

# OFFICIAL DEVELOPMENT ASSISTANCE: 2021 UPDATE

The Official Development Assistance (ODA) is one of the government's sources of funds to finance programs or projects that promote social and economic development in the form of loans or grants. As part of its legal mandate to ensure the proper implementation of ODA projects, NEDA is directed to submit an annual ODA portfolio review reporting the status and performance of ODA-financed programs and projects.

**TABLE 1  
ODA BY AREA COVERAGE, 2019-2021**

Particular	Net Commitments (in billion USD)			Growth Rates (%)	
	2019	2020	2021	'19-'20	'20-'21
<b>Loans</b>	<b>20.0</b>	<b>29.0</b>	<b>30.1</b>	<b>45.2</b>	<b>3.9</b>
Nationwide	6.2	14.0	15.6	126.9	10.9
Multi-regional	7.2	6.6	6.2	(7.9)	(6.3)
Region-Specific	6.6	8.4	8.4	26.4	0.3
<b>Grants</b>	<b>1.6</b>	<b>1.7</b>	<b>2.1</b>	<b>2.8</b>	<b>23.9</b>
Nationwide	0.7	0.8	0.8	10.0	5.3
Multi-regional	0.6	0.5	0.6	(12.3)	21.6
Region-Specific	0.4	0.4	0.7	7.6	62.8
<b>Total ODA</b>	<b>21.6</b>	<b>30.7</b>	<b>32.2</b>	<b>42.0</b>	<b>5.0</b>
Nationwide	6.9	14.8	16.4	115.1	10.6
Multi-regional	7.8	7.1	6.8	(8.2)	(4.4)
Region-Specific	7.0	8.8	9.0	25.4	3.2

Source: NEDA ODA Portfolio Review 2019-2021  
Note: Totals may not add up due to rounding off.

The total ODA portfolio in 2021 amounted to \$32.2 billion – a 5% increase from the 2020 level (Table 1). ODA loans account for \$30.1 billion of the total net commitments while grants account for the remaining \$2.1 billion. Compared to 2020 where loans grew much higher than grants, 2021 loans only rose by 3.9% while grants increased by 23.9%. Nationwide and region-specific ODA also grew in 2021 while multi-regional ODA continued to go down.

**TABLE 2  
ODA AMOUNTS BY SECTOR, 2019-2021**

Particular	Total ODA Amount (in billion USD)			Share to Total (%)	
	2019	2020	2021	2020	2021
INFRA	12.5	14.6	14.0	47.4	43.5
GID	3.4	7.5	8.9	24.3	27.7
SRCD	3.8	6.1	6.3	19.9	19.4
AARNR	1.7	2.3	2.4	7.5	7.6
ITT	0.2	0.3	0.6	0.9	1.9
<b>Total ODA</b>	<b>21.6</b>	<b>30.7</b>	<b>32.2</b>	<b>100.0</b>	<b>100.0</b>

Source: NEDA ODA Portfolio Review 2021

## Facts in Figures

Congressional Policy and Budget Research Department  
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Table 2 shows the ODA sectoral distribution with \$14.0 billion for the infrastructure development (INFRA) sector and \$8.9 billion for the government and institutions development (GID) sector. Total ODA growth in 2021 was largely accounted for by the 19.4% increase in the ODA for GID while the top-funded INFRA sector was down by 3.7% resulting to a 3.9 percentage-point decline in its ODA share. Meanwhile, the ODA for the remaining sectors: the social reform and community development (SRCD), the agriculture, agrarian reform, and natural resources (AARNR) and the industry, trade, and tourism (ITT) all went up.

**TABLE 3  
TOP ODA-RECIPIENT AGENCIES (IN USD MILLION), 2021**

Particular	Loan Net Commitment	Grant Amount	Total ODA	Share to Total ODA (%)
DOF	9,051.7	27.1	9,078.7	28.2
DOTr	7,978.5	111.6	8,090.0	25.1
DPWH	4,752.6	209.4	4,962.0	15.4
DOH	2,825.0	218.8	3,043.8	9.4
DSWD	1,900.0	30.6	1,930.6	6.0
All Others	3,640.2	1,493.9	5,134.1	15.9
<b>Total ODA</b>	<b>30,147.9</b>	<b>2,091.3</b>	<b>32,239.2</b>	<b>100.0</b>

Source: NEDA ODA Portfolio Review 2021

About 68.7% of total ODA account for the combined share of the DOF, DOTr, and DPWH which received \$9.1 billion, \$8.1 billion, and \$5.0 billion, respectively. DOF accounted for the biggest share as it acts as the borrower of the government with 18 of the 24 loans it contracted were used for COVID-19 response. DOTr and DPWH are the implementing agencies for large infrastructure projects. DOH and DSWD, forefront agencies for COVID-19 programs, also posted large shares of ODA funding. The ODA commitments of top agencies are mainly composed of loans.

**TABLE 4**  
**ACTIVE ODA LOANS BY PURPOSE**  
**(IN USD MILLION), 2021**

Particular	Continuing Loans		New Loans	
	COVID-Related	Non-COVID-Related	COVID-Related	Non-COVID-Related
Newly Effective	1,500.0	226.3	3,464.5	673.0
Ongoing	4,370.4	14,738.7	2,000.0	175.1
Closed in 2021	2,184.7	551.0	100.0	-
<b>Total</b>	<b>8,055.1</b>	<b>15,516.0</b>	<b>5,564.5</b>	<b>848.1</b>

Source: COA Consolidated Audit Report on ODA 2021

The active ODA loans in 2021 total \$30.0 billion, composed of \$23.6 billion of continuing loans and \$6.4 billion of new loans (Table 4). Bulk of the new loans contracted in 2021 were COVID-related, amounting to \$5.5 billion with only \$848.1 million considered to be non-COVID-related. Meanwhile, continuing loans were mostly composed of non-COVID-related loans worth \$15.5 billion (65.8%) and COVID-related loans accounting for \$8.1 billion (34.2%). Newly effective loans are also mainly funding for COVID-related programs and projects.

**TABLE 5**  
**FINANCIAL PERFORMANCE OF PROJECT LOANS,**  
**2020-2021**

Financial Indicator	2020	2021	Difference
Disbursement Level (in USD million)	1,062.6	2,123.2	1,060.64
Disbursement Ratio (%)	8.1	14.9	6.83
Disbursement Rate (%)	66.7	48.2	(18.52)
Availment Rate (%)	64.9	59.8	(5.02)

Source: NEDA ODA Portfolio Review 2021

Table 5 compares the financial performance of the project loans for years 2020 and 2021. Indicators include the disbursement level (the actual expenditures from loan proceeds for the year), disbursement ratio (the ratio of actual disbursements to the available loan balance in the beginning of the year), disbursement rate (the percentage of actual disbursements from the target disbursements for the year), and availment rate (the percentage of the cumulative actual disbursements from the cumulative scheduled disbursements from the start of implementation).

Disbursement level went up to \$2.1 billion from \$1.1 billion resulting to a subsequent 6.83 percentage-point increase in the disbursement ratio. Despite this, the disbursement rate declined from 66.7% in 2020 to 48.2% in 2021. This is an 18.52 percentage-point decrease, which means that the actual disbursement

level was not able to meet half of the target disbursement for 2021. Similarly, overall availment rate went down by 5.02 percentage-points to 59.8%.

**TABLE 6**  
**TOP AGENCIES CONTRIBUTING TO DISBURSEMENT**  
**SHORTFALL (IN USD MILLION), 2021**

Particular	Total Target Disbursement	Total Actual Disbursement	Total Net Disbursement Shortfall
DOTr	2,468.3	584.3	1,884.1
DOH	1,186.9	1,036.4	150.6
MWSS	53.9	1.2	52.7
DPWH	266.2	228.1	38.1
DA	70.6	33.2	37.4
Other Agencies	340.3	218.5	121.8
<b>Total</b>	<b>4,386.3</b>	<b>2,101.6</b>	<b>2,284.7</b>

Source: NEDA ODA Portfolio Review 2021

DOTr has the largest disbursement shortfall of \$1.9 billion, disbursing only \$584.3 million (23.7%) of its \$2.5 billion target disbursement (Table 6). This already accounts for 82% of the total shortfall for 2021. Although DOH follows DOTr with a shortfall of \$150.6 million, it posted a relatively high disbursement rate of 87.3%. On the other hand, MWSS reported the third highest shortfall of \$52.7 million coupled with a low disbursement rate of 2.2%.

**TABLE 7**  
**TOP AGENCIES CONTRIBUTING TO AVAILMENT BACKLOG**  
**(IN USD MILLION), 2021**

Particular	Scheduled Availment	Actual Availment	Net Availment Backlog
DOTr	4,408.7	2,137.4	2,271.4
DPWH	1,728.2	884.7	843.5
DAR	304.0	64.6	239.3
DOF	184.3	55.5	128.8
NIA	231.4	147.8	83.6
MWSS	163.0	98.3	64.8
Other Agencies	854.7	717.3	137.4
<b>Total</b>	<b>7,874.4</b>	<b>4,105.6</b>	<b>3,768.8</b>

Source: NEDA ODA Portfolio Review 2021

Table 7 presents the total availment backlog amounting to \$3.8 billion. This is high considering that it amounts to about half of the scheduled availment. Similar to disbursement shortfall, DOTr accounts for the bulk of the backlog with \$2.3 billion or 60.2% of total. Its backlog is equivalent to 51.5% of its scheduled availment. DPWH, DAR, and DOF also posted high backlog relative to their scheduled availments with backlogs ranging from about 50% to 80% of scheduled availments.