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Do Multilaterals Allocate Their Concessional Resources According to Countries' Vulnerability as Well as Their Income?

Comparison with Bilaterals Through a New Measure of Selectivity

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PRELIMINARY VERSION

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Following the Paris Summit for a Global Financial Pact and the United Nations resolution on the adoption of a Multidimensional Vulnerability Index (MVI), multilateral development banks (MDBs) have been called upon to integrate structural vulnerability into the allocation of their concessional resources. Assessing their commitment and accountability cannot be limited to examining the tools and allocation rules they have adopted; it is also necessary to analyse ex post the extent to which financial flows have actually been directed according to the structural vulnerability of recipient countries.



.../... To this end, we revisit and refine a measure of aid selectivity based on vulnerability, initially proposed by Ferdi, using the newly adopted United Nations MVI and an improved version of this index. This approach enables us to compare the actual allocation behavior of MDBs in distributing concessional flows, both in relation to other multilateral institutions and bilateral official development assistance (ODA) sources. This exploratory analysis shows that, while recipient countries of MDBs' ODA are, on average, more vulnerable than those receiving bilateral ODA, major MDBs do not systematically differentiate their allocations according to the degree of vulnerability of recipient countries. The method applied here, based on ODA flows, is subject to methodological refinements and can be extended to a broader or different scope, depending in particular on the progress expected in measuring the Total Official Support for Sustainable Development (TOSSD).

► Current Context of the Problem

The Paris summit for a “Global Financial Pact”, initially aimed at financing vulnerable countries, gradually expanded its scope, evolving into the “Paris Pact for People and Planet” (the 4P). Nevertheless, the question of how vulnerability could be taken into account in the financing for development agenda remained a central concern. The importance of this issue was further reinforced by the debates surrounding the preparation and subsequent adoption of a Multidimensional Vulnerability Index (MVI) by the United Nations General Assembly, along with an invitation for multilateral development banks (MDBs) to use it as a criterion for allocating their concessional resources. In order to assess the potential impact of such a reform, it is first necessary to examine whether, in their current practices, these institutions already take vulnerability into account, along with the level of poverty, when allocating their concessional resources. Given their specific role in this do-

main, it is also useful to compare their practices with those of bilateral donors.

The debate is thus taking place at two levels: first, the reform of MDB allocation rules, which can be described as an ex-ante perspective; and second, their ex-post accountability regarding their actual practices, including the implementation of the rules they are supposed to have adopted. This analysis falls within the latter perspective (allocation accountability) which, twenty years ago, was examined under the term ‘selectivity’, though with reference to objectives other than tackling vulnerability. This approach has been much less followed than that of ex ante allocation criteria, particularly regarding vulnerability.

This is illustrated by the OECD’s 2024 report on multilateral cooperation: *Multilateral Development Finance 2024*. It provides a rich and detailed analysis of the evolution of this cooperation, making it an essential reference. The report highlights the impact of recent crises as well as ongoing efforts to reform the international development finance architecture. Two main chapters are devoted to distinguishing between funding received by multilateral institutions and funding disbursed by them. However, the crucial question of how this funding is allocated across countries, which is essential for assessing their strategy, is barely mentioned.

In particular, the question of the extent to which multilateral cooperation favours vulnerable countries, which was at the heart of the 2023 agenda, is not directly addressed. Two uses of the term “vulnerable countries” are to be considered in the OECD’s 2024 report. The first reference served to emphasise that it is logical for vertical funds to provide substantial concessional support to the “poorest and most vulnerable countries”. This is illustrated by considering the correlation between the commitments of these funds and, on the one hand, the Gini coefficient

and, on the other hand, the poverty ratio of the recipient countries. These correlations are then compared with those found for the World Bank Group, the United Nations and the MDBs. There is therefore no debate on vulnerability, and the correlation with a Gini coefficient is fundamentally ambiguous (should it be strong or weak?) (Cf. Guillaumont, 2023).

A second reference to the most vulnerable countries appears at the top of the recommendations. It is suggested that the capacity of the (multilateral) system to support the poorest and most vulnerable countries should be preserved, but without any diagnosis of the system's current contribution in this area. The report's authors therefore suggest that *"an evaluation be commissioned through the G20 or any other relevant global forum to understand the impact of recent and ongoing reforms on aid allocation across sectors, region and country groupings"*. This suggestion opportunely raises the question of how accountability should be ensured for the commitments made to reform the international development finance system, particularly with regard to the stated intention of meeting the expectations of vulnerable countries (Guillaumont and Guillaumont Jeanneney, 2024).

This note is an initial contribution to this discussion. It examines the extent to which multilateral sources of financing, and by comparison bilateral sources, take into account the vulnerability of countries, as well as their level of poverty, in the allocation of their concessional resources.

To answer this question, we need to provide a number of methodological details that will determine the relevance of the analysis.

► Methodology

What measures of vulnerability are used?

Since we are carrying out a quantitative analysis of the behaviour of bilateral and multilateral

donors, we need to take into account the different dimensions of vulnerability and therefore refer to a *multidimensional vulnerability index*, without forgetting that there are non-quantifiable factors of vulnerability, which are not strictly comparable but should ideally be captured in vulnerability profiles. In this context, the vulnerability to be taken into account as an allocation criterion is *structural vulnerability*, i.e., *vulnerability* that is independent of the current policy and measured by indicators that reflects this characteristic.

The most prominent index currently is the one recently produced by the High-Level Panel set up at the United Nations at the request of the General Assembly, and adopted in August 2024: the MVI (*Multidimensional Vulnerability Index*). However, this index has a number of shortcomings, particularly when it comes to guiding the allocation of resources (see Guillaumont, 2024). This is why we also use the index constructed by FERDI as part of its Observatory of vulnerabilities and resilience, based on the same principles as the MVI, but corrected for its main shortcomings. This index is referred to here as the FSVI (*Ferdi Structural Vulnerability Index*).

Whether we are talking about the MVI or the FSVI, we obviously do not imagine that the sources of funding have taken such indicators into account in their decisions, but we are trying to reveal donor behaviour as a function of their own implicit perceptions of country vulnerability.

What flows are we talking about?

This analysis applies first and foremost to flows of concessional resources (classified under Official Development Assistance – ODA), as these are the flows explicitly or implicitly guided by donor policies for allocating scarce concessional. MDBs often use allocation formulas to distribute these resources. However, it would also be valuable to examine at a later stage how these financing sources allocate non-concessional re-

sources and whether there is complementarity between the allocation patterns of concessional and non-concessional flows.

The analysis is first carried out at a global level, with all multilateral flows compared with all bilateral flows, according to the disbursement statistics produced by the OECD. Given the heterogeneity of these flows and donor behaviors, the analysis is then disaggregated to focus on major sources of multilateral financing, particularly the concessional windows of multilateral development banks such as the International Development Association (IDA) and the African Development Fund (ADF), as well as the United Nations Development Programme (UNDP), European institutions, and the broader allocation patterns of the United Nations system.

To mitigate the influence of annual fluctuations in disbursements and to better reflect consistent donor behavior, the study uses cumulative or average disbursements over a three-year period for each donor-recipient pair. The main reference period is 2020-2022, but for comparative purposes over time, a three-year period from 10 or 15 years earlier could also be analyzed to identify potential changes in allocation patterns.

Which method?

The method of analysis used is a measure of what we have called a 'new selectivity', i.e. a selectivity of aid according to vulnerability and per capita income, described in several works, initially in an article in *World Economy* (Amprou, Guillaumont P. and Guillaumont Jeanneney, 2007) and, more recently, in publications by Ferdi (see FERDI *Policy Brief* B261, reproduced in Boussichas and Guillaumont, 2024). This method is twofold, and it is important to specify the meaning of each of the two modalities in order to characterise the allocation of each "donor". The first is based on an analysis of the 'average profile' of recipient countries, i.e., the average level of vulnerability and poverty of the beneficiaries of funding from a donor or group

of donors. This is done by calculating the average vulnerability of beneficiaries, weighted by the relative size of the flows allocated by that donor to each country. This measure makes it possible to compare the selectivity of different donors, but does not provide information on the way in which each donor differentiates its allocations according to the vulnerability or poverty of each country. The average level of vulnerability of recipients is calculated independently of the average level of poverty.

The second approach looks at the 'marginal impact' of vulnerability and poverty on the allocation of resources. It examines the extent to which each donor differentiates its allocations according to the vulnerability and income of recipient countries. This method could be described as "differential selectivity", as opposed to the first approach, which corresponds to "average selectivity" based on recipient profiles.

These two approaches are complementary: the first gives an overall view of the profile of beneficiaries, while the second enables us to understand the degree of differentiation in the allocation of funds according to vulnerability and poverty.

The average vulnerability profile v_i of the lessor or group of lessors i is given by:

$$v_i = \sum (V_j * \omega_{ij})$$

Where V_j is the MVI or FVI score of the recipient country j , ω_{ij} is the share of flows allocated by the donor or group of donors i to the recipient country j .

Similarly, the per capita income profile y_i of the lessor or group of lessors i is given by:

$$y_i = \sum (Y_j * \omega_{ij})$$

Where Y_j is the level of per capita income (GNI pc) in the recipient country j , ω_{ij} is the share of

flows allocated by the donor or group of donors i to the recipient country j .

It should be noted here that the indicator chosen to take into account the country's poverty is per capita income, and not the poverty rate. This choice is explained by the fact that the poverty rate depends on both average income and income inequality. However, inequality as such is not a criterion justifying an increased allocation of aid to a country. This distinction has already been discussed in the analysis of vulnerability indices (see Guillaumont, 2023).

For the second method, where the objective is to measure the differential (or marginal) impact of vulnerability and income on the allocation of resources between countries by a donor or group of donors, we estimate a function in which the amount of aid per capita received by each country from a donor depends on both per capita income and vulnerability. This model is written as:

$$\log(A_{ij}/P_j) = \alpha V_j + \beta \log Y_j + \varepsilon_{ij}$$

Where A_{ij} represents the total amount of aid allocated by the donor i to the country j , P_j the population of the country j , V_j the vulnerability score (MVI or FSVI), Y_j the per capita income of the country j , and ε_{ij} the error term.

The coefficients α and β can then be used to interpret the marginal impact of the explanatory variables on the allocation of aid. When the function is estimated in logarithms, the coefficients correspond to elasticities, which is the case for the relative variation in aid compared to a relative variation in income. In the case of a semi-logarithmic estimate, they take the form of semi-elasticities, which is the case for the relative variation in aid for an absolute variation in vulnerability, which is an index with bounded values.

This second method makes it possible to analyse the behaviour of each lessor independently

of the others, while offering the possibility of comparing their behaviour through the level of estimated elasticities. In addition, it allows the results obtained to be compared with a normative allocation model, in which target coefficients would be set as objectives according to income or vulnerability.

To describe the actual behaviour of funding sources, the first method may seem simpler and more robust, as it is based solely on descriptive statistics that allow comparisons between funders. However, it does not allow us to disentangle the respective impact of income and vulnerability, two variables that are partially correlated, which is made possible by the second method, which uses econometric estimation, the results of which are certainly more or less significant. Above all, the two methods do not serve the same purpose. The first highlights a selectivity or average preference for vulnerable countries, while the second measures a selectivity or differential preference, i.e., the way in which a donor modulates its allocations according to the degree of vulnerability of the beneficiary countries. In a way, the second method provides another form of descriptive statistics, but it differs from explanatory models of aid allocation, which seek to identify all the factors influencing donors' decisions. In this case, only those factors that correspond to shared objectives and that require donors to be held accountable are taken into account. This distinction between different approaches to the analysis of aid allocation has been highlighted in several studies (see McGilivray, 2000; Guillaumont, 2020).

► Presentation of Results

Average vulnerability and poverty profiles by donor

The main results are presented in **Table 1**. The MVI profile (FSVI, Ferdi Structural Vulnerability Index) reflects the average vulnerability of re-

recipient countries, weighted by the relative share of flows they receive from each donor (or group of donors); it expresses the average preference of each donor in terms of vulnerability. Similarly, the poverty profile measures the average per capita income level of recipient countries, again weighted by the relative shares of allocations; it reflects the average preference of each donor in terms of poverty.

The first finding is that there is, on average, no significant difference between all bilaterals and all multilaterals in terms of the average vulnerability profile of recipient countries, whether using the MVI or the FSVI. A more detailed analysis of the average vulnerability profiles of recipient countries for IDA, ADF, IFAD and UNDP also shows a high degree of similarity, although these institutions are distinguished by a relatively higher average level of vulnerability than that

of multilateral donors as a whole. This difference can be explained by the fact that the United Nations system as a whole includes organisations whose objectives are not exclusively development-oriented and that grant subsidies to countries that are not necessarily very vulnerable. As we shall see, these same countries are not necessarily low-income.

The results obtained for the main MDBs contrast with those of the European Union, which has a relatively lower average level of vulnerability among its beneficiaries. At first glance, this finding may seem paradoxical, given that the European Union, along with the Caribbean Development Bank, is one of the few institutions to explicitly include a vulnerability indicator in its allocation criteria. However, this apparent contradiction can be explained by several factors, which will be detailed below (see **Box 1**).

Table 1. Average vulnerability profile and income of recipients according to donors

Donor	MVI profile of donor <i>i</i> ($vi = \sum(vj \times wij)$)	FSVI profile of donor <i>i</i> ($vi = \sum(vj \times wij)$)	Poverty profile <i>i</i> ($yi = \sum(yj \times wij)$)
Multilateral donors	46.45	42.48	2413.32
IDA	55.2	51.08	1042.9
FAD	54.72	52.14	1013.02
Asian Development Bank	52.57	45.71	1453.51
Caribbean Development Bank	59.46	56.66	8727.43
Inter-American Development Bank	48.83	54.16	2890.68
United Nations	48.65	44.41	2313.05
UNDP	53.53	50.29	1633.51
FIDA	54.99	49.66	721.44
European institutions	32.86	28.21	4013.95
Bilateral donors	46.43	42.21	2950.94
France	46.79	42.22	4245.66
Germany	45.22	39.9	3642.88
Japan	48.54	40.8	2217.19
Sweden	46.45	45.27	2298.98
United Kingdom	51.45	46.26	2401.87
United States	46.97	43.42	2701.29

The gap between the average preference of all multilaterals for low-income countries (average profile of \$2,415) and that of the major institutions mentioned above (around \$1,000 for IDA and the ADF) is even greater. At the same time, the average preference of multilaterals for low-income countries remains slightly higher than that of bilateral donors, with the latter showing an average per capita income profile of \$2,953, and even around \$4,000 for European institutions. This suggests that, while bilateral donors direct their aid to countries with an average level of vulnerability similar to that of multilateral aid recipients, they nevertheless give priority to higher-income countries. The differences observed can be interpreted as reflecting donors' distinct trade-offs between vulnerability and poverty. They are also the result of the income thresholds applied for eligibility for concessional funds, which are generally lower for multilateral development banks than for European institutions. Once these thresholds are exceeded, MDBs intervene through other financing windows that are not ODA in the strict sense. An analysis of the average profile of donors over the period 2020-2022 shows that institutions such as the UNDP, IDA and the African Development Bank direct a significant proportion of their resources to the most vulnerable and poorest countries. However, on average, multilateral donors as a whole, of which the MDBs are only a fraction, do not differ significantly from bilateral donors in terms of the average vulnerability of recipient countries. On the other hand, they do differ more markedly in terms of the average income of recipient countries, which is lower in the case of multilateral funding. As for the European institutions, they seem to direct their ODA towards countries with a relatively higher income and a lower level of vulnerability. This does not mean, however, that they do not differentiate their allocations according to vulnerability, as we can see from the box and the results of the second method.

Box 1. How can the profile of the European institutions be explained?

In the early 2010s, the European Union made a clear commitment to take vulnerability into account when allocating its aid flows. However, according to the results presented in the text, the EU tends to concentrate its aid on countries that are on average less vulnerable than multilateral aid as a whole, and with a higher average per capita income. This paradoxical result can be explained by several factors.

Firstly, variables other than income and vulnerability come into play in the allocation formula, including governance, but this is also the case for the MDBs, with IDA or FAD. Furthermore, when we move from the potential allocation formula to disbursements, aid allocation decisions are often influenced by geopolitical considerations and the strategic interests of its member states. As a result, countries of economic or geopolitical importance to Europe, particularly those located close to it (such as the Balkan or Mediterranean countries) or with strong historical links with certain Member States, may receive a greater share of aid than the formula would suggest, even if they are less vulnerable.

Another explanatory factor lies in the conditions of eligibility for concessional financing. As a result of these conditions, recipients of European aid have, on average, a lower level of vulnerability than recipients of other sources of multilateral aid. On the other hand, as will be shown below, the EU seems to show real differentiation in the allocation of its aid between eligible countries, according to their relative level of vulnerability. This sensitivity to differences in vulnerability contrasts with the allocation of the concessional windows of the multilateral development banks, which, as the results of the second method show, do not systematically take vulnerability into account in the actual distribution of resources.

Table 2. Marginal impact of vulnerability and per capita income on allocated resources

Donor	Vulnerability index	MVI & per capita income log	
		MVI - Score	Log of per capita income
Multilateral donors	MVI	0.0413***	-0.236**
IDA	MVI	0.0123	0.165
FAD	MVI	0.0183*	-0.277
Asian Development Bank	MVI	0.143***	-1.936***
Caribbean Development Bank	MVI	0.00177	0.289
Inter-American Development Bank	MVI	0.0925**	-1.154**
United Nations	MVI	0.0369***	-0.480***
UNDP	MVI	0.0361***	-0.793***
FIDA	MVI	0.0365***	-0.801***
European institutions	MVI	0.0296***	-0.284***
Bilateral donors	MVI	0.0249***	0.0344
France	MVI	0.000594	0.0245
Germany	MVI	0.00703	-0.0672
Japan	MVI	0.00876	-0.0358
Sweden	MVI	0.0268***	-0.631***
United Kingdom	MVI	0.012	-0.296**
United States	MVI	0.0317***	-0.289**

Donor	Vulnerability index	FSVI & per capita income log	
		FSVI - Score	Log of per capita income
Multilateral donors	FSVI	0.0379***	-0.140*
IDA	FSVI	0.0115	0.193
FAD	FSVI	0.00776	-0.0795
Asian Development Bank	FSVI	0.127***	-1.530***
Caribbean Development Bank	FSVI	-0.0476	0.996
Inter-American Development Bank	FSVI	0.0867***	-1.142***
United Nations	FSVI	0.0346***	-0.402***
UNDP	FSVI	0.0325***	-0.719***
FIDA	FSVI	0.0271***	-0.612***
European institutions	FSVI	0.0267***	-0.208**
Bilateral donors	FSVI	0.0254***	0.0572
France	FSVI	-0.00102	0.0469
Germany	FSVI	0.00457	-0.0252
Japan	FSVI	0.0083	-0.019
Sweden	FSVI	0.0266***	-0.594***
United Kingdom	FSVI	0.00463	-0.182*
United States	FSVI	0.0324***	-0.260***

Differentiated (between countries) or marginal impacts of vulnerability and per capita income

The averages observed above do not provide any information about the sensitivity of allocations to differences in vulnerability between eligible countries.

Table 2 presents the results of the regressions using the MVI as the vulnerability indicator and those obtained using the FSVI. The choice of one or other of the two vulnerability indicators does not affect the main conclusions regarding the allocation of aid. The trends observed with the two indicators are broadly similar.¹

With regard to the coefficient of the vulnerability index, for all multilateral donors as well as for all bilaterals, the results show that the MVI (or FVI) score is significantly positive, with a greater impact for multilaterals than for bilaterals. Elasticity in relation to per capita income differs even more markedly between multilaterals as a whole, where it is significantly negative, and bilaterals as a whole, where it is not significant. Since our objective here is to characterise the behaviour of the various multilateral (but also bilateral) players, we need to examine the behaviour of specific institutions in relation to overall flows. There are two possible scenarios.

The two major concessional funds, the IDA and the ADF, even though on average they give greater preference to vulnerable countries than other donors, do not in fact differentiate their ODA support according to the degree of vulnerability of the recipient countries. This can be attributed to the fact that they do not use a vulnerability index in their allocation formula that would allow this differentiation to be made. A similar observation applies to the Caribbean Development Bank, which uses its own index, but

which is very different from the multidimensional vulnerability indices considered here. Furthermore, the results obtained for this institution are based on a limited sample of countries, which may limit their robustness.

In contrast, UNDP and IFAD allocations, which each show an average preference for vulnerable countries, appear to be sensitive to the respective degree of vulnerability of the recipient countries. The contrast is even sharper with the situation of the European Union, whose average preference for vulnerable countries is low, but which is very sensitive to the degree of vulnerability of the various recipient countries. This sensitivity can be explained by the use of vulnerability indices in the formula for allocating concessional funds.

As far as bilateral donors are concerned, the extent to which vulnerability and per capita income are taken into account in the allocation of aid varies considerably from country to country. Bilateral aid does not seem to follow a systematic and linear logic based on these criteria, which underlines the importance of institutional frameworks and strategic choices specific to each donor. However, an in-depth analysis of the institutional perimeters within which ODA is allocated would be necessary to better interpret these disparities, which is beyond the scope of this study.

All in all, the analysis shows that it is not enough for an institution to set up mechanisms to take into account the vulnerability of countries for its allocation to be proportionally adapted to the degree of vulnerability of the beneficiaries. This appears to be the case for the concessional windows of the World Bank and the African Development Bank, which, although they direct a significant proportion of their aid to vulnerable countries, do not modulate their allocation according to the level of vulnerability of the different beneficiaries.

1. In both cases, introducing the population log alters the results because of the relationship between vulnerability and the population log, whose coefficient is always highly significant and negative.

► Comments

The preceding analysis presents a tool for the accountability of the policies followed by the MDBs in relation to the objectives assigned to them, at least for their concessional windows, of tackling the vulnerability and poverty of countries. This tool, which FERDI intends to promote and apply to different sources of financing, does however face a series of questions, which are only outlined here, and which will need to be answered. These questions relate simultaneously the nature of the flows considered, the objectives pursued and the indices used according to these objectives.

Flow perimeter

The flows considered above, whether multilateral or bilateral, are concessional or ODA flows. However, the problem of allocation between countries does not only arise for the concessional windows of the MDBs, which are clearly governed by allocation rules. For the other flows they pay out, although there are no predefined allocation rules, we can nonetheless observe, ex post, an effective distribution of resources between recipient countries. It would therefore be relevant to extend the analysis to non-concessional flows in order to assess whether they follow similar logics or whether they reflect other types of donor preferences.

Objectives and indicators

A differentiation must also undoubtedly be made according to the objectives pursued. We have used the multidimensional vulnerability index in the case of ODA. But if we consider, for example, the case of flows for adaptation to climate change, the question arises - and this is a matter of debate - of using a climate change vulnerability index instead, and if the flows are for the purpose of mitigating climate change, the reference to a country's vulnerability, even if multidimensional, is no longer necessary. Extending the method to the flows covered by the

TOSSD would therefore require a geographical breakdown and a breakdown by purpose of the financing listed under this indicator, information that is not yet available in detail

The question of performance

Finally, should the selectivity with regard to poverty and vulnerability be supplemented by a selectivity based on performance, which was dominant in the analyses and judgements of 20 years ago? The perspective adopted here is that of selectivity on the basis of countries' needs (poverty and vulnerability). The reference to performance, which is still very much present in ex ante allocation rules, can very easily be introduced into the first method used here, that of the average profile, whatever reservations may be expressed about the performance indicator used and its ability to represent a criterion of efficiency in allocation. However, its introduction into an allocation function (second method) risk modifying the nature of the results, due to the correlation that may exist between the performance indicator, the vulnerability indicator and the income indicator. In short, if the objective is to assess selectivity according to the needs of countries as defined by the international community, income and structural vulnerability elasticities are sufficient. If, on the other hand, the aim is to develop an optimal allocation model that takes into account both countries' external financing needs and the effectiveness of their use, the issue becomes more complex and controversial. It is therefore essential to clearly define the purpose of the exercise.

Functional form

This being the case, the definition of elasticities or coefficients that characterise the behaviour of aid sources, particularly multilateral sources, is open to discussion and improvement. For example, whether the relationship characterising need as a function of income or vulnerability is fully linear, as is assumed here, or needs to take another form.

► Provisional Conclusions and Implications

This note, covering the period 2020-2022, shows that, overall, multilateral donors, particularly the MDBs, have allocated relatively more concessional resources to poor and structurally vulnerable countries than bilateral donors over this period. However, while this trend is clearly observable, the difference in terms of the vulnerability of beneficiaries is sometimes limited and varies depending on the institutions in question.

On the other hand, these same MDBs do not seem to differentiate their allocations between the countries they support according to their respective degree of vulnerability. This finding reflects the fact that their allocation model does not explicitly and continuously take into account differences in structural vulnerability between countries, even though these differences can now be measured using indices such as the MVI recently adopted by the United Nations, or an improved version of it. This observation could serve as an argument for these institutions to integrate structural vulnerability more systematically into their allocation rules

The results based on the average income and vulnerability profiles of the recipient countries reveal differences in eligibility for the funds under consideration; however, the marginal impacts resulting from the estimation of a two-variable function reveal, on the contrary, differences in allocation behaviour between countries. These conclusions are valid only for the analysis period studied. It would be relevant to extend this analysis over a longer period in order to identify any changes in donors' allocation strategies. Such an approach would make it possible to better capture temporal dynamics and provide a more robust and complete view of trends in the allocation of concessional resources according to vulnerability and poverty criteria.

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