

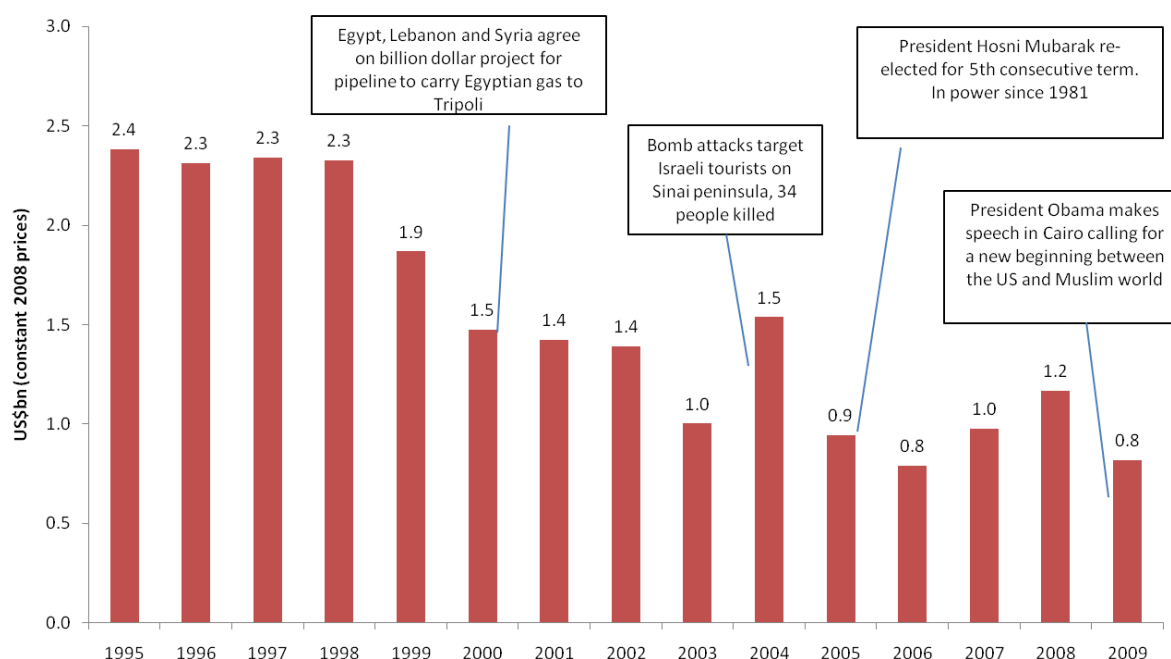
# Briefing Paper

## Egypt Aid Factsheet 1995-2009

### Trends in Overseas Development Assistance

#### How much has been spent on development aid to Egypt?

In 2009 Egypt received more than US\$0.8 billion of official development assistance (ODA) from donors, the lowest volume of aid since 2006 and representative of consistently falling levels since the late 1990s when it had steady levels of US\$2.3 billion each year.



**Figure 1: Development aid to Egypt, 1995-2009**

Source: Development Initiatives based on OECD DAC (constant 2008 prices) data, (excluding debt relief)

During this same period Egypt has made substantial repayments on ODA loans back to donor countries, as much as US\$700 million a year. In fact since 1995 the country has repaid more than US\$7 billion in gradually increasing instalments which account for some but not all of the decreasing net development aid.

Over the last 15 years Egypt has slipped down the aid rankings. Between 1995 and 1999 Egypt was consistently one of the top three recipients of ODA (excluding debt relief). By 2009 it had slipped to 31<sup>st</sup>. In terms of total volume over 1995-2009 it has received the 11<sup>th</sup> highest volume of development assistance of any country.

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	2009	Rank 2009 (out of 183)	1995- 2009	Rank 1995 - 2009 (out of 183)
Afghanistan	6183.8	1	30,623.9	3
Ethiopia	3940.0	2	27,730.1	6
Viet Nam	3717.3	3	30,462.8	4
Palestine/OPT	3103.6	4	21,123.1	12
Tanzania	3034.1	5	26,195.5	7
Pakistan	2850.6	6	24,196.6	8
Iraq	2786.9	7	35,217.6	1
India	2459.5	8	28,643.6	5
Sudan	2356.1	9	15,985.0	16
DRC	2289.3	10	13,352.8	19
Mozambique	2085.2	11	22,852.4	10
Uganda	1846.7	12	19,567.8	14
Kenya	1825.9	13	13,106.3	21
Nigeria	1714.6	14	8,940.5	37
Ghana	1629.4	15	16,048.2	15
Turkey	1376.0	16	7,279.5	43
Zambia	1302.2	17	15,070.3	17
Bangladesh	1297.2	18	22,955.2	9
China	1167.0	19	33,428.3	2
Indonesia	1162.6	20	21,079.2	13
Haiti	1122.0	21	7,931.0	40
Burkina Faso	1108.4	22	10,999.2	27
South Africa	1097.9	23	12,058.5	24
Colombia	1070.4	24	8,964.6	36
Senegal	1041.7	25	11,506.5	26
Mali	1010.9	26	10,778.1	28
Rwanda	965.7	27	9,428.3	34
Georgia	927.5	28	6,362.9	48
Morocco	923.9	29	12,894.5	22
Nepal	884.1	30	8,555.6	39
Egypt	819.0	31	22,756.3	11
Malawi	806.2	32	9,842.1	31
Kosovo	798.5	33	802.1	123
Nicaragua	798.5	34	11,855.4	25
Jordan	773.5	35	10,372.4	30

**Figure 2: Where Egypt ranks with other recipients of development aid 1995 -2009**

Source: Development Initiatives based on OECD DAC (constant 2008 prices) data, excluding debt relief

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## Who are the major donors?

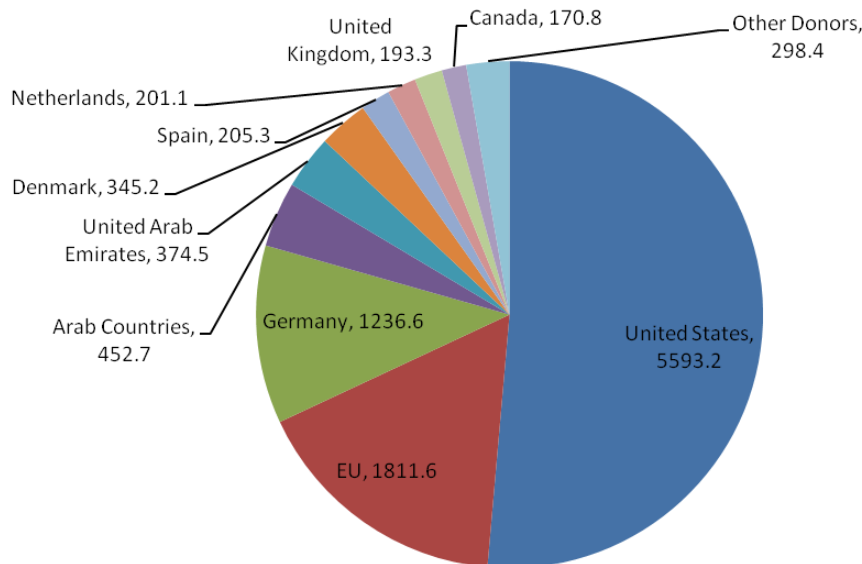
The donor profile for Egypt is remarkably uniform. The United States has been Egypt's most significant donor in eight of the last ten years. The United States, European Union and Germany have been Egypt's top three donors in each of the last 6 years.<sup>1</sup>

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
US 776.6	US 754.0	US 996.1	US 509.3	US 789.7	US 435.8	EU 274.6	US 472.3	US 470.8	EU 210.0
EU 134.9	Germany 185.6	Germany 101.4	Arab countries 123.4	EU 232.1	EU 226.3	US 205.5	EU 237.6	EU 203.6	US 182.7
Germany 111.9	EU 132.7	EU 76.6	Germany 103.1	Germany 100.9	Germany 102.6	Germany 138.1	Germany 136.1	Germany 142.2	Germany 114.7

**Figure 3: Top three development aid donors to Egypt 2000 – 2009 (US\$m)**

Source: Development Initiatives based on OECD DAC (constant 2008 prices) data

These three donors account for a huge proportion of aid to Egypt. Over the last ten years the United States has accounted for over 51% of all development aid to the country, the EU nearly 17% and Germany over 11%. In total these three donors have accounted for over 79% of all aid to the country since 2000.



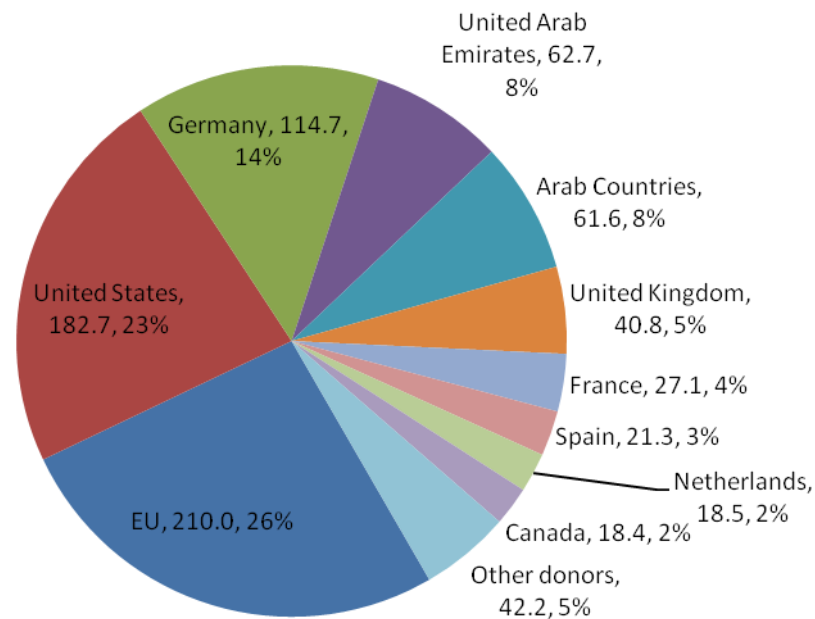
**Figure 4: Top 10 development aid donors to Egypt over the last 10 years 2000-2009 (US\$m)**

Source: Development Initiatives based on OECD DAC (constant 2008 prices) data

<sup>1</sup> Only bilateral aid is considered from country donors. Aid delivered indirectly through contributions to multilateral agencies ('imputed multilateral aid') has not been included.

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The data for 2009 does suggest a slight drop in the proportion of aid from these donors. In this year they account for just 66% of total development aid. There were substantial contributions from the UAE, Arab Countries (Saudi Arabia and Kuwait) and the United Kingdom in this year. Yet at the same time aid remains concentrated among major donors. The top ten account for 95% in 2009; over the entire period they account for 97% of all development funding.



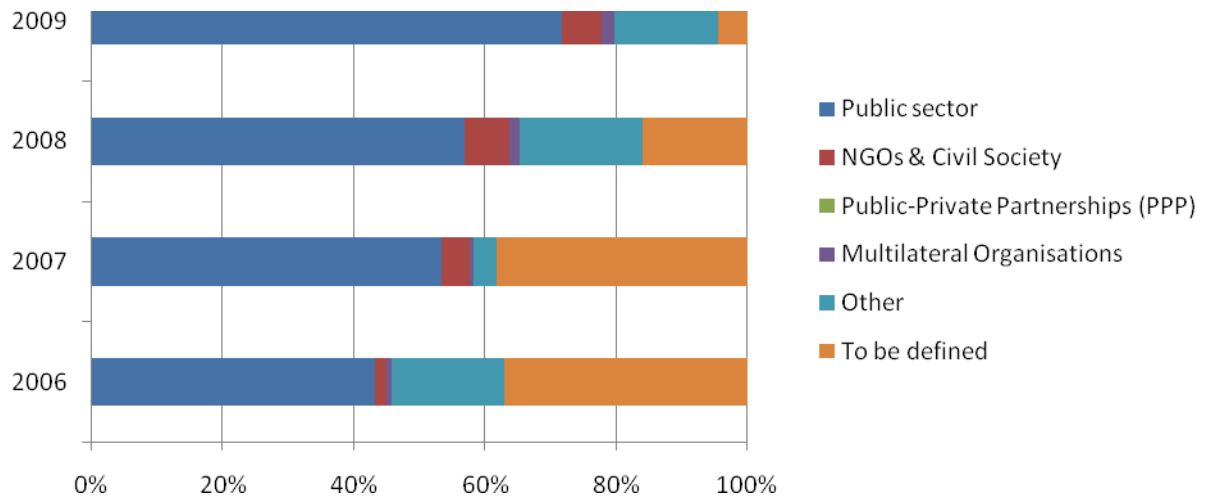
**Figure 5: Top 10 development aid donors to Egypt, 2009 (US\$ m)**

Source: Development Initiatives based on OECD DAC (constant 2008 prices) data

## Who is spending the money?

Most of the aid for Egypt is channelled through the public sector. This can mean money delivered through either the Egyptian government or the donor country itself. For example in 2009 donor funding went to the Ministry of Education for primary and secondary level education, to the Ministry of Water Resources and Irrigation for hydropower projects and to the Ministry of Health for radiology equipment and training. Meanwhile several donor governments channelled some of their aid through some part of their own government structure.

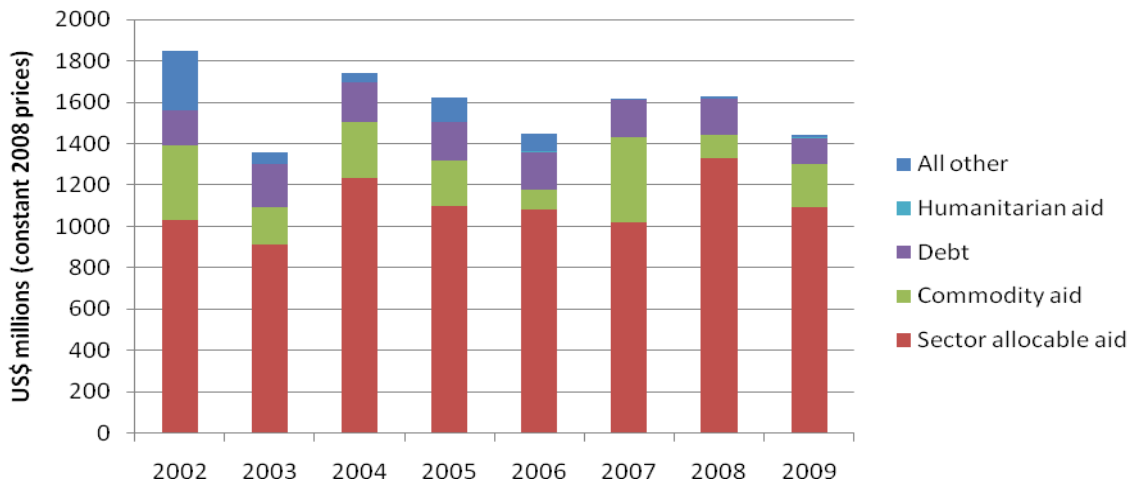
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**Figure 9: First-level recipients of development aid, 2006-2009.**

Source: Development Initiatives based on OECD DAC CRS (constant 2008 prices) data.

## What is the money spent on?

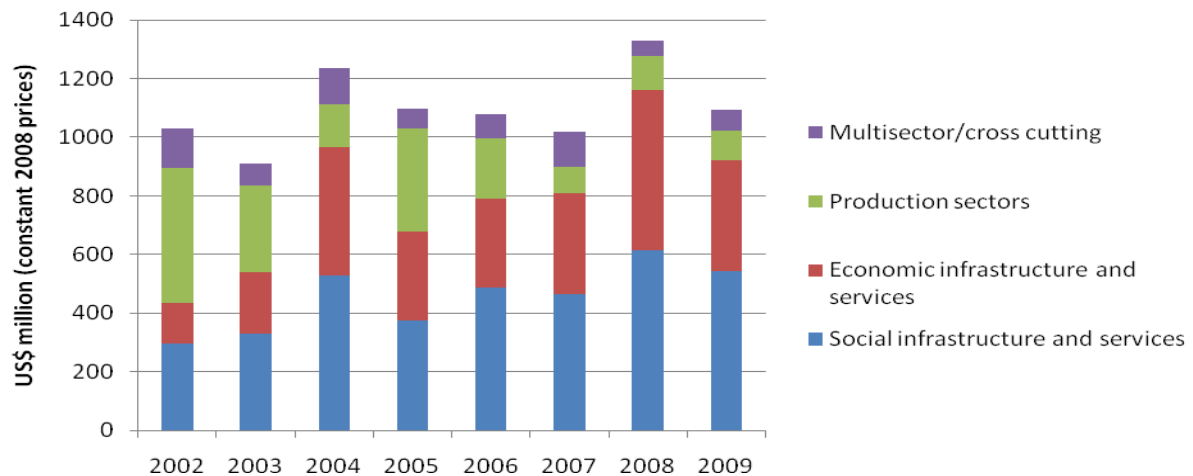


**Figure 6: Breakdown of types of aid to Egypt**

Source: Development Initiatives based on OECD DAC CRS (constant 2008 prices) data

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Sector allocable aid accounts for the vast majority of assistance, with very little financing for humanitarian interventions, just US\$71.2 million of the US\$22 billion spent over the period 1995 to 2009 and only US\$8.8 million since 2002.

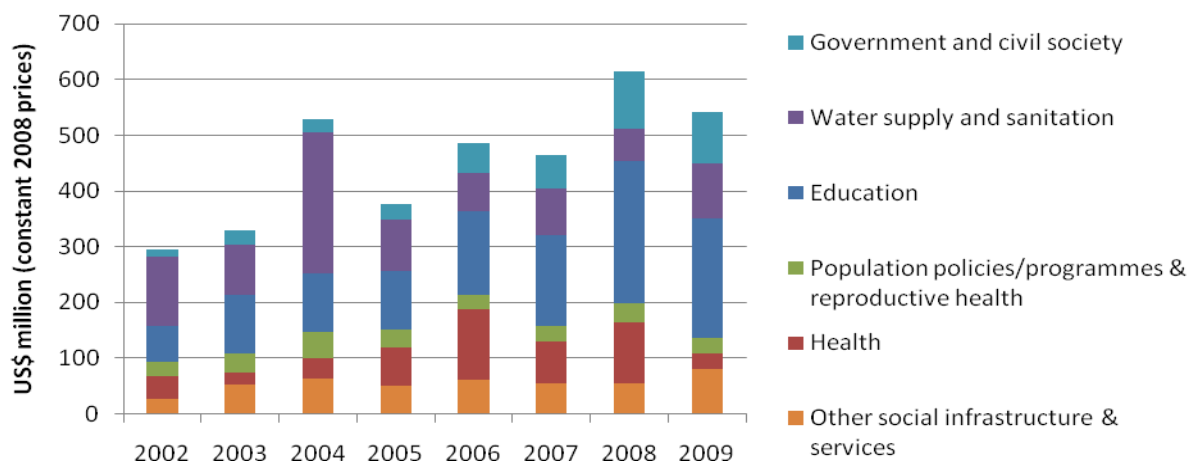


**Figure 7: Breakdown of sector allocable aid 2002-2009**

Source: Development Initiatives based on OECD DAC CRS (constant 2008 prices) data

Of the funding for specific sectors, social infrastructure and services have received the largest proportion of funding, followed by economic infrastructure.

Within social infrastructure, education has accounted for an increasing share of aid, with substantial volumes going to water/sanitation and health.



**Figure 8: Breakdown of social infrastructure and services sector**

Source: Development Initiatives based on OECD DAC CRS (constant 2008 prices) data

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## Aid Dependence

Although there has been plenty of discussion in the last week on the importance of aid to Egypt, it in fact receives a very small amount of aid in comparison to its Gross National Income (GNI). The graph below positions Egypt in relation to other countries with regard to how much development aid would be as a % equivalent of GNI. It ranks only 88<sup>th</sup> in the world.

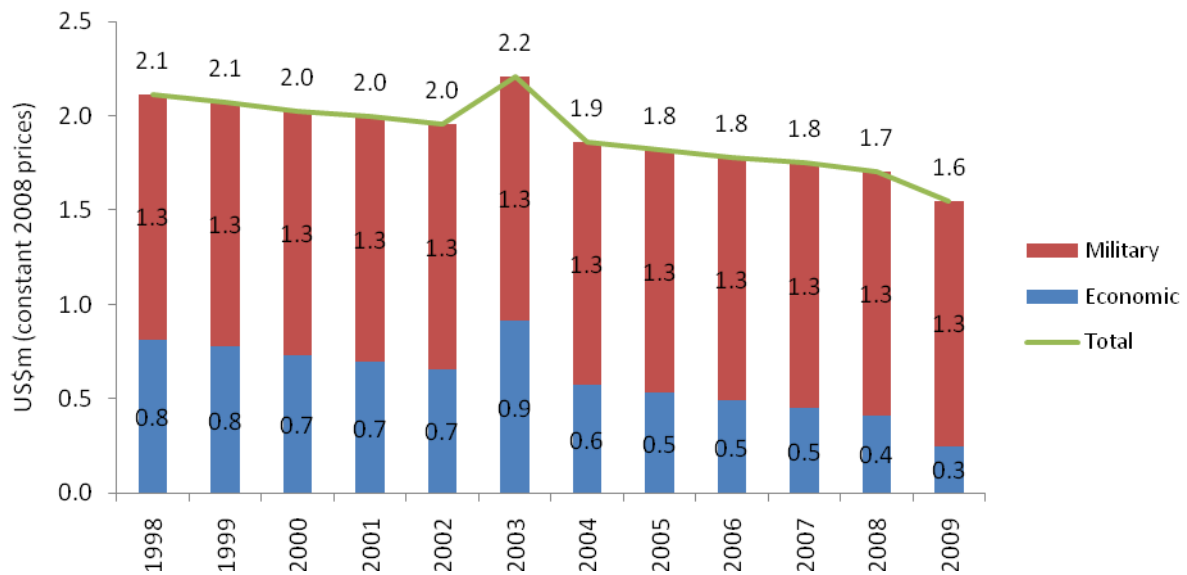
Country	ODA (ex DR)% of GNI	Rank
Liberia	44%	1
Solomon Islands	36%	2
Micronesia, Fed. States	33%	3
Afghanistan	30%	4
Marshall Islands	26%	5
Rwanda	11%	12
Sierra Leone	10%	16
Congo, Dem. Rep.	10%	17
Haiti	9%	20
Timor-Leste	8%	21
Georgia	5%	31
Sudan	4%	43
Guyana	4%	44
Lebanon	3%	56
Bangladesh	1%	76
Cote d'Ivoire	1%	79
Pakistan	1%	87
Egypt	1%	88

## United States Aid to Egypt

The United States' aid to Egypt that is often talked about in the press and by commentators is actually different to development aid<sup>2</sup>. In this case the discussion is about total volumes of contributions by the United States to the country and in particular military funding. The Congressional report on US funding to Egypt has detailed the volume of money since 1998. This shows a larger picture of US assistance to Egypt, and includes funds that are not classified as ODA. In particular the volume of military funding stands out: in each of the last 12 years the United States has granted US\$1.3 billion of military aid each and every year, equalling more than US\$15 billion over the period.

<sup>2</sup> For details of what constitutes development aid and what does not please see [Using OECD DAC Aid Statistics](#).

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**Figure 10: Military and Economic funding from the United States to Egypt 1998-2009**

Source: Congressional Research Service Report on Egypt: <http://www.fas.org/sgp/crs/mideast/RL33003.pdf>

## Egypt's Basic Indicators

Indicator Type	Data and Rank	Source
Life expectancy at birth (years)	69 in 2008, ranked 108 of 188	World Health Organization, 2008
Poverty headcount ratio at \$1.25 a day	2% of population in 2005, ranked 10 of 120	World Development Indicators, World Bank, 2010
Adult literacy rate (% ages 15 and above)	66.4% in 2006, ranked 158 of 190	UNESCO (2010)
GINI index (measure of equality)	Ranked 23 of 142 in 2007	World Development Indicators, World Bank, 2007
Human Development Index	Ranked 101 of 169 in 2010	Human Development Report, 2010
Refugees originating from Egypt	6,990 in 2009, ranked 58 of 190	UNHCR, 2009
Refugees residing in Egypt	94,406 in 2009, ranked 27 of 161	UNHCR, 2009
Under-5 mortality rate (probability of dying by age 5 per 1000 live births)	23 in 2008	WHO
Global Peace Index	Ranked 49 out of 149	Institute for Economics & Peace, 2010
Corruptions perception index	Ranked 98 out of 178 in 2010	Transparency International, 2010



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