

CHAPTER V

DISTRIBUTION OF ASSISTANCE TO COMMONWEALTH RECIPIENT COUNTRIES

Total ODA Receipts

The overall receipts of net ODA by Commonwealth developing countries from the four major Commonwealth donors in 1974 amounted to \$1,008.3 million as compared with \$757.5 million in 1973, an increase in current prices of 33 per cent. (Table 13).

Commonwealth countries in Asia received the largest share of net ODA flows from Commonwealth donor countries in 1974 with receipts of \$394.3 million, (\$260.6 million in 1973). India was the largest single recipient in this area with receipts of \$261.6 million, followed by Bangladesh with \$96.3 million. There was a sharp reduction in receipts by Singapore where there was a decline from \$18.3 million in 1973 to \$4.1 million in 1974.

Although in terms of population and incomes countries in Asia would be expected to receive the largest share of ODA, when measured in per capita terms, these countries did not show the greatest receipts. Indeed, on a per capita basis, countries in Asia received the lowest per capita ODA flows in 1974. Commonwealth recipients in Oceania received \$305.6 million; as in previous years, this was largely due to Australian ODA flows to Papua New Guinea where the increase was from \$192.6 million to \$254.1 million, 32 per cent. In 1973, total net ODA receipts by Oceania amounted to \$239.4 million, the 1974 total representing an increase of 27.6 per cent.

African Commonwealth developing countries received \$188.4 million in 1974 as compared with \$158.9 million in 1973, an increase of 18.5 per cent. For most countries, receipts did not vary much from the pattern of 1973, with the exception of Tanzania and Zambia where there were increases in receipts from \$13.3 million to \$34.5 million and \$16.2 million to \$23.3 million respectively.

For the remaining Commonwealth countries in Europe and America receipts were approximately the same as in 1973, with receipts in Europe totalling \$15.2 million in 1974 as against \$17.8 million in 1973, and in America amounting to \$61.0 million in 1974 as compared with \$57.3 million in 1973.

Of the \$1,008 million in ODA received by Commonwealth developing countries in 1974, \$701 million was in the form of grants and \$308 million in the form of net loans.

Grants

Grants by Commonwealth donors to Commonwealth developing countries increased from \$547.2 million in 1973 to \$700.6 million in 1974, or 28 per cent. (Table 14).

The main recipient area in 1974 was Oceania, with grants totalling \$302.5 million, an increase of 28.9 per cent over the 1973 total of \$234.7 million. Again this 1974 total reflects the volume of flows from Australia to Papua New Guinea with a grant total of \$256.4 million in 1974. Grants to Papua New Guinea from Australia in 1973 totalled \$189.5 million.

Total grants to Asia from Commonwealth donors amounted to \$172.6 million in 1974 as against \$94.5 million in 1973. Both Bangladesh and India received large increases in the flow of grants, rising from \$51.8 million in 1973 to \$92.4 million (40.6 per cent) and from \$16.4 million to \$54.2 million respectively. In the case of Bangladesh the increase was due mainly to a sharp rise in grants from Australia which rose from \$4.1 million in 1973 to \$31.9 million in 1974. As far as India is concerned, the increase was largely attributable to flows from Canada, which rose from \$11.5 million in 1973 to \$44.1 million in 1974.

Grants to Commonwealth countries in Africa in 1974 increased only slightly from \$118.5 million in 1973 to \$123 million. Countries which received noticeably different amounts were Ghana, where grants rose by 68.7 per cent in 1974 to \$13.5 million as compared with \$7.9 million in 1973, and Zambia where grants fell by 28.2 per cent from \$22.3 million in 1973 to \$16.0 million in 1974.

There was virtually no change in grant receipts by Commonwealth developing countries in America and Europe in 1974. For America the total was \$44.4 million in 1974 as compared with \$44.5 million in 1973 and virtually the same distribution among recipients, while in Europe total grants fell from \$16.7 million in 1973 to \$14.5 million in 1974.

Loans

Loans to developing Commonwealth countries were provided primarily by Britain and Canada. In 1974, gross loans amounted to \$394.0 million as against \$311.5 million in 1973, an increase of 26.4 per cent. The table below sets out the regional distribution of gross loans, amortization and net flows. Details of gross loans and amortization may be seen in Tables 16 & 17.

	<u>Loans \$US million</u>					
	<u>Gross</u>		<u>Amortization</u>		<u>Net</u>	
	<u>1973</u>	<u>1974</u>	<u>1973</u>	<u>1974</u>	<u>1973</u>	<u>1974</u>
Africa	81.2	99.1	40.8	33.7	40.4	64.4
America	19.2	22.3	6.4	5.8	12.8	16.5
Asia	204.6	264.8	38.5	43.0	166.1	221.8
Oceania	5.0	5.6	0.35	2.5	4.65	3.1
Europe	1.3	1.3	0.15	0.67	1.15	0.63
Unspecified	0.22	0.80	15.0	0.44	-14.8	-0.36
Total	311.5	394.0	101.3	86.2	210.2	307.8

Commitments

Bilateral ODA commitments from Commonwealth donors rose from \$1,007.3 million in 1973 to \$1,233.4 million in 1974, an increase in nominal terms of 22.4 per cent. (Table 18).

The largest share of this increase went to Asia, where commitments to India rose from \$197.3 million in 1973 to \$341.5 million in 1974. This was followed by commitments to Bangladesh where the increase was from \$66.2 million in 1973 to \$106.1 million in 1974. In percentage terms, the increases were of the order of 73.1 per cent and 60.0 per cent respectively. In both cases also, the main source of these commitments was Britain.

Commitments to Oceania rose from \$298.5 million in 1973 to \$344.5 million in 1974. With the exception of the Gilbert and Ellice Islands, all countries in the region received increased commitments over 1973. Both Fiji and the British Solomon Islands recorded increases in commitments of more than 50 per cent above their 1973 amounts (from \$8.7 million to \$13.8 million and \$13.6 million to \$20.1 million respectively), while commitments to New Hebrides more than doubled from \$2.2 million to \$6.1 million.

In Africa total commitments fell slightly from \$288.1 million in 1973 to \$285.5 million in 1974. The decline was most noticeable in the cases of Botswana where commitments fell from \$24.7 million in 1973 to \$3.3 million in 1974, in Zambia from \$63.1 million in 1973 to \$26.3 million in 1974 and Tanzania where the fall was from \$49.7 million to \$33.4 million. These and other decreases in commitments were partially offset on a regional basis by increases to Kenya, from \$20.5 million in 1973 to \$88.0 million in 1974 and to Malawi from \$15.2 million to \$38.7 million in 1974.

Total Commonwealth commitments to America declined by 25 per cent from \$83.0 million in 1973 to \$66.6 million in 1974. Commitments to Barbados virtually vanished with a fall from \$16.2 million in 1973 to \$0.80 million in 1974 while in Guyana there was a fall from \$12.6 million to \$2.7 million. Increases were recorded for Jamaica, from \$5.7 million in 1973 to \$9.2 million in 1974 (61 per cent), Trinidad and Tobago from \$3.0 million to \$5.1 million (76 per cent), while commitments to the Falkland Islands rose dramatically from \$0.38 million in 1973 to \$5.8 million in 1974.

Technical Assistance

Disbursements on account of technical assistance from the four major Commonwealth donors showed a slight increase in 1974 when flows amounted to \$276.5 million as compared with \$257.2 million in 1973.

In geographical terms, the distribution was as follows:

	\$US million	
	<u>1973</u>	<u>1974</u>
Africa	84.9	78.9
America	11.8	11.1
Asia	19.5	20.6
Oceania	101.3	123.9
Europe	0.75	1.2
Unspecified	38.9	40.9

Although full data for New Zealand are not available, it is clear from partial data that the total number of experts provided under intra-Commonwealth technical assistance fell between 1973 when there was a total of 21,313 experts in Commonwealth developing countries (including 119 from New Zealand) and 1974 when this number was reduced to 16,195.