GNI to development aid by this deadline.⁵⁰ Even though President Hollande has reiterated France's commitment to the 0.7% target and announced during his election campaign his party's intention to follow "a credible and steady path" to reach it, the commitment has so far remained unmet. In fact, the President has said that ODA would not be increased before the

French economy begins to grow again,⁵¹ disregarding the fact that the 0.7% target already takes into account uncertain economic growth, as it is set as a percentage of GNI.

As France has increased the use of loans during the past few years, negative ODA flows could increase in the medium term, with the repayment of loans by developing countries accelerating.

After all of the changes over the past year in France, with a new President in office and a new National Assembly elected, 2013 should be a year of renewal in the country's development policy, on the basis of pre-election commitments.

A key change would be the adoption of the new programme law,⁵² a commitment made by Hollande when he was still a presidential candidate.⁵³ A draft law is expected to be submitted to Parliament this autumn and voted on during the spring of 2014. This law would clarify France's ambitions in terms of international development, match existing means with these

objectives, and improve the effectiveness and monitoring of French ODA. It should also move beyond ODA issues and improve overall policy coherence for development.

There are also important milestones at the multilateral level in 2013: France's pledges to the Global Fund will expire at the end of the year and it will need to make new pledges at the replenishment meeting this autumn for the period 2014–16. This is also the case for the International Development Association (IDA) — the concessional arm of the World Bank — and the African Development Fund (ADF) of the African Development Bank.

2013 is a turning point. President Hollande has a number of opportunities to revitalise France's leadership on international development so it can play its part in helping developing countries to meet the MDGs in the fewer than 1,000 days that remain.

FIGURE 5: France's ODA to Africa and Path to 2015 Africa Target



Source: OECD DAC Table 2a and Preliminary Release (April 2013).

Note: Data is in Euro millions (2012 prices), converted from USD using the OECD Annual Exchange Rate. Target ODA is calculated using GNI projections for 2013-15. The EU aid commitments were to reach 0.7% ODA/GNI by 2015 and to allocate half of the increases to Africa.

ENDNOTES

- All figures in this report exclude debt relief, unless otherwise specified.
- The 2012 preliminary data on French aid to Africa does not yet include imputed refugee costs, scholarships and student costs, and some other categories. These figures will not be regionally allocated until the final 2012 figures come out in December 2013. According to an estimate provided by the French Treasury, adding imputed refugee costs and scholarships to the preliminary 2012 data would increase the ODA figures for Africa by around €618 million. The total decrease in aid to Africa from 2011 to 2012 would then be approximately 13%.
- See endnote 2. According to an estimate provided by the French Treasury, adding imputed refugee costs, scholarships and student costs to the preliminary 2012 data suggests a total decrease in aid to sub-Saharan Africa from 2011 to 2012 of approximately 17%.
- Excluding debt relief
- With a fall of almost €105 million in 2008, but largely made up in 2009.
- The regional breakdown of these categories is only provided in the final ODA figures (published in December for the previous year). The regional ODA figures for 2011 and previous years, however, include these categories.
- This figure represents only France's direct contributions to GAVI, not including contributions made through the International Finance Facility for Immunisation (IFFIm). See GAVI Alliance, 'Annual Donor Contributions to GAVI 2000–2031 as of 31 December 2012'. <http://www.gavi.org/library/gavi-documents/funding/annual-donor-contributions-to-gavi-2000-2031-as-of-31-december-2012/>. Converted to euros using the OECD Annual Exchange Rate.
- Global Fund, April 2013. 'Pledges and Contributions'. http://www.theglobalfund.org/Documents/core/financial/Core_PledgesContributions_List_en-4294930138/. Converted to euros using the OECD Annual Exchange Rate.
- French Ministry of Foreign and European Affairs. 'Development Cooperation: A French Vision'. http://www.diplomatie.gouv.fr/fr/IMG/pdf/doc.Cadre_FR_2011-2.pdf
- Benin, Burkina Faso, Burundi, Comoros, Djibouti, Ghana, Guinea, Madagascar, Mali, Mauritania, Niger, Democratic Republic of Congo, Rwanda, Central African Republic, Senegal, Chad, Togo. 'Document de politique transversale: Politique française en faveur du développement' ('Cross-Cutting Policy Document: French Policy in Favour of Development 2013'), p.72. http://www.performance-publique.budget.gouv.fr/fileadmin/medias/documents/ressources/PLF2013/DPT/DPT2013_politique_developpement.pdf
- Biennial Report to Parliament. 'Implementation of the Framework Document "Development Cooperation: A French Vision" (2010–2011)', 2012. http://www.diplomatie.gouv.fr/fr/IMG/pdf/Rapport_bisannuelauParlement_APD_2010-2011_BD_PageaPage_cle0e83d8-1.pdf. The report is based partly on 2010 figures, making it difficult to monitor a strategy adopted in the same year. In addition, some of the results calculated as 'financial effort' are missing.
- Volumes according to 2011 commitments. Data from Biennial Report to Parliament 'Implementation of the Framework Document "Development Cooperation: A French Vision"', op. cit., p.83.
- OECD DAC Statistics. DAC7b table on Tying Status of Bilateral ODA.
- CPA refers specifically to ODA that recipient countries can use for programming and excludes spending on programmes for foreign students, refugees, debt cancellation or humanitarian relief.
- CPA is measured as a percentage of gross disbursements from bilateral ODA. While CPA has increased, it is important to note that the share of costs related to programmes for refugees and scholarships for foreign students has remained stable, amounting to 17% in 2006 (the first year in which refugee programmes were recorded) and 16% in 2011. With regards to aid to sub-Saharan Africa, CPA accounted for 48% of disbursements in 2010, down from 59% in 2008.
- <http://www.etalab.gouv.fr/article-la-feuille-de-route-du-gouvernement-en-matiere-d-ouverture-et-de-partage-des-donnees-publiques-115767801.html>
- <http://www.publishwhatyoufund.org/index/2012-index/>
- Announced in the President's speech of 1 March 2013 at the closing ceremony of the Conference on Development and International Solidarity. <http://www.elysee.fr/declarations/article/intervention-de-m-le-president-de-la-republique-a-la-seance-de-cloture-des-assises-du-developpement-et-de-la-solidarite-internationale/>. A 'programme law' is a law that defines the objectives of public policy: http://www.assemblee-nationale.fr/connaissance/lexique.asp#P58_10004
- <http://www.oecd.org/dac/aid-architecture/Implementation%20Schedule%20for%20the%20common%20standard%20-%20France%20-VF%20.xls>
- All figures, except the last one, are taken from the AFD Activities Report for 2012. http://www.afd.fr/home/presse-afd/communiqués?requestedYear=tech_year_2013#, p. 7
- ONE's calculation was based on the figures of the Global Fund: 4.2 million HIV-positive people are receiving antiretroviral treatment thanks to funding from the Global Fund. In 2013, France's contribution represents 12.75% of all contributions received, both private and public.
- ODA consists of a mix of grants and loans. However, only the concessional part of loans is funded through the national budget, the rest being borrowed on financial markets. The 'financial effort' is an estimate of the real cost of ODA to the national budget. It is important to stress that in its framework document on development cooperation, France has set its aid objectives in terms of 'financial effort', but without setting out how this is calculated. ONE has defined 'financial effort' as bilateral grants, disbursements to multilateral agencies, the concessional part of loans (as defined by the OECD) and humanitarian and food aid.
- The 'financial effort' of the UK amounted to 99% in 2010 and that of Germany to 82%. Calculated by ONE, based on DAC figures.
- The percentage is based on the 'Cross-Cutting Policy Document', 2013 (op. cit.), p.88.
- These percentages are based on French budget documents and not on DAC figures. Within the category of grants, ONE includes AFD project grants, technical assistance, aid channelled through NGOs and Priority Solidarity Fund grants (Fonds de Solidarité Prioritaire, or FSP).
- Some 1.6 billion people live in countries classified as rich in natural resources (excluding Brazil, China and the United States). Approximately 400 million people in these countries survive on less than \$1.25 a day, while 640 million people, approximately 40% of this number, have to live on less than \$2 a day.
- Any major company registered in the EU or any publicly listed company in any of the member states.

28. Speech of the President of the Republic at the Summit of La Francophonie, 13 October 2012. <http://www.elysee.fr/declarations/article/discours-du-president-de-la-republique-a-l-occasion-du-sommet-des-chefs-d-etat-et-de-gouvernement-de-la-francophonie/>
29. Under the Capital Requirement Directive (CRD IV). Amendments in the same direction had been proposed and approved previously by the French Parliament within the framework of banking reform.
30. Presentation by the Prime Minister, 10 April 2013. <http://www.gouvernement.fr/gouvernement/la-transparence-de-la-vie-publique-et-le-renforcement-des-moyens-de-lutte-contre-la-gra>. "France will propose, always within the framework of the European Union, the existing transparency obligation imposed on the banks to be extended to all companies."
31. According to conservative estimates, Africa may have lost \$51 billion in 2010 due to illicit financial flows. Global Financial Integrity. <http://iffdec2011.gfintegrity.org/>
32. Some innovative financing can be counted as ODA.
33. According to the 'Cross-Cutting Policy Document', 2013 (op. cit.), p.15. €844.9 million was disbursed in 2010 and 2011 and at least €420 million in 2012.
34. In 2010 the biggest recipients were Angola, South Africa and Senegal.
35. OOFs are official sector transactions with recipient countries that do not meet ODA eligibility criteria (being not primarily aimed at development and/or having a grant element of less than 25%). This chart represents net OOFs, which include repayments of previous loans to the donor. However, because OOFs are predominantly repayable loans that are less concessional than those that qualify as ODA, the difference between net and gross flows is likely to be greater than for ODA. Indeed, for France especially, the difference is significant. France's net OOFs have been negative since 2009, but its gross OOFs have been quite substantial – totalling as much as €1.88 billion in 2005, and €382 million in 2011 (2012 prices). See OECD DAC Table 2a.
36. 'Cross-Cutting Policy Document', 2013, p.52.
37. 2012 prices. UNITAID, 'Audited Financial Report for the Period 2010–2011'. www.unitaid.eu/images/budget/Financial%20Statements%202010%202011%20final%20%2028%2003%202012%20with%20auditors%20opinion.pdf
38. http://www.developpement-durable.gouv.fr/IMG/pdf/CP_DGAC_taxe_solidarite_vf.pdf
39. http://www.developpement-durable.gouv.fr/IMG/pdf/CP_DGAC_taxe_solidarite_vf.pdf
40. 2012 prices. See GAVI Alliance, 'Annual Donor Contributions to GAVI 2000–2031 as of 31 December 2012' (op. cit.). Converted to euros using 2012 exchange rates sourced from OECD DAC. According to the 'Cross-Cutting Policy Document', 2013 (op. cit.), France expects a disbursement of €54 million in 2013.
41. 2012 prices. GAVI Alliance: 'Annual Donor Contributions to GAVI 2000–2031', op. cit.
42. 2012 prices. GAVI Alliance: 'Annual Donor Contributions to GAVI 2000–2031', op. cit.
43. 'Cross-Cutting Policy Document', 2013 (op. cit.), p.70.
44. Completed C2Ds were signed with the following countries: Ghana, Madagascar, Mauritania, Mozambique, Uganda, Tanzania, Bolivia, Nicaragua and Cameroon. See 'Cross-Cutting Policy Document', 2013 (op. cit.), p.92.
45. France has ongoing C2Ds with Ghana, Madagascar, Mauritania, Mozambique, Burundi, Congo, Rwanda, Malawi, Cameroon, Tanzania, Honduras and Liberia. Contracts fall within the sectors of education, health, agriculture and food safety, sustainable development or support to growth, or are multi-sectoral. See 'Cross-Cutting Policy Document', 2013 (op. cit.), p.92.
46. AFD, 'Decentralized Cooperation in Water and Sanitation Sector – 2010 Assessment', October 2011, p.4. http://www.pseau.org/outils/ouvrages/pseau_bilan_coopdec2010.pdf
47. AFD, 'Decentralized Cooperation in Water and Sanitation Sector – 2010 Assessment', October 2011, p.5. http://www.pseau.org/outils/ouvrages/pseau_bilan_coopdec2010.pdf
48. To reach this target, €6.68 billion is needed in ODA increases, but the government's 'financial effort' will be lower if France continues to channel parts of its aid via loans.
49. The projection for 2013 has been taken from the 'Cross-Cutting Policy Document', 2013 (op. cit.). As the projection for 2013 is not sufficiently detailed to exclude debt relief, exceptionally ONE has used figures that include debt relief.
50. According to government projections, France will reach 0.48% ODA/GNI in 2015, though this figure includes debt relief. In addition, the government expects an increase in ODA loans of 24% between 2013 and 2015 and at the same time a decrease of 5% in overall ODA (not including leverage effects, i.e. fiscal effort), meaning that the increase will not involve an increased fiscal effort for the poorest people ('Cross-Cutting Policy Document', 2013, op. cit., p.84).
51. 'Speech of the President at the Closing Ceremony of the Conference on Development and International Solidarity' (op. cit.).
52. A 'programme law' is a law that defines the objectives of public policy: http://www.assemblee-nationale.fr/connaissance/lexique.asp#P58_10004
53. <http://www.one.org/fr/blog/one-vote-2012-francois-hollande-en-deuxieme-position/>

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