

Chart 1. Trends in ODA to water supply and sanitation

1973-2006, 5-year moving averages and annual figures, constant 2006 prices

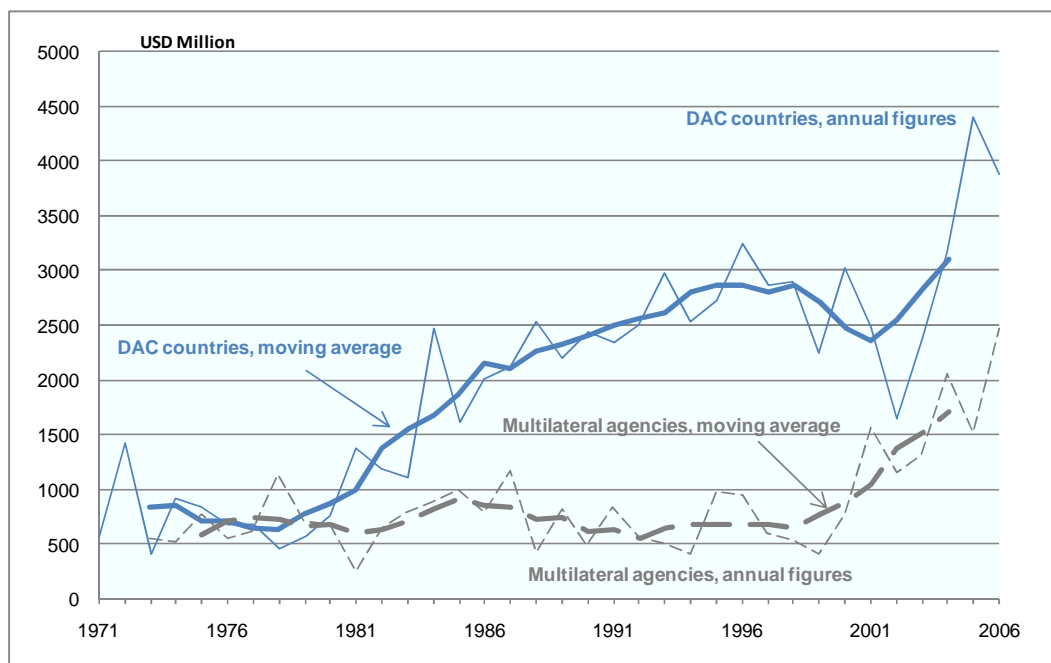


Table 1 below provides the breakdown of aid to water supply and sanitation by individual donors and multilateral institutions.

Out of the total DAC members' aid for water of USD 5 billion over 2005-2006, Japan is the predominant donor accounting for one third, followed by the United States (18%), and the European Commission (EC) (15%). The other major bilateral donors are Germany, Netherlands and France which together account for 20% of total DAC members' aid.

The EC, ranking third among DAC members, also became in 2005-2006 the largest multilateral donor to the water supply and sanitation sector, accounting for 38% of multilateral aid. In previous years, among the multilateral agencies that report to the CRS, IDA was the largest multilateral agency, and it still represented close to 38% of multilateral aid in 2005-2006. The African Development Fund (AfDF) and the Asian Development Fund (AsDF) together account for a further one fourth of multilateral aid.

The largest relative increases in aid commitments to the water sector over the period 2001-2006 came from Japan, the United States, the EC and Denmark which all at least tripled their aid in real terms over the period; Finland doubled its aid commitments; the AfDF and the Netherlands also showed sizeable increases.

The share of aid to water in total bilateral sector-allocable aid is an indication of the extent to which donors' aid programmes focus on water issues, and of the priority these issues are being given. For DAC countries, the share has regularly increased over the period 2001-2006, rising from 6% in 2001-2002 to 9% in 2005-2006. However, similar levels were already observed in the mid 1990's, so there was no increased prioritisation of the water sector over the whole decade 1996-2006.