

Official Development Assistance in the Western Balkans, 1990-2022

A STUDY OF THE LEVELS, SOURCES AND AIMS
OF ODA IN THE WESTERN BALKANS



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Official Development Assistance in the Western Balkans, 1990–2022

Introduction

This paper analyses three decades of official development assistance (ODA) in the Western Balkans, looking at the levels, sources, and goals of ODA disbursed in the region. Under study are the 6 Western Balkan countries: Albania, Bosnia and Hercegovina, Kosovo, Montenegro, North Macedonia, and Serbia. In addition to these countries, this study also analyses ODA in Croatia and Turkey, neighbouring states with higher standards of living yet that share a common history and development path with the Western Balkans (Graph 1) and can offer comparisons and lessons for accelerating development in the Western Balkan countries.

The purpose of this study is to provide an overview of the levels, sources and priorities in official development assistance disbursed to the Western Balkans region over the last three decades. Official development assistance is defined as government aid designed to promote the economic development and welfare of developing countries. This study uses data on ODA from the OECD Official Development Assistance Statistics Database, which is the most comprehensive ODA database available.¹ It is important to note that while the OECD database, and hence also this study, include data from non-DAC reporting countries, they do not include data on official development assistance from China.

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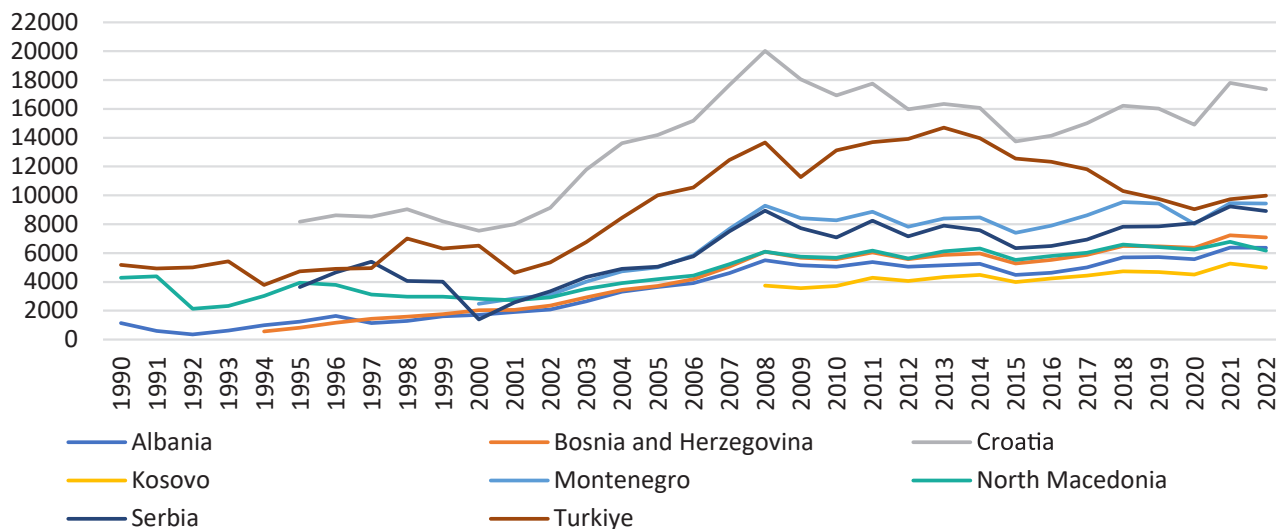
Background

The Western Balkans are an important geo-political region for the European Union, whose socio-economic development is important for peace and stability in the region. Poverty rates in the Western Balkan countries remain high compared to neighbouring countries in Central and Eastern Europe.² Education outcomes are comparatively low in the region, unemployment high and the share of youth not in education, employment or training is also comparatively high. In the region of the Western Balkans, Turkey and Croatia, GDP per capita was stagnant during the turbulent 1990s, then increased (to various degrees) in all countries from 2000/01 to a peak in 2008, followed by another stagnant decade where all countries under study struggled to achieve or surpass the levels of GDP per capita achieved in 2008 (Graph 1).

1 OECD (2024), International Developments Statistics online database. Available at: <https://www.oecd.org/development/financing-sustainable-development/development-finance-data/idsonline.htm>

2 OECD (2021), Multi-dimensional Review of the Western Balkans: Assessing Opportunities and Constraints, OECD Development Pathways, OECD Publishing, Paris, <https://doi.org/10.1787/4d5cbc2a-en>.

Graph 1: GDP per capita 1990-2022, Western Balkans and Croatia, (constant 2021 USD)

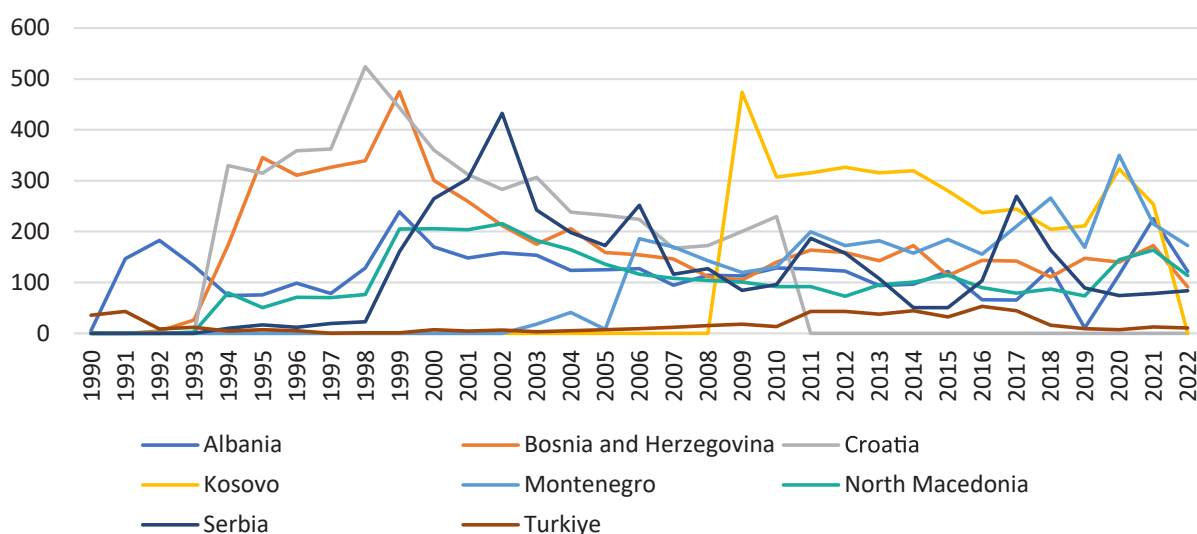


Source: Authors' calculations based on World Bank World Development Indicators

Official Development Assistance in the Western Balkans, 1990-2022

With respect to official development assistance (ODA) disbursed in the region over the period of study, there is great variability between countries and years. From 1990 to 2000, Croatia and Bosnia and Herzegovina received the largest amounts of ODA per capita, likely a reflection of the international community's response to the devastating impact of the Yugoslav war on these two countries and the desire for their integration into the Euro-Atlantic political sphere (Graph 2).

Graph 2: ODA per capita 1990-2022, Western Balkans, Turkey and Croatia (constant 2021 USD)



Source: OECD International Development Statistics, Country Programmable Aid³

3 OECD, International Development Statistics (IDS) online database. Country Programmable Aid. Available at: <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/cpa.htm>

Following the 1999 NATO bombing of Serbia, ODA to that country increased significantly, funded primarily by the European Union and the United States. In the new millennium, Kosovo as a newly independent state from 2008 onwards, received the largest amount of ODA per capita, receiving on average \$US 293.23 per person per year from 2009 to 2021.

The fact that the four countries (Croatia, Bosnia and Herzegovina, Serbia and Kosovo) that stand out as receiving disproportionately large amounts of ODA per capita in the region over the period under study were all war-impact at the time of large ODA disbursements (Graph 2) suggests that large investments of ODA have been used to put out geopolitical fires and secure peace in the region, rather than to pursue development goals per se.

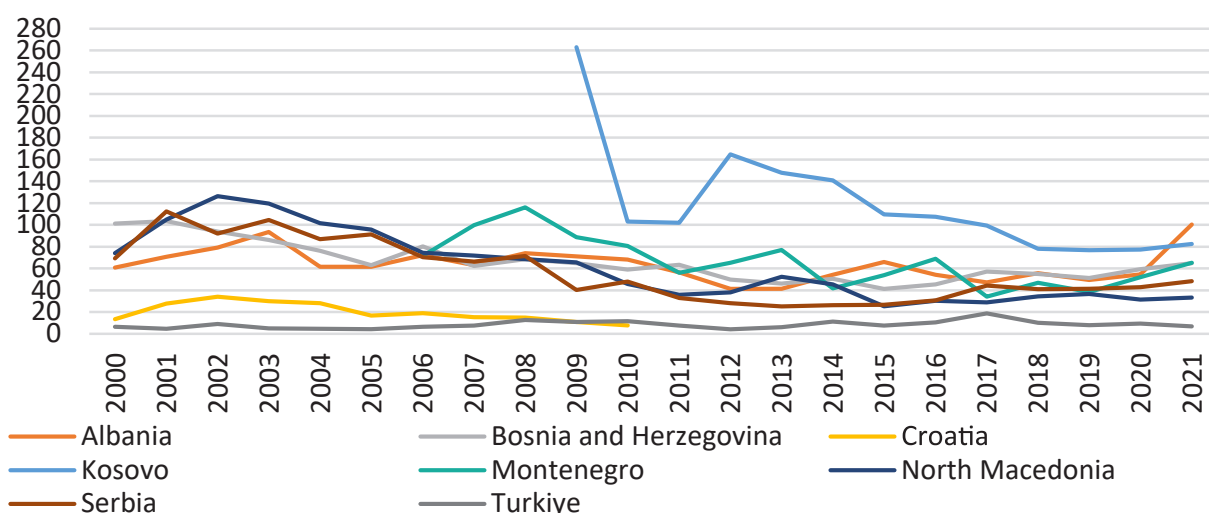
The country programmable aid received by the countries under study is significantly lower than the amount of ODA declared disbursed during the period. According to the OECD:

„Country programmable aid (CPA) is the portion of aid that providers can programme for individual countries or regions, and over which partner countries could have a significant say. Developed in 2007, CPA is a closer proxy of aid that goes to partner countries than the concept of official development assistance (ODA).

CPA reflects the amount of aid that is subjected to multi-year planning at country/regional level, and is defined through exclusions, by subtracting from total gross bilateral ODA that is:

- *unpredictable by nature (humanitarian aid and debt relief);*
- *entails no cross-border flows (administrative costs, imputed student costs, promotion of development awareness, and research and refugees in donor countries);*
- *does not form part of co-operation agreements between governments (food aid and aid from local governments);*
- *is not country programmable by the donor (core funding of NGOs)*

Graph 3. Country Programmable Aid per capita in Western Balkan countries and Croatia (2021 US\$)



Source: OECD International Development Statistics, Country Programmable Aid⁴

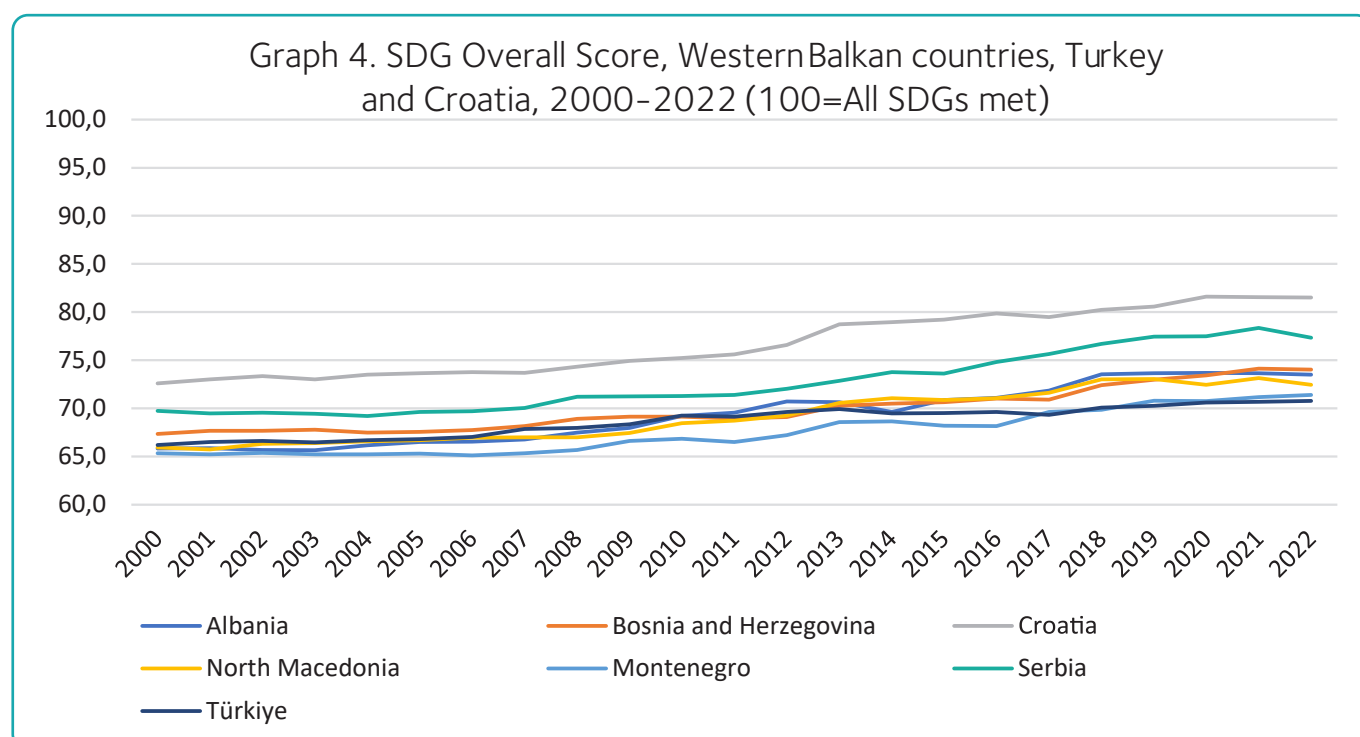
⁴ OECD, International Development Statistics (IDS) online database. Country Programmable Aid. Available at: <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/cpa.htm>

Since country programmable aid represents that portion of aid which the recipient state can tangibly count on, plan for, and represents an actual transfer of funds, it is this aid which is most likely to contribute to long-term sustainable growth. Unfortunately, the share of programmable aid has been very low in the Western Balkans region, not reaching even 50% of total ODA in any of the countries under study. In absolute terms, country programmable aid has been around 60 US\$ per person per year in 5 of the six Western Balkan countries: Albania, Bosnia and Hercegovina, Montenegro, North Macedonia and Serbia. In Kosovo, programmable aid per capita per year is nearly double the rest of the region: at nearly 120 \$US (Table 1).

Table 1. Average annual ODA and CPA per capita, Western Balkan countries, Turkey and Croatia, 2000-2021 (2021 US\$)

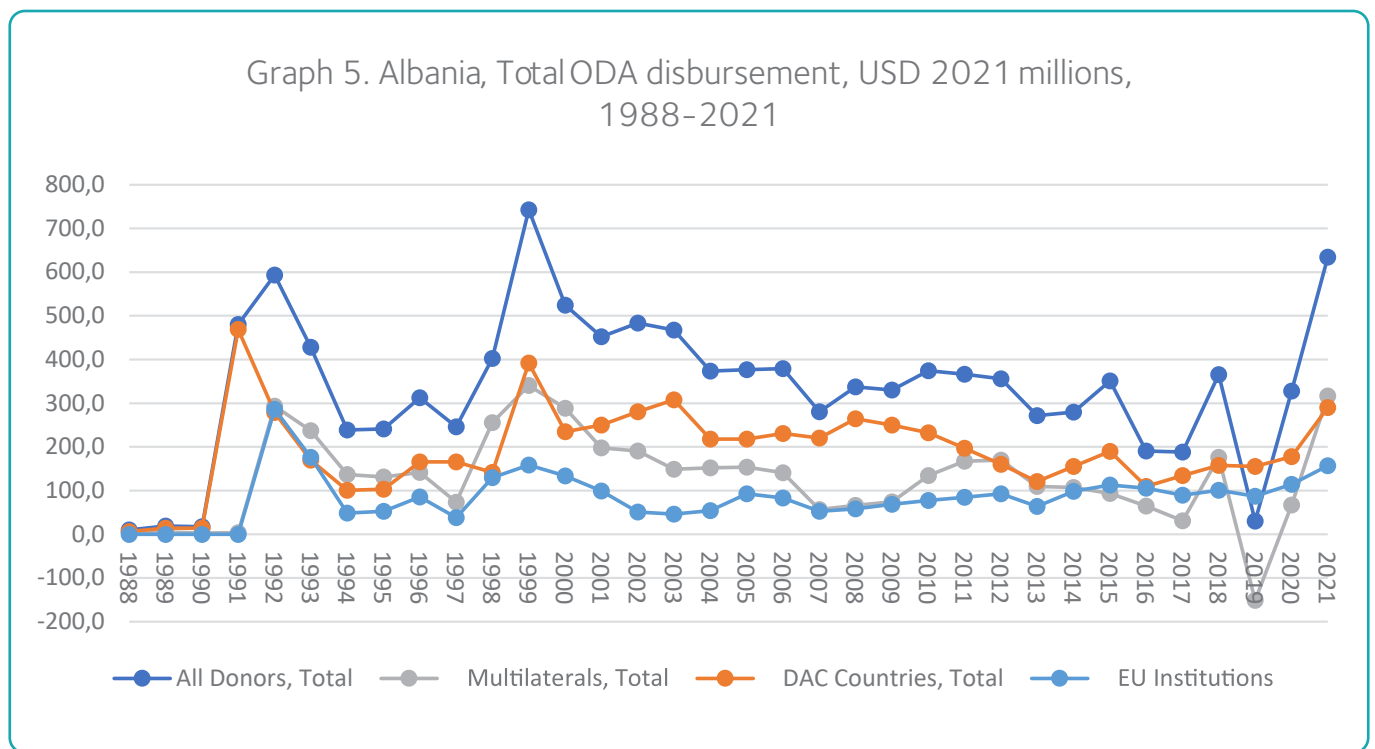
Country	Average annual ODA per capita (\$US)	Average annual CPA per capita (\$US)	CPA as % of ODA
Albania	119.47	58.93	49.33
Bosnia and Hercegovina	162.57	65.59	40.35
Croatia	123.97	19.81	15.98
Kosovo	293.23	119.41	40.72
Montenegro	139.97	65.95	47.12
North Macedonia	124.69	60.91	48.85
Serbia	164.59	56.36	34.24
Turkey	20.21	8.36	41.37

Source: Authors' own calculations based on OECD International Development Statistics



Keeping in mind that official development assistance is meant to contribute to the economic and social development of the recipient country and given the relatively low absolute amounts of programmable aid disbursed in the Western Balkans region in recent decades, it should come as no surprise that progress in meeting the Sustainable Development Goals (SDGs) has also been slow in the region (Graph 4), and not nearly adequate to meet the SDGs by 2023 in any of the countries.

Official development assistance disbursements to Albania, 1988-2021



Source: OECD, International Development Statistics (IDS) online database.

Over the last thirty years, Albania has seen significant developmental progress, becoming a full-fledged democracy and open market economy. Per capita GDP (US\$ 2021) increased from \$1153 in 1990 to \$6362 in 2022, while per capita GDP measured in PPP, international current \$ (to account for differences in purchasing power) increased from \$2550 in 1990 to \$18,603 in 2022.

Albania received two peaks of ODA in the early 1990s (1991-93), after the fall of communism and the first democratic elections in Albania and in the late 90s (1998-2000) following the 1997 Albanian Civil Unrest which led the UN Security Council to dispatch a multinational military force to Albania to oversee the distribution of international humanitarian aid and maintain order (Graph 5). This was amid combat between the Kosovo Liberation Army (KLA) and Serbian Police and Armed Forces in Kosovo in 1998, which led to tens of thousands of refugees fleeing from Kosovo to Albania in that year.

Over the 2000s, Albanian total ODA received declined from a peak of 742.9 mil USD in 1999 to a low of 24.9 mil USD in 2019, prior to increasing again in 2020 and 2021, coinciding with the global response to Covid-19. Over the entire period of study, 1990-2022, the EU institutions have been the largest donor of ODA to Albania, followed by EU member states and the United States (Table 2).

Table 2. Albania Top Donors

	1990-1999		2000-2009		2010-2019	
	TOTAL ODA	3702.64	TOTAL ODA	4006.19	TOTAL ODA	2764.38
1	EU Institutions	997.82	EU Institutions	780.35	EU Institutions	1161.24
2	Italy	942.21	United States	565.97	Germany	403.77
3	World Bank Group	427.25	World Bank Group	516.41	United States	237.5
4	Germany	283.3	Germany	407.21	Italy	233.81
5	United States	226.33	Greece	361.14	Switzerland	215.89
6	Switzerland	101.47	Italy	294.18	Greece	133.05
7	International Monetary Fund	100.58	Switzerland	138.9	Sweden	118.35
8	Greece	84.07	Netherlands	128.3	Türkiye	112.76
9	Austria	80.61	United Nations	100.67	Austria	104.78
10	United Nations	70.71	Sweden	86.79	United Arab Emirates	72.71

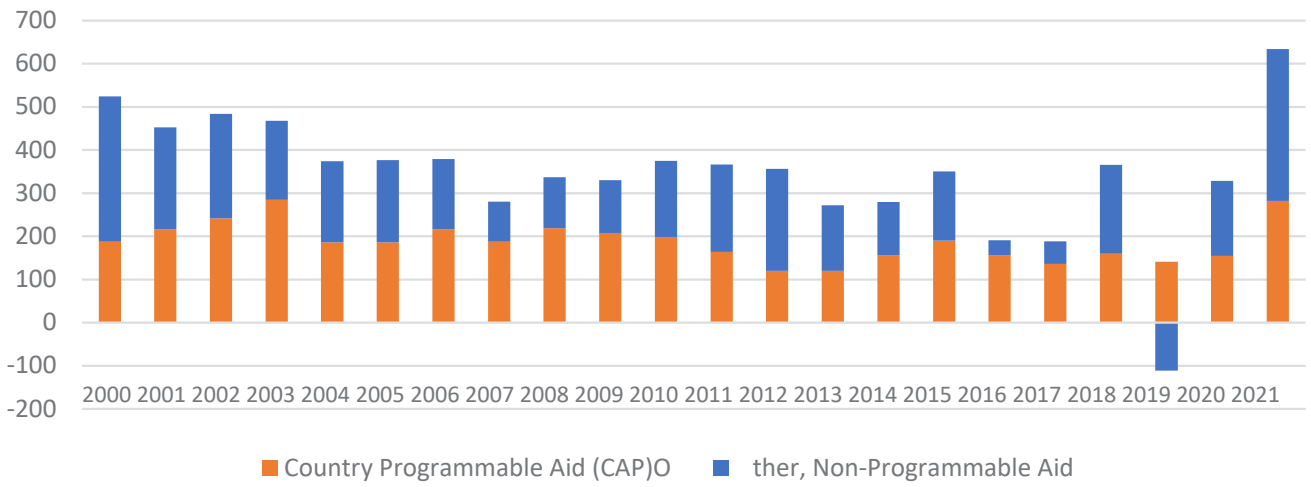
With respect to the priorities of bilateral donors, over the period 2005-2021, donors committed about US\$ 2.5 billion for social infrastructure and services, almost US\$ 1 billion for economic infrastructure and services, and US\$ 787 million for education in Albania. In addition, US\$ 700 million in ODA was committed for energy improvements and US\$ 672 million for water supply and sanitation purposes. Nevertheless, despite these large commitments, the actual amount of ODA disbursed in Albania over the period 2000-2021 averaged US\$ 119.47 per person per year, and CPA over the period averaged US\$ 58.93 per person per year.

Table 3. Albania donations by sector

	2005-2009		2010-2014		2015-2021	
1	Social Infrastructure & Services	821.70	Social Infrastructure & Services	626.65	Social Infrastructure & Services	834.79
2	Economic Infrastructure And Services	263.11	Education	247.78	Water Supply And Sanitation	301.51
3	Education	231.98	Economic Infrastructure And Services	199.37	Economic Infrastructure And Services	267.98
4	Water Supply And Sanitation	225.30	Energy	144.88	Education	251.85
5	Energy	109.85	Water Supply And Sanitation	130.70	Energy	190.37

Source: Authors' calculations based on OECD <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/cpa.htm>

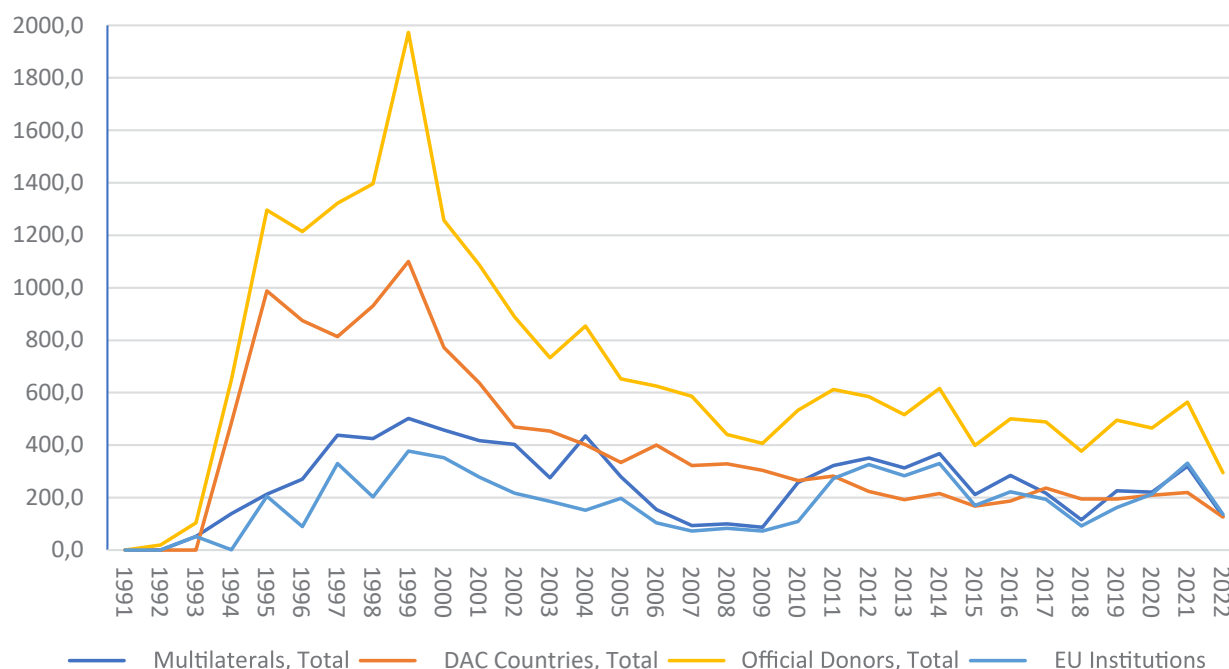
Graph 6. Albania, Programmable and non-Programmable Aid, USD 2021 mil, 2000-2021



Source: Authors' calculations based on OECD <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/cpa.htm>

Official development assistance disbursements to Bosnia and Hercegovina, 1991-2022

Graph 7. Bosnia and Hercegovina, Total ODA disbursement, USD 2021 millions, 1991-2022



Bosnia and Hercegovina began receiving ODA in the early 1990s during the Yugoslav Wars, reaching a peak of 1.973 billion USD in 1999. After the peak of aid and hostilities in 1999, aid disbursements significantly declined from US\$ 1.2 billion in 2000 to US\$ 532 million in 2010. From 2010 to 2020, ODA disbursements oscillated between US\$ 400 and US\$ 600 million per year, before declining to US\$ 295 million in 2022 (Graph 7). EU institutions and the United States (as the main backer of the Dayton Agreement) are the main donors of aid to Bosnia and Hercegovina over the period studied (Table 4).

Table 4. Total and annual ODA disbursed in Bosnia and Hercegovina by period and donor

Period	1990-1999	2000-2009	2010-2019	2020-2022
Total ODA disbursed during period (USD mil.)	7973.2	7530.81	5120.85	1324.83
ODA disbursed annual average (USD mil.)	797.32	753.08	512.09	441.61
Rank	Top donors during period and average annual ODA disbursed to Bosnia and Hercegovina			
1	United States (130.76)	EU Institutions (171.31)	EU Institutions (216.02)	EU Institutions (226.60)
2	EU Institutions (125.69)	United States (89.58)	United States (47.07)	United States (51.40)

3	Netherlands (69.04)	World Bank (73.197)	Germany (39.62)	Germany (39.81)
4	Germany (65.96)	Germany (47.99)	Austria (26.14)	IMF (30.16)
5	Austria (63.82)	Netherlands (42.53)	Switzerland (24.23)	Sweden (25.67)
6	World Bank (53.97)	Sweden (42.08)	Sweden (24.09)	Austria (24.45)
7	Norway (48.28)	Spain (38.12)	Turkey (20.93)	Switzerland (24.40)
8	United Arab Emirates (46.02)	Austria (30.94)	OSCE (14.99)	Croatia (13.47)
9	Sweden (27.64)	Norway (29.53)	Japan (12.16)	OSCE (12.29)
10	Italy (24.79)	United Arab Emirates (24.97)	Norway (10.44)	OPEC Fund (11.69)

Over the period 2005–2021, donors committed about US\$ 2.7 billion for social infrastructure and services, over US\$ 1.2 billion for economic infrastructure and services, and US\$ 806 million for energy purposes in Albania. In addition, US\$ 611 million in ODA was committed for education and US\$ 244 million in humanitarian aid. The amount of ODA disbursed in Bosnia and Hercegovina over the period 2000–2021 averaged US\$ 162.27 per person per year, while the amount of CPA over the period averaged US\$ 65.59 per person per year.

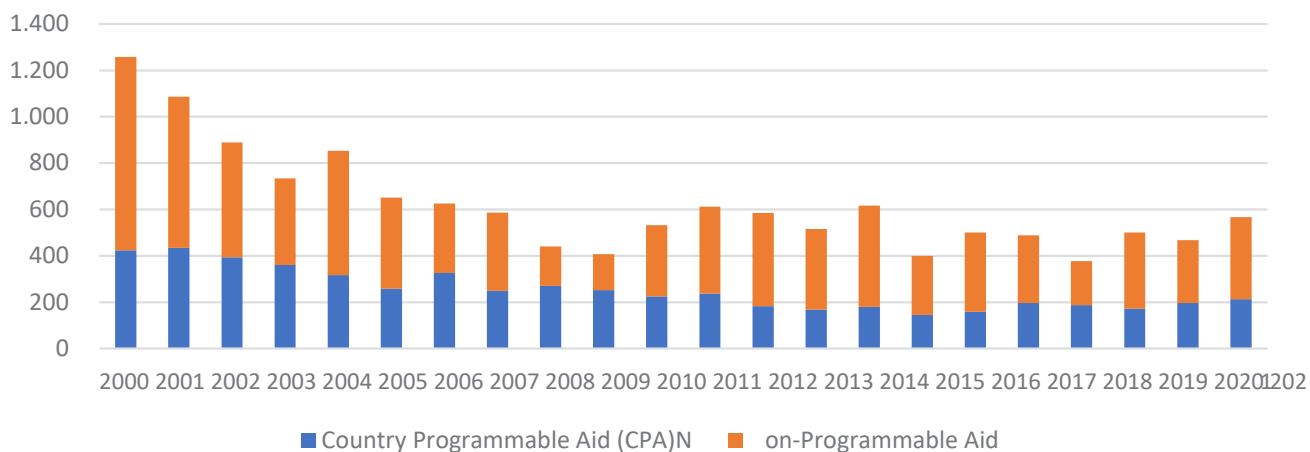
Table 5. Bilateral ODA to Bosnia and Hercegovina, by sector, 2005–2020, USD 2021 mil.

Rank	2005–2009		2010–2014		2015–2020	
1	Social Infrastructure & Services	1,070.85	Social Infrastructure & Services	762.25	Social Infrastructure & Services	745.44
2	Economic Infrastructure and Services	429.07	Economic Infrastructure and Services	577.25	Education	236.81
3	Energy	169.48	Energy	469.25	Economic Infrastructure & Services	215.10
4	Education	153.24	Education	177.36	Energy	166.04
5	Transport and Communications	104.66	Production sectors*	72.73	Water supply and sanitation	65.33

Source: Authors calculations based on OECD International Development Statistics (IDS) online database.

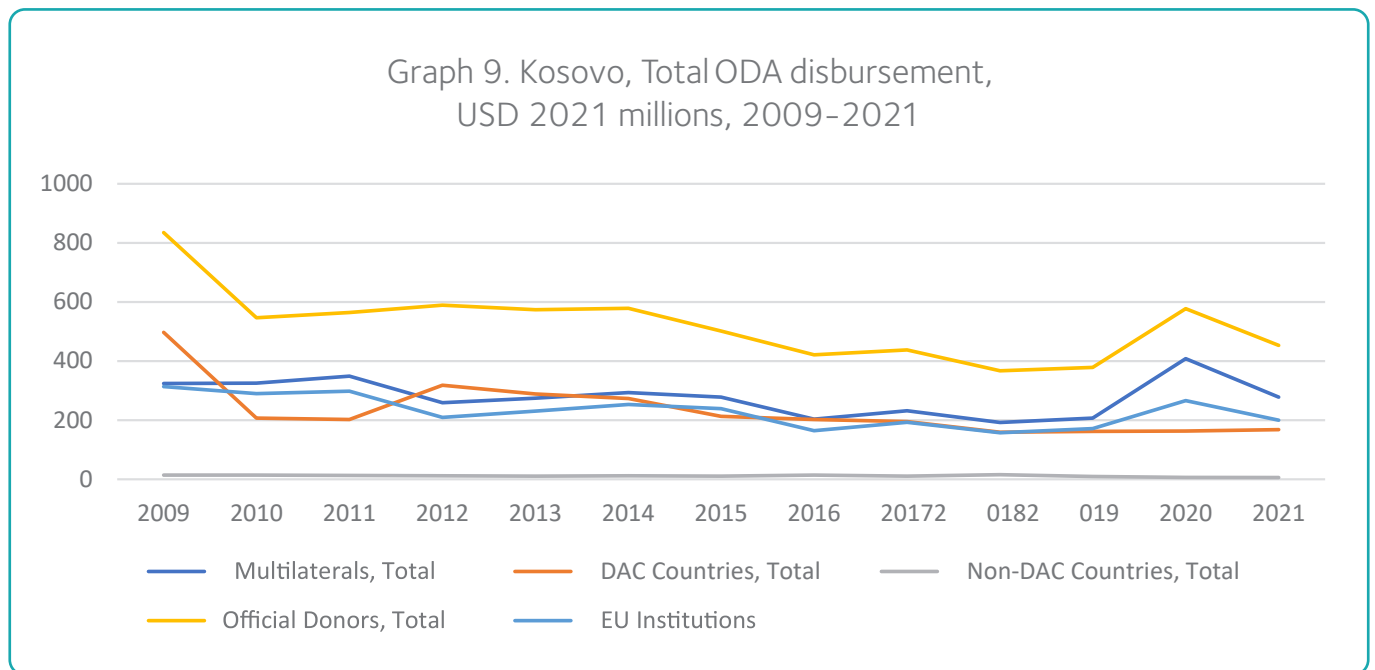
*Production sectors: Agriculture, Forestry, Fishing, Industry, Mining, Construction, Trade, Tourism)

Graph 8. Bosnia and Hercegovina, CPA and total ODA from all donors, USD 2021 mil, 2000-2021



Source: OECD, International Development Statistics (IDS) online database.

Official development assistance disbursements to Kosovo, 2009-2021



Source: OECD, International Development Statistics (IDS) online database.

Kosovo declared independence in 2008 and began receiving ODA from states and multilateral institutions in 2009. Given that it is not yet a member of the United Nations, aid from the UN system directly to Kosovo is technically difficult and often rerouted through other mechanisms. Hence, the data presented does not capture the full picture of what is happening on the ground in Kosovo. Nevertheless, it is clear that over the period 2009 to 2019, EU institutions and DAC countries provided the vast majority of aid disbursed in Kosovo and provided relatively similar amounts of aid (from DAC member countries on the one hand, and the EU institutions on the other). With respect to top donors of aid to Kosovo, the EU institutions provided the most aid over the period 2009-2021 with almost US\$ 3 billion in aid disbursed, followed by the United States with US\$ 941 million disbursed in Kosovo over the period, and Switzerland and Germany each donating a little over US\$ 500 million over the period.

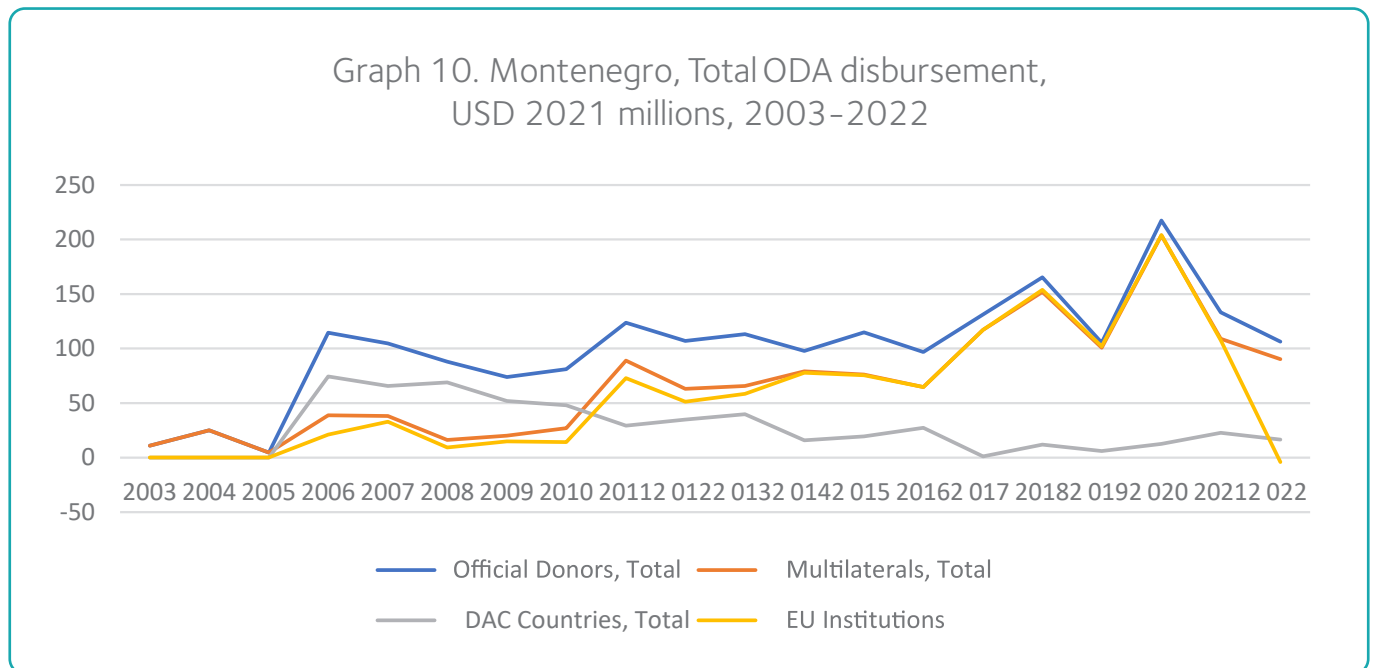
With respect to the priorities of bilateral donors, over the period 2009-2021, donors committed over US\$ 2.1 billion for social infrastructure and services, US\$ 400 million for economic infrastructure and services, and more than US\$ 300 million for education in Kosovo. In addition, almost US\$ 300 million and US\$ 200 million in aid was committed for the purpose of improving water supply and sanitation, and for energy, respectively in Kosovo.

ODA per capita and CPA per capita are higher in Kosovo than in other Western Balkan countries. This is likely because Kosovo is both the youngest and poorest state in the region. From 2009 to 2021, ODA per capita averaged US\$ 293.23 per person per year, while CPA averaged US\$ 119.41 per person per year.

Table 6. Kosovo, bilateral ODA commitments by main purpose (CSR) and amount committed, 2009–2021

Rank	Purpose	Amount committed from 2009–2021 (2021 US\$, mil.)	Average annual commitment (2021 US\$, mil.)
1	Social Infrastructure & Services	2,108.52	162.19
2	Economic Infrastructure and Services	400.28	30.79
3	Education	317.90	24.45
4	Water Supply and Sanitation	294.89	22.68
5	Energy	204.69	15.75

Official development assistance disbursements to Montenegro, 2003-2022



Source: OECD, International Development Statistics (IDS) online database.

Montenegro was a part of the Federal Republic of Yugoslavia until 2003 when it transformed from a federal republic to a political union. Montenegro began receiving aid independently in 2003, with a noted rise in 2006 when Montenegro declared full independence from Serbia. It is the country under study to have received the least amount of ODA over the period under study: just over US\$ 2 billion from 2003 to 2022.

The EU is the top donor of aid to Montenegro, followed by the United States and Germany. While DAC states provided the majority of aid from 2005 to 2010, from 2010 onwards, EU institutions have provided the bulk of aid to Montenegro.

With respect to the priorities of bilateral donors, over the period 2005-2021, donors committed US\$ 425 million for social infrastructure and services, US\$ 283 million for economic infrastructure and services, and US\$ 188 million for energy in Montenegro.

In addition, almost US\$ 188 million and US\$ 70 million in aid was committed for the purpose of improving water supply and sanitation, and for production sectors, respectively. From 2005 to 2021, ODA per capita averaged US\$ 139.97 per person per year, while CPA averaged US\$ 65.95 per person per year.

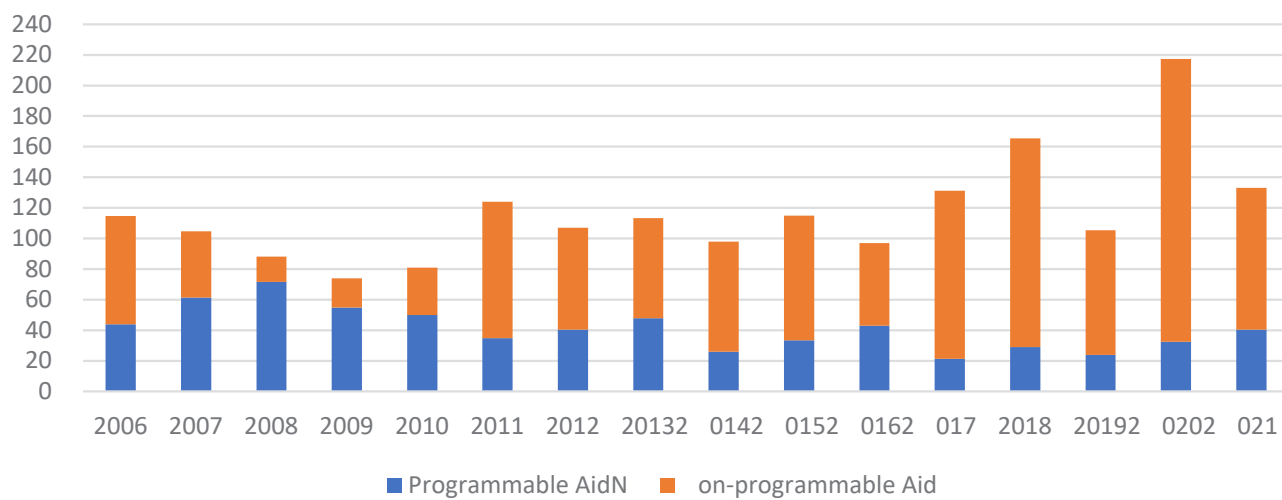
Table 7. Total and annual ODA disbursed in Montenegro by period and donor

Period	2003-2009	2010-2019	2020-2022
Total ODA disbursed during period (USD mil.)	422.02	1136.88	457.10
ODA disbursed annual average (USD mil.)	60.29	113.69	152.37
Rank	Top donors during period and average annual ODA disbursed to Montenegro		
1	EU Institutions (19.49)	EU Institutions (78.84)	EU Institutions (102.57)
2	United States (16.27)	Germany (7.06)	IMF (93.58)
3	World Bank (14.31)	United States (4.79)	United Nations (4.01)
4	Germany (9.70)	United Arab Emirates (3.87)	United States (3.65)
5	Italy (9.55)	United Nations (3.76)	Hungary (3.48)
6	France (5.26)	Turkey (3.52)	Oak Foundation (2.47)
7	Luxembourg (4.74)	OSCE (2.47)	OSCE (2.15)
8	Norway (3.98)	Luxembourg (2.44)	France (1.97)
9	Poland (3.91)	Oak Foundation (2.43)	United Kingdom (1.69)
10	Sweden (3.88)	Slovenia (1.89)	Germany (1.48)

Table 8. Montenegro, bilateral ODA commitments by main purpose (CSR) and amount committed, 2005-2021

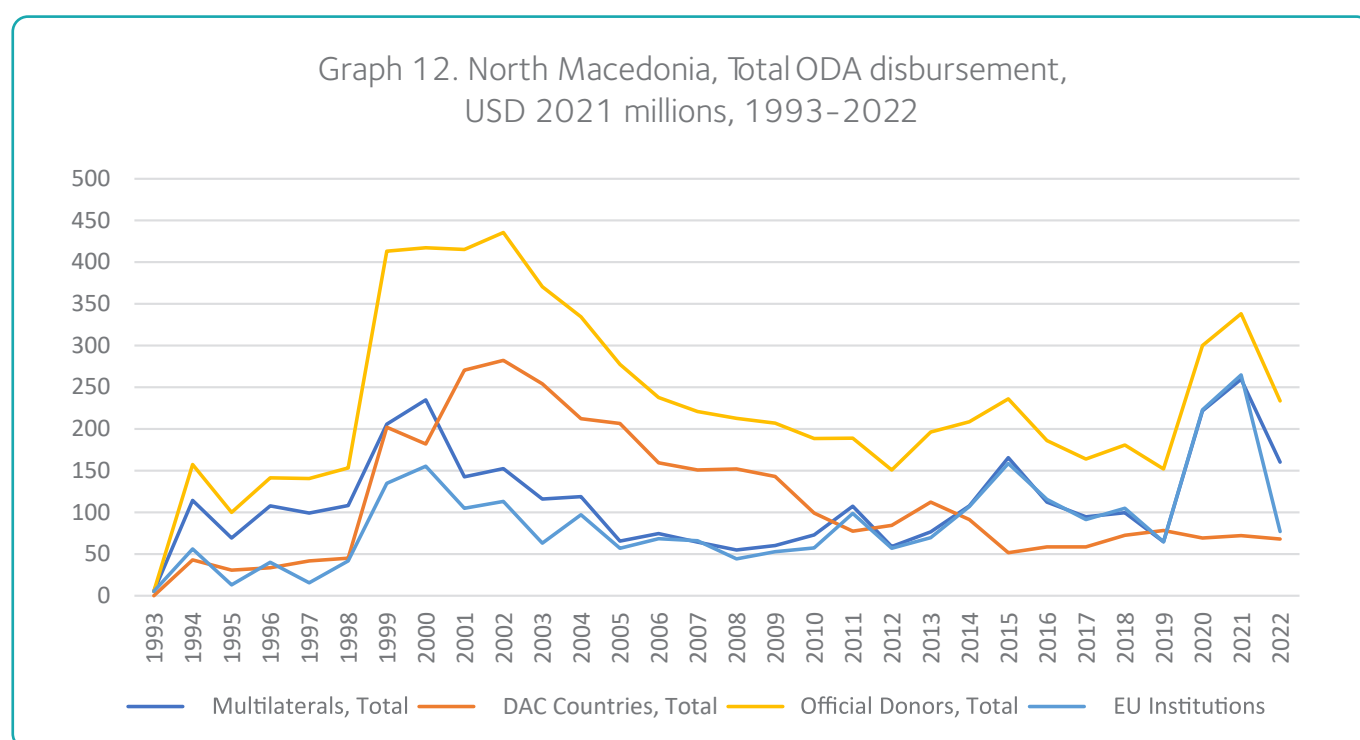
Rank	Purpose	Amount committed from 2005-2021 (2021 US\$, mil.)	Average annual commitment (2021 US\$, mil.)
1	Social Infrastructure & Services	425.12	25.01
2	Economic Infrastructure and Services	283.40	16.67
3	Energy	188.08	11.06
4	Water Supply and Sanitation	187.72	11.04
5	Production Sectors	68.49	4.03

Graph 11. Montenegro, Programmable and non-Programmable Aid, USD 2021 mil, 2006-2021



Source: OECD, International Development Statistics (IDS) online database.

Official development assistance disbursements to North Macedonia, 1993-2022



Source: OECD, International Development Statistics (IDS) online database.

North Macedonia began receiving ODA in the early 1990s after the breakup of the Socialist Federal Republic of Yugoslavia, of which it was a member. A clear spike in ODA disbursed to Montenegro can be seen in 1999, after the 1999 NATO bombing of Serbia to stop ethnic cleansing of ethnic Albanians from Kosovo. As a result of the hostilities between Serbia and Kosovo, North Macedonia received hundreds of thousands of Kosovo refugees during this tumultuous period in the neighbourhood and the spike in ODA likely reflects the response of the international community. This is followed by almost two decades of declining ODA, until the COVID-19 pandemic increased ODA levels globally, and likewise in North Macedonia.

Over the period 1993 to 2022, North Macedonia received almost US\$ 7 billion (6.963 million) in ODA. During the 1990s, the top donor of aid to North Macedonia was the World Bank. From 2000 onwards, the top donor of aid to the country is the EU.

Table 9. Total and annual ODA disbursed in by period and donor in North Macedonia

Period	1993-1999	2000-2009	2010-2019	2020-2022
Total ODA disbursed during period (USD mil.)	1110.8	3129.17	1852.05	871.92
ODA disbursed annual average (USD mil.)	158.69	312.92	185.21	290.64

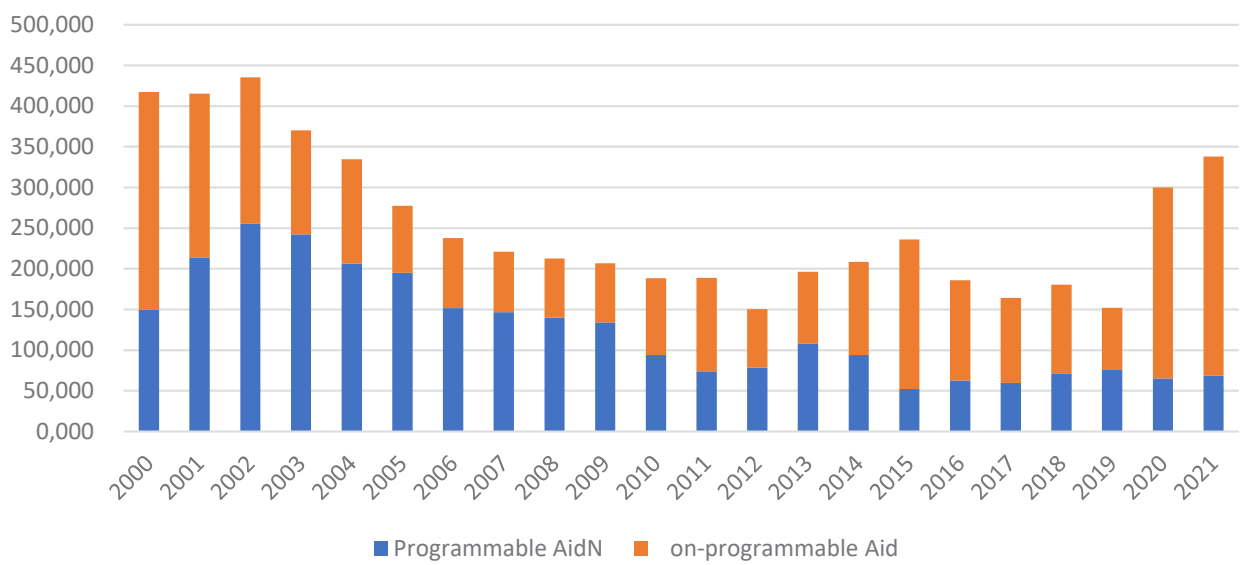
Rank	Top donors during period and average annual ODA disbursed to North Macedonia			
1	World Bank (53.36)	EU Institutions (82.16)	EU Institutions (92.47)	EU Institutions (188.26)
2	EU Institutions (43.71)	United States (59.02)	United States (24.36)	IMF (87.13)
3	IMF (27.19)	Netherlands (32.22)	Switzerland (17.37)	Switzerland (18.48)
4	United States (14.25)	World Bank (25.65)	Germany (16.78)	United States (17.30)
5	Netherlands (12.05)	Germany (24.16)	Turkey (10.23)	Germany (8.69)
6	Japan (11.04)	Norway (12.52)	OSCE (7.93)	Sweden (8.63)
7	Germany (9.75)	Japan (12.33)	Norway (3.77)	Slovenia (6.82)
8	Switzerland (5.72)	Switzerland (5.72)	CoE Development Bank (3.70)	OSCE (6.76)
9	United Kingdom (4.38)	Sweden (10.52)	United Nations (3.43)	United Nations (5.57)
10	France (3.94)	United Nations (9.36)	Slovenia (3.38)	Turkey (4.82)

With respect to the priorities of bilateral donors, over the period 2005–2021, donors committed over US\$ 1 billion in aid for social infrastructure and services, US\$ 321 million for economic infrastructure and services, and US\$ 271 million for education in North Macedonia. In addition, US\$ 208 million and US\$ 168 million in aid was committed for the purpose of supporting the energy and production sectors, respectively. From 2000 to 2021, ODA per capita in North Macedonia averaged US\$ 124.69 per person per year, while CPA averaged US\$ 60.91 per person per year.

Table 10. North Macedonia, bilateral ODA commitments by main purpose (CSR) and amount committed, 2005–2021

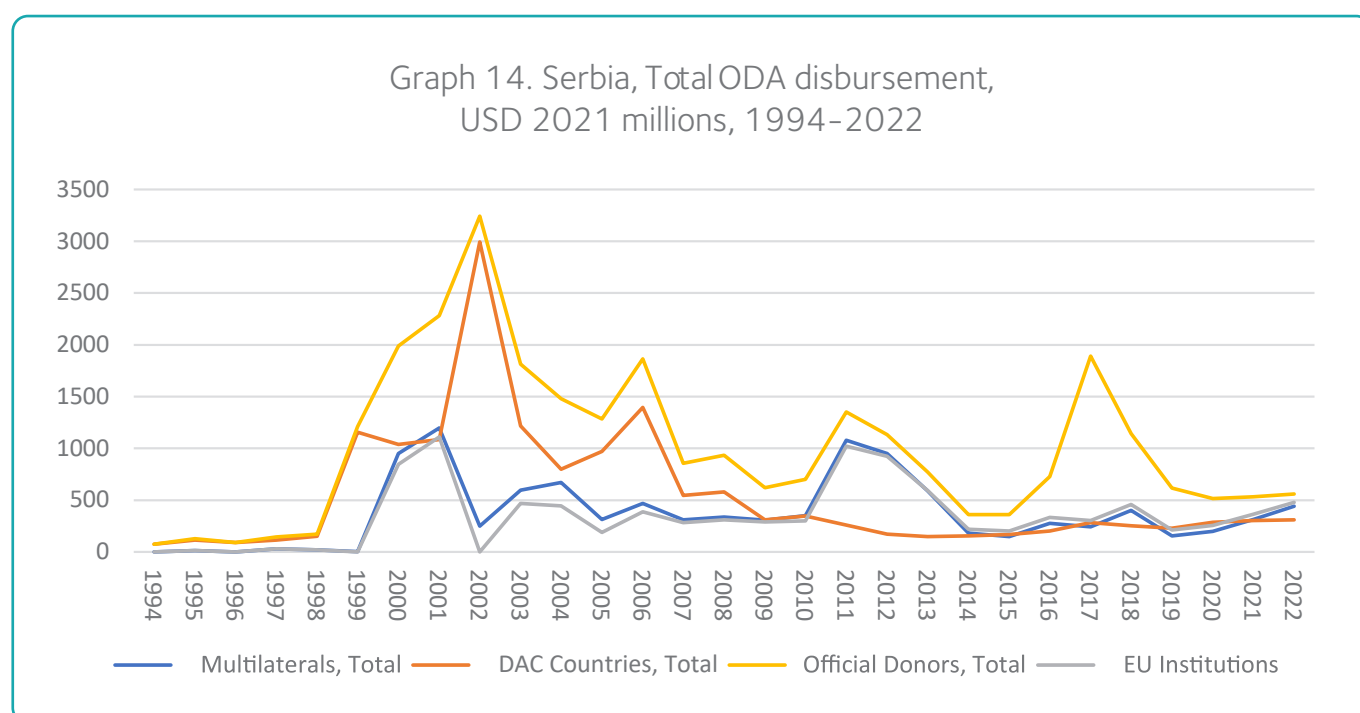
Rank	Purpose	Amount committed from 2005–2021 (2021 US\$, mil.)	Average annual commitment (2021 US\$, mil.)
1	Social Infrastructure & Services	1,006.71	59.22
2	Economic Infrastructure and Services	320.80	18.87
3	Education	270.91	15.94
4	Energy	208.47	12.26
5	Production Sectors	168.04	9.88

Graph 13. North Macedonia, Programmable and non-Programmable Aid, USD 2021 mil, 2000-2021



Source: OECD, International Development Statistics (IDS) online database.

Official development assistance disbursements to Serbia, 1994-2022



Source: OECD, International Development Statistics (IDS) online database.

Serbia began receiving small amounts of ODA during the latter half of the 1990s, with a steep incline after the 1999 NATO bombing of Serbia. From 1994 to 2022, Serbia received US\$ 28.9 billion in ODA from donor countries and institutions. In terms of absolute amounts, of the countries under study, only Turkey received a greater absolute amount of ODA. With respect to the source of ODA disbursements in Serbia, DAC countries were the dominant donors until 2010, when the EU became the primary donor to Serbia. ODA disbursed in Serbia was greatest from 2000-2009, when over \$US 16 billion was disbursed over the decade, that is US\$ 1.6 billion per year.

Since 2000, the EU has been the top donor of aid to Serbia. Interestingly, along with Montenegro, Serbia is the only country under study to have a middle eastern country in the top five aid donors. In both cases, the United Arab Emirates are amongst the top five donors. From 2000-2019, the United Arab Emirates were the second largest donor of aid to Serbia.

Table 11. Total and annual ODA disbursed in Serbia, by period and donor

Period	1994-1999	2000-2009	2010-2019	2020-2022
Total ODA disbursed during period (USD mil.)	1819.23	16367.11	9056.43	1605.98
ODA disbursed annual average (USD mil.)	303.21	1636.71	905.64	535.33

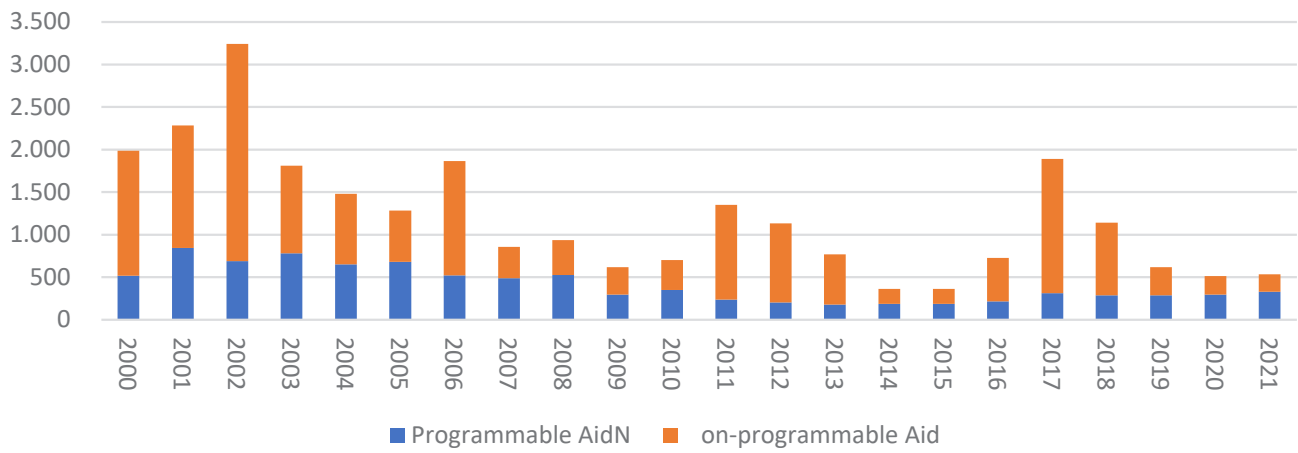
Rank	Top donors during period and average annual ODA disbursed to Serbia			
1	Australia (96.98)	EU Institutions (480.98)	EU Institutions (456.5)	EU Institutions (365.78)
2	Germany (74.76)	United States (251.82)	United Arab Emirates (372.97)	France (51.45)
3	Norway (40.8)	Germany (210.71)	Germany (85.94)	Japan (45.73)
4	Netherlands (40.52)	World Bank Group (142.21)	United States (36.3)	Germany (40.57)
5	United States (33.78)	United Kingdom (104.39)	Switzerland (20.71)	Austria (35.63)
6	Switzerland (31.99)	Switzerland (69.02)	Sweden (15.97)	Hungary (33.6)
7	Sweden (23.52)	France (68.33)	Austria (12.94)	United States (27.63)
8	United Arab Emirates (22.82)	Norway (56.64)	Japan (11.46)	Switzerland (25.88)
9	Spain (21.17)	Austria (50.57)	France (10.17)	Sweden (15.05)
10	Austria (20.93)	Netherlands (44.22)	Norway (9.53)	Slovak Republic (10.05)

Over the period 2005–2021, donors committed US\$ 3.4 billion for social infrastructure and services, US\$ 2.7 billion for economic infrastructure and services, and US\$ 1.5 billion for energy purposes in Serbia. In addition, US\$ 928 million and US\$ 657 million in aid was committed for actions relating to debt and education, respectively. From 2000 to 2021, ODA per capita in Serbia averaged US\$ 164.59 per person per year, while CPA averaged US\$ 56.36 per person per year.

Table 12. Serbia, bilateral ODA commitments by main purpose (CSR) and amount committed, 2005–2021

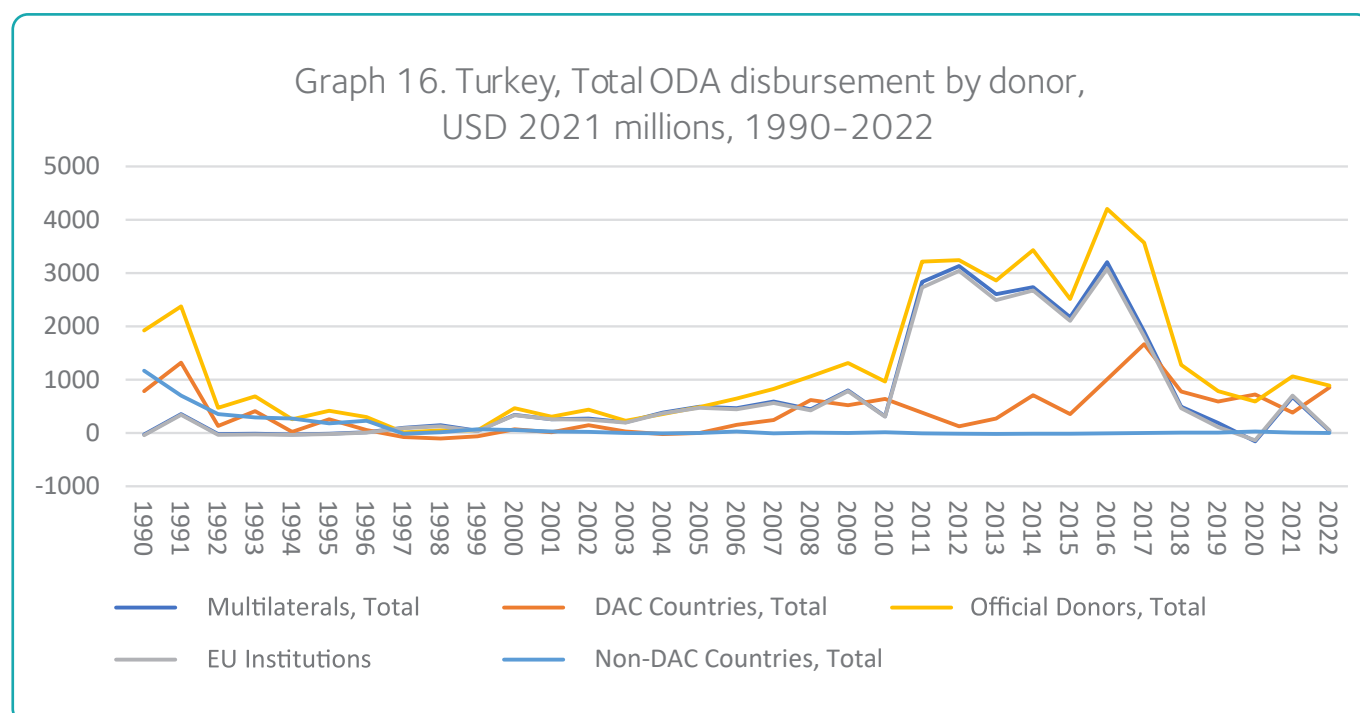
Rank	Purpose	Amount committed 2005–2021 (2021 US\$, millions)	Average annual commitment (2021 US\$, mil.)
1	Social Infrastructure & Services	3,374.92	198.52
2	Economic Infrastructure and Services	2,683.64	157.86
3	Energy	1,447.77	85.16
4	Action relating to debt	928.34	54.61
5	Education	656.48	38.62

Graph 15. Serbia, Programmable and non-Programmable Aid, USD
2021 mil, 2000-2021



Source: OECD, International Development Statistics (IDS) online database.

Official development assistance disbursements to Turkey, 1990-2022



Turkey received US\$ 6.6 billion in ODA from 1990 to 1999, and US\$ 6.1 billion in ODA from 2000 to 2009, averaging US\$ 656 million per year during the 1990's and US\$ 612 million per year during the 2000s. During the period 2010 to 2019, disbursements of ODA to Turkey more than quadrupled to US\$ 26.1 billion over the decade, and an average of US\$ 2.6 billion per year, the majority coming from the European Union.

While in the early 1990s, Turkey received aid from a variety of sources and regions, including non-DAC countries such as Kuwait and the United Arab Emirates, from 2000 onwards, the European Union dominates in aid disbursements, representing almost all multilateral aid received from multilateral sources, and more than two thirds of all aid received by Turkey from 2000 onwards.

Table 13. Total and annual ODA disbursed in Turkey, by period and donor

Period	1990-1999	2000-2009	2010-2019	2020-2022
Total ODA disbursed during period (USD mil.)	6560.18	6123.8	26062.15	2543.85
ODA disbursed annual average (USD mil.)	656.02	612.38	2606.22	847.95
Rank	Top donors during period and average annual ODA disbursed to Serbia			
1	Kuwait (99.9)	EU Institutions (408.92)	EU Institutions (1881.87)	Germany (214.44)

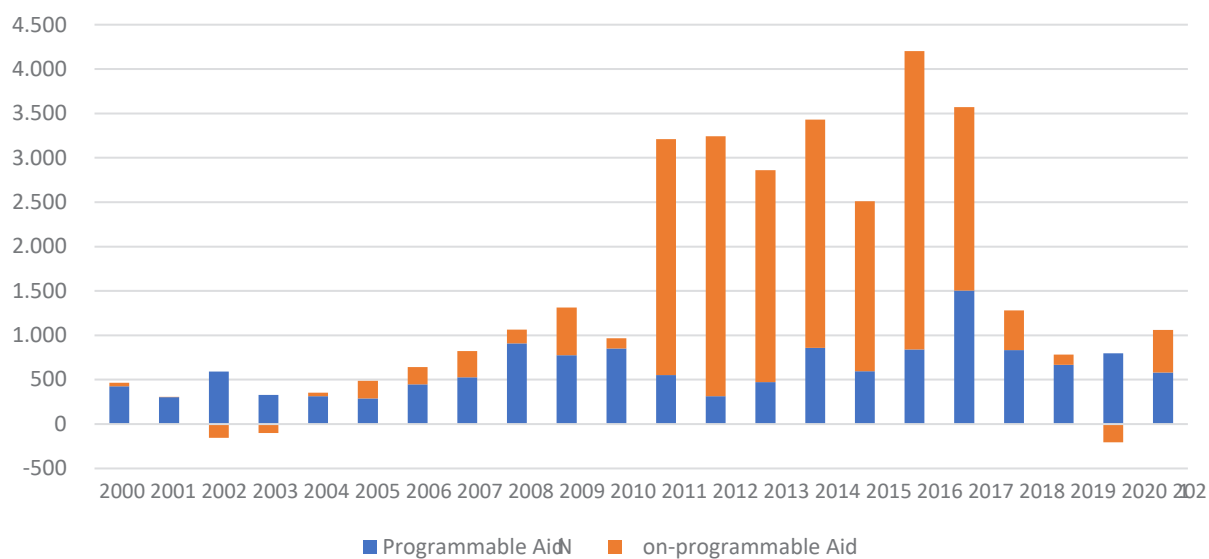
2	Germany (99.56)	France (71.68)	Germany (250.11)	EU Institutions (205.45)
3	Japan (83.75)	Japan (56.65)	France (114.96)	France (111.1)
4	France (56.22)	Spain (53.81)	CoE Development Bank (67.0)	Japan (74.28)
5	United Arab Emirates (51.54)	Austria (25.9)	United Kingdom (60.37)	United States (59.51)
6	EU Institutions (43.68)	United Nations (10.91)	United States (42.76)	United Kingdom (54.51)
7	United Nations (17.75)	Kuwait (8.66)	Austria (35.59)	Italy (32.67)
8	Switzerland (5.94)	OPEC Fund (6.99)	Italy (28.5)	Austria (28.05)
9	Sweden (2.7)	Korea (4.48)	Japan (17.41)	Sweden (24.13)
10	Norway (1.83)	Sweden (4.28)	Sweden (14.72)	Belgium (11.68)

Table 14. Turkey, bilateral ODA commitments by main purpose (CSR) and amount committed, 2005-2021

Rank	Purpose	Amount committed 2005-2021 (2021 US\$, mil.)	Average annual commitment (2021 US\$, mil.)
1	Social Infrastructure & Services	5,236.72	308.04
2	Economic Infrastructure and Services	4,908.45	288.73
3	Humanitarian Aid	3,180.10	187.06
4	Transport and Communications	2,783.44	163.73
5	Education	2,596.33	152.73

With respect to the priorities of bilateral donors, over the period 2005-2021, donors committed over US\$ 5 billion for social infrastructure and services, almost US\$ 5 billion for economic infrastructure and services, and more than US\$ 3 billion for humanitarian aid in Turkey. In addition, almost US\$ 2.8 billion and US\$ 2.6 billion in aid was committed for the purpose of improving transport and communications, and education, respectively in Turkey.

Graph 17. Turkey, Programmable and non-Programmable Aid, USD 2021 mil, 2000-2021



While in absolute terms, ODA commitments to Turkey trump those of other countries in the Western Balkans, ODA per capita and CPA per capita are lower than in other Western Balkan countries. From 2000 to 2021, ODA per capita averaged US\$ 20.21 per person per year, while CPA was even lower at US\$ 8.36 per person per year.

Conclusions

ODA disbursed in the Western Balkans has been highly variable and largely non-programmable over the past three decades. In the case of five countries under study (Albania, Croatia, Bosnia and Herzegovina, Serbia and Kosovo) – ODA disbursements were highest during and post periods of armed conflict and civil unrest, suggesting that larger investments of ODA have been used to address geo-political and security goals, rather than investing in institutions and people that are the motors of sustainable socio-economic development.

Indeed, common among the Western Balkan countries is the lacklustre GDP growth since 2008 (Graph 1), alongside the inadequately low speed of progress on achieving the sustainable development goals, which are meant to be reached by the end of this decade (Graph 4).

Another commonality of the Western Balkan countries, Turkey and Croatia is the dependence on EU institutions and EU states for ODA. While in the early 1990s, some countries under study received aid from a variety of sources and regions, including non-DAC countries such as Kuwait and the United Arab Emirates, from 2000 onwards, the European Union dominates in aid disbursements across all countries under study.

Indeed, in November 2023, the European Commission adopted a new Growth Plan for the Western Balkans worth 6 billion euros for the period 2024–2027⁵. This will represent a significant increase in official development assistance to the region from the EU institutions, and has the opportunity to spark a new period of developmental progress, in particular if said aid will be programmable and address the developmental issues identified as priorities by the donor countries themselves.

Finally, while this study provides an overview of the trends, sources, and levels of ODA disbursed in the Western Balkan countries and its neighbours Croatia and Turkey, as reported by donor countries to the OECD, future research on the topic needs to delve in greater depth into the analysis of aid effectiveness in the region. Similarly, future research should take into account the growing investments made by China into the region, a topic which was outside of the scope of this study.

⁵ European Neighbourhood Policy and Enlargement Negotiations (DG NEAR). News article. “Commission presents a new Growth Plan for the Western Balkans including €6 billion in grants and loans to accelerate economic convergence with the EU” Nov 8, 2023. Available at: https://neighbourhood-enlargement.ec.europa.eu/news/commission-presents-new-growth-plan-western-balkans-including-eu6-billion-grants-and-loans-2023-11-08_en

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