EU Development Cooperation Delivers for Both Partners
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A new study shows that where Europe invests in development in Africa, European exports to those same countries are higher. **Each €1 of Official Development Assistance (ODA) from EU Institutions is associated with roughly €6.80 in additional European exports: €5.05 in goods and €1.78 in services.**

Development cooperation exists to reduce poverty and build partnerships, and the export figures are not a reason to redirect it, but these findings do demonstrate what happens when development works. When incomes rise, when roads, ports, power and public institutions function, and when governments can plan and regulate, and when populations are healthy and educated, European companies find markets and partners they did not have before.

Development cooperation is good for partners and EU donors – it raises purchasing power, builds the infrastructure and institutions that make trade and investment possible, and over years of partnership, makes African buyers familiar with European firms, standards, and technology. Commercial benefits are the outcome of successful development, not a rationale for tying development cooperation.

A 10% increase in EU institutions' ODA is associated with a 1.75% increase in European goods exports to African partners, equivalent to approximately €5.05 in additional goods exports per €1 spent.

A 10% increase is associated with a 1.4% increase in total services exports, generating approximately €1.78 per €1 spent.

Services growth is concentrated in finance, telecoms, ICT, intellectual property and business services, the knowledge-intensive sectors where Europe competes globally.

These findings corroborate earlier evidence on development cooperation and trade, including our own studies from May 2025 and June 2026, while extending it in three distinct ways. First, the study looks at *all* development cooperation, not only programmes designed to promote trade, so this link runs through health, education, and governance work as much as through trade projects. Second, it covers services as well as goods. Third, cooperation pooled through EU institutions is linked to larger export gains than the same money spent bilaterally. Acting together yields more than acting alone.

As the EU negotiates its next long-term budget, the case for development cooperation continues to rest on poverty reduction and partnership with Africa. These new findings add that Europe's own economy benefits along the way, and benefits most when Member States act together.

About the study

The analysis, conducted by ODI Global and commissioned by rani, covers ODA and trade in goods and services between the EU Member States and African recipient countries over 2005 to 2024. Pooled EU institutions' ODA is attributed to Member States by their share of the EU budget. Data: Eurostat, WTO-OECD Balanced Trade in Services, OECD Creditor Reporting System. Goods and services is the sum of the separately estimated goods and total-services magnitudes. Monetary values are evaluated at the respective sample means and should be interpreted as illustrative economic associations rather than fiscal rates of return.

Figure 1: Additional European exports associated with €1 of EU institutions' ODA

Euro of additional exports per €1 of EU institutions' ODA, by donor country

Donor	Goods	Services	Goods and services
Austria	2,61	0,84	3,45
Belgium	13,50	1,92	15,42
Bulgaria	10,21	1,60	11,81
Croatia	4,29	2,89	7,18
Cyprus	11,20	18,19	29,39
Czechia	3,88	0,73	4,61
Denmark	2,21	2,60	4,81
Estonia	3,41	1,34	4,75
Finland	3,23	0,81	4,04
France	5,37	2,00	7,36
Germany	3,82	0,68	4,50
Greece	4,74	3,13	7,87
Hungary	3,63	0,69	4,32
Ireland	3,01	6,62	9,63
Italy	4,90	0,63	5,53
Latvia	4,90	1,97	6,87
Lithuania	4,67	1,36	6,03

Luxembourg	1,93	9,54	11,47
Malta	6,30	13,68	19,98
Netherlands	11,96	4,02	15,98
Poland	2,43	0,45	2,88
Portugal	9,53	3,53	13,05
Romania	4,80	0,94	5,74
Slovak Republic	3,22	0,73	3,95
Slovenia	5,25	0,71	5,96
Spain	6,12	1,32	7,44
Sweden	4,36	1,67	6,03
United Kingdom	3,17	4,95	8,13

Source: Author's calculations using data from Eurostat, WTO-OECD Balanced Trade in Services dataset, and OECD CRS dataset.

Notes: Goods and services is the sum of the separately estimated goods and total-services magnitudes. Monetary values are evaluated at the respective sample means and should be interpreted as illustrative economic associations rather than fiscal rates of return. The UK is included because it still had financial commitments to the EU after it exited the Union.