2020 session
25 July 2019–22 July 2020
Agenda item 5 (c)
High-level segment: Development Cooperation Forum

Trends and progress in international development cooperation

Report of the Secretary-General

Summary

In accordance with General Assembly resolutions 61/16, 68/1, 70/192 and 70/299, the present report is submitted by the Secretary-General for consideration by the Development Cooperation Forum. The report will provide the main input to the high-level meeting of the Forum, to be held in New York on 14 May 2020, in support of the implementation and review of, and follow-up to, the 2030 Agenda for Sustainable Development and financing for development follow-up. It provides an overall global context, which reflects the state of play and challenges in the international development cooperation landscape. The report also highlights areas in which intensified efforts among development cooperation actors in key areas or sectors could help to strengthen the national capacities of developing countries and accelerate progress in the decade of action for the Sustainable Development Goals.
I. Introduction

1. International development cooperation – in the areas of financial resources, capacity development, technology development and transfer, action for policy change and multi-stakeholder partnership – continues to be a dynamic and formidable means of implementation for the 2030 Agenda for Sustainable Development. At the same time, persistent or new and evolving challenges are testing the diverse actors, institutions and modalities of development cooperation. Increased disaster and climate risks, pandemic risks, demographic changes, weak capacities and growing trust deficits nationally and internationally could have a disproportionate impact on those countries and populations that are already furthest behind.

2. The Development Cooperation Forum is the global platform for action-oriented review of the latest trends, progress and emerging issues in international development cooperation. The 2018 Forum issued a clarion call for more rapid and dramatic change in development cooperation in the face of fast-moving trends and challenges, some of which have only intensified since then. Although fundamental change is complex, the transformative policies and practices of many actors are already delivering results. Looking ahead to 2030, the best practices and successful innovations of all actors and stakeholders will need to be leveraged and scaled up to ensure that no one is left behind.

3. The present report highlights selected areas being prioritized by development actors that, with smart adaptation and intensified commitment, could unlock the full potential of development cooperation for the decade of action for the Sustainable Development Goals. The analysis contained in the report should help in producing actionable policy guidance, generating new evidence to support innovation and facilitating peer learning, knowledge-sharing and opportunities for deeper collaboration. In addition to providing the main substantive input to the 2020 Forum, the report will inform the deliberations of the 2020 session of the high-level political forum on sustainable development, convened under the auspices of the Economic and Social Council, and the 2021 session of the forum on financing for development follow-up of the Council.

II. Global context with latest data on development cooperation

4. The 2018 Forum drew attention to the need for strengthened quantity, quality and impact across all types of development cooperation, financial and non-financial. There was a strong call to ensure that development cooperation was focused more systematically on countries and people with the least resources and weakest capacities. While recognizing that public as well as private investments in the Sustainable Development Goals are critical, the distinctive and vital role of official development assistance (ODA) was underlined. The diverse and resilient contributions of South-South cooperation, triangular cooperation and other modalities of capacity-building and partnership were also emphasized. To contextualize the analysis in the present report, relevant trends in international development cooperation since 2018 are outlined below.

Official development assistance

5. Despite the demonstrated potential of ODA to support poverty eradication and sustainable development, total net ODA to developing countries fell by 4.3 per cent in 2018 using the established cash-flow methodology of the Organization for Economic Cooperation and Development (OECD). Based on the new grant-equivalent methodology of OECD, ODA provided by the organization’s Development Assistance...
Committee amounted to $153 billion in 2018. The grant-equivalent ODA figure for 2018 equals 0.31 per cent of the combined gross national income (GNI) of Committee donors, which remains below the target ratio of 0.7 per cent of GNI as ODA. The same five Committee members met or exceeded the target in 2018 as in 2017, namely Denmark, Luxembourg, Norway, Sweden and the United Kingdom of Great Britain and Northern Ireland. As non-Committee members, whose ODA is not included in the Committee’s total, Turkey and the United Arab Emirates provided 1.10 and 0.95 per cent of GNI, respectively, as ODA. Climate finance provided by developed countries to developing countries both bilaterally and multilaterally was reported to be $38 billion in 2016.

6. Although the fall in gross ODA disbursements in 2018 is largely attributed to a fall in ODA for refugees in donor countries, the decline is troubling considering that ODA remains far below commitments, yet still accounts for a significant portion of external financing in developing countries. In 2018, ODA to the least developed countries fell by 2.1 per cent and accounted for only 0.09 per cent of GNI of members of the Development Assistance Committee, against the target of 0.15–0.20 per cent of GNI as ODA to such countries. This decline occurred as other forms of development finance and resources bypassed the least developed countries as a group; for instance, foreign direct investment was concentrated in just a few of the least developed countries, and remittances played a limited role in the majority. ODA to Africa, landlocked developing countries and small island developing States fell by 1.8, 8.9 and 2.1 per cent in 2018, respectively.

7. Overall, country programmable aid, which is the portion of aid that providers can programme for individual countries or regions and over which recipients could have a significant say, increased slightly by 0.3 per cent in 2018. However, in the least developed countries, landlocked developing countries and African countries, such aid fell by 1.1, 7.2 and 0.1 per cent, respectively. Country programmable aid excludes in-donor refugee costs, humanitarian aid, debt relief and administrative costs. The increase in such aid was led by higher disbursements in the social and economic sectors, which offset a decline in ODA to the production sectors. Country programmable aid to the education subsector increased for all country groups. The share of the social sector was close to or slightly more than half of all gross ODA disbursements.

8. There has been a decline in the concessionality of ODA for the least developed countries and landlocked developing countries since 2015, although grants to small island developing States and African countries increased. For the least developed countries, concessionality fell across all sectors, especially in the economic sector. As such countries move towards graduation, there is a need for all development partners to support smooth transition processes to ensure that graduation does not disrupt hard-won gains for sustainable development (see E/2019/33).

9. Additional evidence from recent survey and monitoring exercises presents a mixed picture with regard to the improved quality and effectiveness of ODA. Predictability is a requirement of effective development planning, but it is declining. Countries reported a limited availability of forward expenditure and implementation plans from their development partners, especially in extremely fragile contexts.

---

However, the proportion of development cooperation for which developing countries had received forward expenditure plans from development partners fell from 71 per cent in 2016 to 67 per cent in 2018, mirrored also by declines in the share subject to parliamentary scrutiny. Together, these trends weaken the ability of developing countries to effectively plan and budget for their development efforts, with negative implications for country efforts to strengthen accountability for national development.

10. About half of surveyed developing countries have country results frameworks, or similar national documents, to review performance and results in international development cooperation and consequently elevate the quality of assistance. Nevertheless, research has underlined the difficulty that developing countries face in introducing country-led frameworks to monitor results, with many development actors using parallel frameworks of their own design, challenging efforts to strengthen national capacities and resulting in inconsistent impact measurements; only 14 per cent of developing countries report that their partners use the same results framework. Indeed, evidence shows an overall decline in the alignment and use of country results frameworks since 2016. In 2018, while 83 per cent of new projects had objectives aligned to country priorities, only 59 per cent of results indicators were drawn from country-owned results frameworks, and only 50 per cent were aligned with their statistics and monitoring systems. The decline was driven by bilateral partners that, collectively, cited data gaps and the lack of disaggregated data as reasons for not using country-led frameworks.

11. Both the share and the volume of ODA for addressing gender equality have increased over the past decade. Funding for gender equality has increased to an all-time high but remains inadequate. Many bilateral development agencies have considerable experience in implementing programmes specifically designed for persons with disabilities, yet the mainstreaming of disability within overall frameworks for development cooperation remains a challenge.

South-South and triangular cooperation

12. South-South and triangular cooperation are among the most important and fastest growing forms of bilateral and multilateral cooperation, as reflected in the outcome of the 2019 High-level Conference on South-South Cooperation. They are helping to mobilize the key means of implementation in areas such as infrastructure finance; capacity-building for resource mobilization and international tax cooperation; technical cooperation in data and statistics; climate adaptation; and technology development and transfer. They are also helping to focus development cooperation on countries in special situations, such as the least developed countries, landlocked developing countries, small island developing States and African countries.

13. South-South cooperation, built upon a broader partnership dimension that encompasses support beyond financial cooperation, continues to influence the wider development landscape. Some 68 per cent of the Governments of programme countries indicated that they provided development cooperation to other countries, such as South-South cooperation or other peer-to-peer exchange platforms. Slightly

---


5 Findings will be presented in the 2020 Forum survey.

fewer, 64 per cent, reported exchanging information and best practices with South-South cooperation partners on science, technology and innovation in pursuit of the Sustainable Development Goals.  

14. In support of resilient infrastructure, the Belt and Road Initiative of China now includes 171 cooperation documents with more than 150 countries and international organizations and has initiated an estimated 2,631 projects in support of connectivity infrastructure. At the second Belt and Road Forum for International Cooperation, held in Beijing in April 2019, $440 billion worth of infrastructure projects with Belt and Road Initiative partner countries was reported by Chinese financial institutions. At the Climate Action Summit, held in 2019, India launched the Coalition for Disaster-Resilient Infrastructure, which is focused on partnering to expand resilient infrastructure and support a measurable reduction in infrastructure losses. Its principal modality will be partnerships working in the areas of governance and policy, emerging technology, risk identification and estimation, recovery and reconstruction, resilience, finance and capacity development. In Latin America and the Caribbean, Mexico has employed its Infrastructure Fund for Mesoamerica and the Caribbean, known as the Yucatan Fund, to build resilience and support sustainable development in the region.

15. Although accurate global estimates of South-South cooperation, financial and non-financial, are difficult to make, some actors have taken steps collectively to monitor and develop best practices from their South-South cooperation activities. In a study published in 2019, 1,355 actions, projects and programmes relating to South-South cooperation in which Ibero-American countries participated in 2016 were assessed. The majority were bilateral in nature, with the bulk of the projects focused on strengthening capacities in the social sector and, in particular, on health. One third of the projects were focused on the economic sector, such as support for strengthening productive sectors. Environmental initiatives were fewer in number.

16. The rapid growth of many African economies has driven an increase in the number of countries actively providing South-South cooperation. The transformation in 2018 of the Planning and Coordinating Agency of the New Partnership for Africa’s Development into the African Union Development Agency should help to reinforce such efforts in support of the 2030 Agenda and Agenda 2063 of the African Union. Its new mandate gives the organization a wide role in providing knowledge-driven advisory services and technical assistance to States members of the African Union and regional economic communities on sustainable development strategies and capacity development. That South-South initiatives on the continent are increasingly intra-African highlights the ways in which South-South cooperation draws strength from a shared sense of ownership and solidarity, fostering subregional and regional identity around common objectives.

17. A recent study of nine African countries showed several main types of cooperation involved in their South-South initiatives, over 300 of which were recorded in 2017. These included training and technical assistance, multi-component  

---

7 United Nations, Department of Economic and Social Affairs, 2019 survey of programme country Governments.
10 Ibid.
11 See https://resilientinfra.org.
support and project financing, followed closely by technology transfer. The substantive focus of many initiatives was on Sustainable Development Goals 9, 8 and 3, as well as on peace and development. Other areas, such as 10 and 5, received less attention.

Private finance, including blended and philanthropic finance

18. While definitions vary on what counts as blended finance, there is an increasing trend of using public or philanthropic capital to mobilize private sector investment for sustainable development. Most of this finance is mobilized through credit and risk guarantees and by multilateral donors, predominantly to middle-income and lower-middle-income countries. Increasingly, Development Assistance Committee donors are advocating for ODA to be better used as a lever for private investment to help to advance the Sustainable Development Goals, and more money is being delivered through development finance institutions, with blended finance playing a central role. Since 2018, large bilateral donors, such as Canada, the United States of America and the European Union, have launched new development finance initiatives and institutions. Development finance institutions reported financing $6 billion worth of private sector projects in 2018, which drew upon $1.1 billion in concessional resources and leveraged $1.7 billion in private sector finance and $2.4 billion from the own-account investments of such institutions.

19. The 2018 Forum recommended that, as blended finance increases, efforts should be made to ensure that vulnerable countries do not experience a fall in their overall share of development finance and that social sectors are not underfunded. Building on the principles of the Addis Ababa Action Agenda, the Financing for Sustainable Development Report 2020 contains proposals for a five-pronged approach to blended finance rooted in country ownership, capacity development and the sharing of risks and rewards fairly. Where blended finance and other special financing instruments are deployed in countries, such as the least developed countries, landlocked developing countries, small island developing States and conflict-affected States, it should be done with care and in line with established principles on the quality, effectiveness and impact of development cooperation. Data collected through monitoring and evaluation systems remain varied in this area, with concern about their sufficiency to demonstrate an impact. Further efforts are needed to improve stakeholder engagement and information collected from the ultimate beneficiaries of blended finance projects.

20. Private finance from the global South is playing a bigger role. Foreign direct investment originating in developing countries has grown significantly, accounting for almost 30 per cent of global flows in 2019. South-South investment flows to other developing economies accounted for 28 per cent of total investment in 2017. Regional investment hubs have driven much of intraregional and South-South foreign direct investment. Such investment has remained the largest and one of the least volatile of all external financial flows to developing economies. These investments have also been accompanied by additional financial flows, mainly channelled through Southern regional banks.

---

21. Private, philanthropic donors reporting to the Development Assistance Committee contributed $6.5 billion for development in 2018. This represents just a fraction of the estimated $150 billion in annual philanthropic expenditures and $1.5 trillion in assets overseen by 260,000 foundations across 39 countries. Worldwide, education is the top philanthropic priority. As the number and geographic reach of philanthropies grows, new issues, approaches and tools emerge in support of sustainable development efforts. In addition, most foundations studied across countries operate their own programmes and activities for various efficiency and effectiveness purposes, rather than engage solely in making grants. Questions remain about the longer-term sustainability and impact of philanthropic spending and the need for stronger capacity-building of implementing partners.

22. Action points and recommendations include:

   (a) Concessional resources are essential for strengthening the capacities of the countries and people furthest behind in achieving the 2030 Agenda and the Addis Ababa Action Agenda, the Paris Agreement and the Sendai Framework for Disaster Risk Reduction 2015–2030. Countries should urgently redouble their efforts to meet their ODA commitments and ensure that available ODA resources are effectively targeting the countries with the least resources and weakest capacities, such as the least developed countries, landlocked developing countries, small island developing States and African countries;

   (b) Country-led progress requires all development cooperation actors to be better aligned with countries’ national development strategies and country systems, based on the availability of forward-looking information on agreed modalities and activities for cooperation;

   (c) The diversity, experiences and impact of South-South and triangular cooperation, including regional and interregional cooperation, continues to expand, and its impact could be strengthened through improved knowledge-sharing and assessment among actors;

   (d) Development cooperation actors must ensure that private sector engagement has a sustainable development impact and contributes to serving the needs of poor and vulnerable communities, in line with the Addis Ababa Action Agenda and based on the country’s sustainable development priorities, stronger stakeholder engagement and evidence-based dialogue.

III. Strengthening national capacities to mobilize resources

23. International development cooperation can help to strengthen country capacities to mobilize and manage resources in various ways, and the 2018 Forum demonstrated how national development cooperation policies and related enablers are important tools in this regard. Development cooperation can support countries in putting in place country systems and promote whole-of-government approaches to mobilizing resources (national, international, public and private) for implementation of their national sustainable development strategies. It can also strengthen capacities to put in place laws, policies and infrastructure for private sector development, as well as tax administration in support of progressive tax systems. Capacity-building could also help to prioritize the strengthening of resource mobilization efforts for social services

---

and improvements in the provision of quality social services, which would also contribute to improving tax morale.

Country ownership and the role of development cooperation enablers

24. In its survey exercise, the 2020 Forum explores how countries employ national development cooperation policies to achieve the 2030 Agenda and identifies opportunities for improved cooperation. Of the 55 countries participating in the exercise, 64 per cent have a development cooperation policy in place. Among countries with a national development cooperation policy and a national sustainable development strategy, 86 per cent affirmed that the two were either moderately or highly aligned, with most reporting that they were highly aligned.20

25. The overwhelming majority of the national development cooperation policies contain references to the diverse sources of development cooperation, such as concessional finance, grants and loans (78 per cent); ODA as a catalyst for other types of finance (81 per cent); South-South and triangular cooperation (86 per cent); and technical cooperation and other forms of capacity-building (92 per cent). Private finance was less frequently covered (58 per cent). These policies and related policies and practices can thus inform the design and use of integrated national financing frameworks, called for in the Addis Ababa Action Agenda.

26. Countries are using their national development cooperation policies to encourage external partners to help to strengthen national capacities to mobilize and manage resources as part of any agreed activities. For example, 81 per cent of respondents have policies that cover the use of country systems for procurement and public financial management, and the same percentage encourage the use of country results frameworks. Furthermore, countries’ policies reflect generally high levels of country ownership across a range of indicators, including through the prioritization of national resource mobilization; target-setting for the national-level Government and ministries, as well as for subnational governments; and indications of preferred modalities.

27. Quality public financial management systems are essential to ensure the effective operationalization of national sustainable development strategies. Recent monitoring data show, however, that the enhancement of such systems in countries has not necessarily led to increased use by development partners.21 Stronger capacities in auditing, procurement and ensuring that such systems respond to gender equality goals are priorities. Those contexts in which public financial management and related country systems are more regularly used feature longer-term engagement with the developing country partner and a larger share of development cooperation resources being channelled to the public sector.22 This suggests the importance of committed and sustained development cooperation that builds capacities and knowledge over time.

Strengthening capacities for national resource mobilization

28. Changes associated with the digital economy and its impact on tax policy and administration are only hastening the need for international development cooperation that strengthens and does not undermine national resource mobilization.

---

20 Findings will be presented in the 2020 Forum survey.
22 Ibid.
29. As reported in the *Financing for Sustainable Development Report 2020*, ODA for domestic revenue mobilization jumped 43 per cent from 2017 to reach $275 million in 2018. Notwithstanding this increase, the level is still short of the $301 million recorded in 2016. While the allocation of ODA should be increased, South-South and triangular cooperation can play a significant and complementary role in offering financial resources, tools and capacity support in this area, including through regional and interregional tax organizations.

30. Both developing countries and their external partners have been calling for increased coordination in providing support on national resource mobilization issues, including taxation. As of 2019, the joint Tax Inspectors Without Borders programme of OECD and the United Nations Development Programme had participated in audits that had resulted in $480 million in increased revenues. The Addis Tax Initiative has increased the salience of national resource mobilization within international cooperation and generated significant resources, which could be built upon as the initiative adapts to developing country needs and a changing institutional landscape. The Platform for Collaboration on Tax brings together the International Monetary Fund, OECD, the United Nations and the World Bank for more coordinated and effective tax capacity-building activities to support implementation of the Sustainable Development Goals, with scope to work in closer collaboration with regional and interregional tax organizations.

**Enabling environment for private sector development**

31. In countries with limited capacities, development cooperation should support Governments in building an enabling environment for private sector development that contributes to the implementation of national sustainable development strategies.

32. A recent estimate of ODA targeted at strengthening the enabling environment for private sector development amounted to $9.9 billion in 2015, similar to the amount of ODA spending on education and greater than that spent on water and sanitation that year.\textsuperscript{23} Researchers found that space exists to increase ODA spending, targeting the least developed countries in particular, and to improve the coordination and sequencing of their approaches. They also found that the sustainability and impact of such assistance could be improved if such ODA funds were more often allocated directly to strengthening the enabling environment rather than channelled through other modalities.

33. Part of building an enabling environment also requires addressing, including through global cooperation, crime, corruption and illicit financial flows. Broad and predictable national policy frameworks that are consistent with national sustainable development strategies and anti-corruption responses are also crucial to ensuring access to health care, water, education and other vital services for all.\textsuperscript{24}

**Building capacities at the subnational level to mobilize and manage resources**

34. To fully meet their financing needs, Governments will have to strengthen key components of local finance, including own-source revenue generation (e.g. user fees and local taxes) and asset and financial management, as well as capacity at the local level to tap public and private sources of long-term finance.

\textsuperscript{23} Development Initiatives, “The enabling environment for private sector development: donor spending and links to other catalytic uses of aid”, March 2018.

35. Local governments would benefit from stronger international development cooperation in all key areas of local finance. In particular, local authorities will need to build technical and institutional capacities to improve revenue collection; ensure the timely and effective acquisition, maintenance and disposal of physical assets such as land and building and infrastructure facilities; introduce medium-term budgets and increase their creditworthiness to mobilize long-term sources of finance. Capacity-building efforts should also be aimed at improving communication, collaboration and coordination between local finance stakeholders, including different layers of government. For example, development cooperation has helped to increase support for local governments from central Governments through the introduction of performance-based grants, involving annual performance assessments of their expenditures against previously agreed benchmarks.25

36. South-South cooperation is becoming an increasingly important factor at the local level, such as through large infrastructure investments, loans, peer learning and knowledge exchange networks. An estimated 70 per cent of cities in both developed and developing countries engage in peer-to-peer exchanges and cross-border partnerships.26

37. The United Nations system provides capacity-building support to national Governments and local authorities for scaling up the key components of local finance. United Nations support has helped to design local revenue enhancement tools and plans, improve asset management and public financial management, assist local governments with identifying appropriate financing mechanisms for service provision and infrastructure projects and improve their creditworthiness to tap public and private sources of long-term finance.

38. Within the context of the reform of the United Nations development system, demand from countries for more support for national capacities for resource mobilization informed the design of the reconfigured United Nations country teams, which now include economists, as well as partnership and development finance specialists. These and other changes should enable the resident coordinator system to better support Member States in promoting sustainable financial systems, leveraging public finance and crowding in private investment to help to achieve national priorities.

39. Action points and recommendations include:

(a) Investments and capacity support that strengthen country efforts to mobilize and manage resources for sustainable development – domestic and international, public and private – should be enhanced, especially for countries with the least resources and weakest capacities;

(b) Where already in place, national development cooperation policies and related policies and practices should inform the design and use of integrated national financing frameworks; greater understanding and application of the frameworks concept should contribute to the quality, effectiveness and impact of development cooperation;

(c) Development cooperation for national resource mobilization could be better coordinated and made more relevant through stronger commitments to country ownership; a strong evidence base regarding the most effective means of support according to context; and action to improve the fairness of tax systems;

(d) Supporting an enabling environment for private sector development at the country level must be better aligned with national priorities and realities and guided by a better evidence base of development cooperation activities;

(e) Development cooperation should help to strengthen key components of local finance, including own-source revenue generation, asset and financial management, and capacity at the local level to tap public and private sources of long-term finance for sustainable development.

IV. Building resilience through risk-informed and climate-smart development cooperation

40. One of the strongest messages from the 2018 Forum was that development cooperation had to become more risk-informed and resilient-smart, with stronger links to climate action. In the strategy of the Secretary-General for financing the 2030 Agenda for Sustainable Development (2018–2021), better synergies between development cooperation, resilience and climate action are also prioritized. The inherent link between climate action and disaster risk reduction necessitates coherent policy approaches that bring together priorities related to achieving the 2030 Agenda, the Addis Ababa Action Agenda, the Paris Agreement and the Sendai Framework and rally development cooperation actors around country-led, targeted and coordinated action. Overall trends are outlined below.

Disaster risk reduction

41. At the global level, target F of the Sendai Framework calls for a substantial enhancement of international cooperation for developing countries to support their national actions for disaster risk reduction. However, the increasing pace of disaster risk is exceeding risk reduction efforts (see A/74/248). Recent data from the Development Assistance Committee showed that support for disaster risk reduction represented only 3.8 per cent of total development assistance between 2005 and 2017.27 Most financing for it went to ex-post activities, while ex-ante measures, such as addressing the underlying vulnerabilities contributing to disasters, as well as building resilience through strengthened health systems or critical infrastructure, were given less focus.28 Given the scarcity of reliable data on specific support for disaster risk reduction, the Committee’s policy marker for it has been developed as a methodology to better measure and mainstream development cooperation for disaster risk reduction.

42. Much has been done at the regional level to enhance disaster preparedness and exchange best practices, including through South-South cooperation. For example, the Association of Southeast Asian Nations Humanitarian Assistance Centre actively promotes regional cooperation through policy advice, research, strategic learning and information exchange for effective disaster risk reduction among members. There has also been a growing emphasis in the region on conducting joint exercises for improved disaster preparedness through strengthened risk management capacities29

29 Ibid.
and holistic approaches to addressing water, food and health insecurities associated with disasters.\textsuperscript{30}

43. Technology development and transfer in development cooperation remains critical to support countries in addressing risk and building resilience. Research has shown the utility of technology-supported “end-to-end” early warning systems in reducing risk and strengthening disaster response. Uncrewed aerial vehicles (drones) can support disaster preparedness by monitoring, measuring and mapping disaster risks. Blockchain technology has been used in emergency contexts to manage cash transfers and citizen identification. By leveraging innovations in technology, Governments can be better equipped to effectively anticipate, prepare for and respond to the multiplying threat of disasters from climate change. Deployment and uptake of such technologies must be tailored to country contexts and capacities.

**Climate action**

44. Target 13.2 of the Sustainable Development Goals calls for the integration of climate change measures into national policies, strategies and planning, while target 13.A commits developed-country parties to meeting commitments taken as part of the United Nations Framework Convention on Climate Change to reach the goal of jointly mobilizing $100 billion annually by 2020 from all sources to address the needs of developing countries.

45. Overall levels of ODA supporting environmental sustainability and climate change have been increasing, with some clear champions emerging, including France, Germany, Iceland and Japan. Development Assistance Committee members also channel significant resources through multilateral development banks and funds, such as through capital replenishments, that play a key role in financing major projects for climate adaptation and mitigation.\textsuperscript{31} For instance, as of February 2020, the Green Climate Fund had raised $8.2 billion in confirmed contributions.\textsuperscript{32} Biodiversity and, in particular, oceans are experiencing growing interest among Committee members, despite generally starting from a low base.\textsuperscript{33}

46. Climate mitigation has received the bulk of the focus, sometimes crowding out attention to other critical climate-related issues, such as environmental pollution and desertification. Access to finance for climate adaptation remains a challenge. The latest reports show that approximately 93 per cent of climate finance has been allocated to mitigation efforts, while 5 per cent of tracked climate finance went into adaptation.\textsuperscript{34} This trend persists even though the overall rate of return on investments in improved resilience is very high. Every $1 invested in adaptation could result in net economic benefits of between $2 and $10.\textsuperscript{35} Adjustments to how international financial institutions identify projects for financing and assess eligibility may be warranted.

47. Despite progress, many development cooperation actors still lack the appropriate strategies and incentives for aligning their activities with the Paris

\textsuperscript{30} Association of Southeast Asian Nations Coordinating Centre for Humanitarian Assistance on Disaster Management, *ASEAN Risk Monitor and Disaster Management Review (ARMOR)* (Jakarta, 2018).


\textsuperscript{32} See [www.greenclimate.fund/about/resource-mobilisation/irm](http://www.greenclimate.fund/about/resource-mobilisation/irm).


\textsuperscript{35} Global Commission on Adaptation, *Adapt Now: A Global Call for Leadership on Climate Resilience* (2019).
Agreement, with ODA still being used to support environmentally damaging activities, such as fossil fuel-based energy.\(^{36}\)

**Better integrated planning and action in support of the 2030 Agenda and Addis Ababa Action Agenda, the Paris Agreement and the Sendai Framework for Disaster Risk Reduction 2015–2030**

48. National development cooperation policies and national sustainable development strategies are helping to orient countries and guide international development cooperation. However, there is further scope to better align such policies and strategies with climate and disaster risk reduction strategies and plans to ensure that they are achieving results; bringing coherence; reinforcing country ownership; and providing clear guidance and opportunities for collaboration among development cooperation actors towards action on climate and disaster risk reduction.

49. As of May 2019, 91 countries had reported the development of national disaster risk strategies, in line with target E of the Sendai Framework (see A/74/248). As of September 2019, more than 90 developing countries were preparing national adaptation plans. Almost all parties to the Paris Agreement (184 of the 197 parties) had submitted their nationally determined contributions, and 53 countries, including more industrialized countries, were working on long-term strategies.\(^{37}\)

50. Financing remains a significant challenge to the implementation of nationally determined contributions. Aligning national climate and disaster risk reduction objectives with development cooperation policies and practices offers an opportunity to target the needed resources to clearly identified priorities. However, many countries have not yet put in place national development cooperation policies, and there is limited information on whether planning frameworks, tools and strategies for disaster risk reduction and climate action are reflected in national development cooperation policies and national sustainable development strategies.

51. Beyond aligning support for national priorities and countries’ capacities, development actors should also expand the focus beyond the traditional areas of development cooperation to address such sectors as forests, biodiversity and oceans that are critical for disaster risk reduction and climate action. South-South and triangular cooperation remain dynamic modalities that bring to the fore innovation in agriculture, renewable energy and water resources, among others.

52. Solutions for better alignment of climate and disaster risk reduction policies with development cooperation can be offered at the regional level. Since 2010, some Pacific small island developing States have developed joint national action plans to strengthen coherence between policies on disaster risk reduction and climate change adaptation. Building on these plans, leaders in Pacific small island developing States have developed a landmark Framework for Resilient Development in the Pacific. The Framework helps to mobilize and ensure adequate, sustainable and timely provision of support tailored to Pacific island countries’ self-defined needs and priorities.

53. As the severity of disasters continues to grow, cities and communities are becoming leading actors in risk-informed, climate-smart development cooperation. For example, in Dar es Salaam, United Republic of Tanzania, development cooperation partners – local academic institutions and non-governmental organizations, the Tanzania Commission for Science and Technology, the Tanzania Commission for Science and Technology, the Tanzania Commission for Science and Technology, the Tanzania Commission for Science and Technology, the Tanzania

---


Red Cross Society, the World Bank and community members – engaged in an extensive community risk-mapping project that covered roughly 3.5 million city residents in support of an ex-ante plan for emergency preparedness. Empowering local actors through development cooperation can enable innovative and responsive actions in relation to climate change and disasters.

54. Action points and recommendations include:

(a) All countries can and must do more to enhance alignment of development cooperation policies and practices with financial and non-financial commitments stemming from the Paris Agreement and the Sendai Framework. This includes ensuring that development cooperation is more flexible and responsive to evolving challenges posed by climate change and disaster risk;

(b) New approaches to bringing climate action and disaster risk reduction together for more effective development cooperation, including through regional development cooperation and South-South and triangular cooperation, should inspire wider innovation and action;

(c) The timely and effective response to disasters resulting from climate change requires more tailored technology transfer and uptake in developing countries, including through increased capacity-building;

(d) Development cooperation should foster innovation at the local level that empowers all stakeholders to build local solutions for climate action and disaster risk reduction.

V. Supporting the strengthening of national data and statistical systems and capacities for sustainable development

55. The 2018 Forum concluded that investment and capacity support must be stepped up to strengthen countries’ data and statistical capacity for planning, implementing, monitoring and reviewing the Sustainable Development Goals. Progress that leaves no one behind requires high-quality data that can be sufficiently disaggregated at all levels, with effective data dissemination and use. In the present section, the latest progress in efforts to boost development cooperation, investment and partnerships for national data statistics is reviewed, highlighting areas for further action.

56. The level of ODA for data and statistics of $689 million in 2017 was only half of that needed for the full implementation of the Cape Town Global Action Plan for Sustainable Development Data. As of 2019, only 89 national strategies for the development of statistics were fully funded, mostly in high-income and upper-middle-income countries. Such continued, chronic underinvestment is holding back country progress towards achieving the Goals, with some concerns that development cooperation for data is often linked to donor investments rather than building national capacities more broadly.

57. Demographic and social statistics have been the preferred statistical domain for development cooperation, comprising 35 per cent of total commitments in 2017 and driven partly by support for the 2020 census round. Support for environmental and multisectoral statistics declined from 14 per cent in 2016 to 8 per cent in 2017, with particularly important implications for small island developing States, only a small

---


number of which have a fully funded and implemented national strategy for the development of statistics.\textsuperscript{40}

58. Development cooperation projects increasingly support gender statistics. Among bilateral donors, 11 per cent of commitments for statistics between 2015 and 2017 targeted gender data, compared with only 3 per cent between 2010 and 2012.\textsuperscript{41} Stronger development cooperation commitments will be needed to sustain this trend, given the still significant gaps in coverage of the gender-specific indicators of the Goals.\textsuperscript{42}

59. In the past decade, there has been a major push by donors to strengthen capacity and technical support for developing country Governments in disability data and statistics. Nonetheless, persistent limitations in the availability of comparable and high-quality data have posed ongoing challenges in this area.

Enhanced skills of and technology for national statistical offices and authorities

60. Producing statistical data for over 200 Sustainable Development Goal indicators puts a huge burden on countries, especially those with low capacities and high vulnerability. Most countries do not regularly collect data for more than half of the Goal indicators.\textsuperscript{43} While important, a strong focus on Goal monitoring and results could strain those national statistical systems that already struggle to improve traditional data sources and statistics.\textsuperscript{44}

61. The lack of disaggregated data at the national and subnational levels is a common challenge. Scarcity of data and limited sample sizes in existing data sets pose significant challenges for identifying and monitoring the status of those furthest behind. Traditional data collection instruments are often designed to assess aggregate national outcomes, based on methods that might not easily accommodate extensive analysis of population groups. Moreover, people who are being left behind are often the least likely to be counted and reflected in national statistics. Political as well as practical challenges can hamper attempts to identify those experiencing inequalities and discrimination.\textsuperscript{45}

62. Strengthening national statistical capacities should result in more responsive, inclusive policymaking, in particular when driven by a comprehensive consultation process and with a visible role for national statistical authorities. By promoting the production of high-quality statistical data, in line with international standards, unbiased information on vulnerable groups can be produced in a sustainable manner.

63. The role of national statistical offices in linking quality data to policymaking and collecting and reporting data for Goal indicators positions them as key actors that need guaranteed resources and increasingly makes them subject of international cooperation. This is especially critical for new skills and technologies within an expanding data ecosystem. This includes building up knowledge hubs that can foster

\textsuperscript{40} Ibid.

\textsuperscript{41} Ibid.


\textsuperscript{44} Bern Network, “The Bern Network: a global alliance to strengthen development data – financing more and better data to achieve the SDGs”, July 2019.

regular activities, networks of experts and dialogue between data producers and data users.

64. As increasingly diverse new data actors and instruments emerge, national statistical systems must learn to innovative, modernize and adapt. Big data, including geospatial information, provide huge opportunities for filling the data gaps, but they require the necessary skills and resources for managing them. Digital platforms, crowdsourcing and mobile and cloud-based technologies can provide low-cost ways to collect data, while simultaneously engaging marginalized communities in the 2030 Agenda. However, their use is also challenging and requires investment in capacities and a suitable institutional environment to fully leverage opportunities and mitigate risks associated with such sources and tools.

65. Personnel throughout national statistical systems need to acquire the skills of data scientists to link, integrate and analyse large amounts of data from different sources. Data-driven algorithms for improved service delivery, machine learning and predictive technology are all innovations through which different data communities could potentially contribute to progress. Alongside these efforts, the technological infrastructure at statistical offices and throughout Government must be upgraded so that administrative and other data sources and new technologies support not only statistics but also government policymaking and service delivery.

**Engagement of innovative partnerships on data and statistics, including on new data sources**

66. Innovative funding mechanisms for statistics are emerging to support developing countries. The Bern Network on Financing for Development Data has advocated a global, multi-stakeholder alliance that would ensure the quality of financing for development data, including better identification of needs; improved investments; better coordination at the country level; and linked national and external financial support for countries. The Network intends to propose a funding framework and supporting initiatives at the United Nations World Data Forum in 2020 to better align and consolidate funding responses with national statistical plans.

67. A multitude of new initiatives is generating critical lessons and outcomes around building partnerships for data and statistics. Launched in 2019, the Data for Now initiative brings together the Department of Economic and Social Affairs, the Global Partnership for Sustainable Development Data, the Sustainable Development Solutions Network and the World Bank to increase the sustainable use of robust methods and tools that improve the timeliness, coverage and quality of data on the Goals through collaboration and partnership, technical and capacity support and information-sharing. The United Nations Global Platform is another innovative data-driven partnership: it is based on a cloud-service ecosystem to support international collaboration in the development of official statistics and measurement of progress in achieving the Goals, drawing on a wide range of public and private sector data sets and resources, including those from large global technology companies.

68. The creation of knowledge and capacity-building centres, in partnership with the statistical authorities of selected countries, appears to be a promising practice. For instance, the Global Centre of Excellence on Gender Statistics in Mexico is a platform that brings together the National Institute of Statistics and Geography of Mexico, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and global experts for collaboration, knowledge-sharing and innovation on gender statistics. Such centres can support national efforts through the exchange

46 Ibid.
of knowledge and best practices; training of country experts; advocacy for the role of statistics in specific policy areas; and innovation in methodologies, including on the use of new data sources and tools, that support countries’ priorities.

69. Across innovative partnerships for better data, an important principle should be to ensure the meaningful participation of intended beneficiaries in data collection and analysis. This could be done by opening multi-stakeholder spaces and including organizations and associations that represent people at risk of being left behind. The perspectives and experiences of children and young people should be included in such participatory data collection and analysis.

70. Action points and recommendations include:

(a) Meeting the data challenge to progress on the 2030 Agenda, the Addis Ababa Action Agenda, the Paris Agreement and the Sendai Framework requires a major push in strengthening capacities and financial support for developing countries;

(b) Development cooperation of all types should help to bolster and modernize national statistical systems in line with evolving country needs and national statistical plans, including to fill critical gaps in the quality of traditional data;

(c) Development cooperation can support national statistical systems in maximizing the opportunities presented by new technologies and a changing data ecosystem;

(d) Development cooperation should help to showcase and scale up innovative partnerships for data and statistics, such as through centres of excellence, that facilitate technical assistance, the exchange of best practices and South-South and triangular cooperation.

VI. Strengthening trust and delivering results through consultation, monitoring and review

71. The 2018 Forum called upon development cooperation actors to bring greater innovation and more focused action to the “means of participation” for sustainable development. Enabling different actors, from parliaments to civil society and the private sector, to engage meaningfully in development cooperation and related efforts helps to strengthen collective capacity and confidence in the national sustainable development processes at all levels. This includes monitoring, reviewing and assessing the impact of development cooperation, which facilitate overall transparency and accountability and help to identify and ultimately strengthen the specific contributions of development cooperation to sustainable development.

Meaningful and transparent consultation, capacity-building and review with stakeholders

72. Against a backdrop of competing imperatives for development cooperation and evolving challenges to sustainable development, Governments need to engage all development partners in the implementation and review of, and follow-up to, national sustainable development progress. Low and stagnating levels of transparency and accountability can lead to increased scepticism of development cooperation and, over time, weaken prospects for sustainable development. Bringing in essential perspectives for meaningful consultation and review not only builds ownership among the wider public of the 2030 Agenda, but also enhances trust and promotes better outcomes informed by the expertise of the various actors.

73. Development cooperation actors exclude powerful engines of sustainable development, such as young persons, older persons and migrants, from their
consultations, monitoring and activities at their loss and risk. Young persons are a key group and are particularly important in developing countries where that segment of the population is increasing especially quickly; their potential contributions should be considered in the least developed countries, where the overall population (of all such countries combined) is growing 2.5 times faster than the population of the rest of the world and is set to double in size to 1.9 billion people by 2050. In other regions, the number of older persons is on the rise, with implications for the structuring of economies and societies. Recent high levels of international migration – an estimated 272 million people in 2019 – have also demonstrated the need for greater attention to migrant needs and capacities as part of sustainable development efforts.

74. As important actors in ensuring accountability and oversight, parliamentarians have a vital role to play in supporting inclusive whole-of-government and whole-of-society approaches to development cooperation. Nevertheless, in only 39 per cent of countries with development cooperation policies were such policies officially reviewed by parliaments prior to their implementation, and there has been a decline since 2018 in the number of countries submitting progress reports on development cooperation policies to parliaments.

75. Development cooperation projects that engage the private sector need to be more inclusive of national stakeholder perspectives to ensure sustainable development outcomes. Various challenges relating to inclusive consultation and monitoring have emerged. These include the lack of safeguards on the use of public resources; insufficient attention to concrete results and outcomes, in particular for the benefit of those furthest behind; and limited transparency, accountability and evaluation of related projects. According to a review of 919 private sector-related development cooperation projects, only 13 per cent engaged national Governments and even fewer engaged other stakeholders. In only a small share (no more than 5 per cent) of the projects studied were there explicit references to rural, remote or underserved locations or the objectives of targeting poor or low-income populations or of benefiting women.47

76. National mechanisms that hold actors accountable can solidify trust between Governments, domestic actors and beneficiaries and their development partners. In this regard, national development cooperation forums can provide a platform for partners to discuss issues, review progress and engage in mutual learning. Data from the 2020 survey show that roughly half of developing country respondents hold such forums, and 82 per cent of them view the forums as being highly or moderately effective in achieving their purpose, with a majority agreeing that they can help to build trust among partners.

77. However, such forums need to be sufficiently inclusive and provide genuine opportunities for accountability, transparency and results monitoring to be effective. Experience has shown that many of these forums were multi-stakeholder in theory, but in practice often engaged a narrow range of stakeholders – principally Governments and international development cooperation partners, rather than the full spectrum of actors.48 Given the increasing diversity of development cooperation actors, the need to enhance the engagement of other stakeholders in the work of the forums could be a priority area for development cooperation partners.

78. The forums also serve as a platform for reviewing progress against targets. The use of targets within national development cooperation policies is fundamental to


48 United Nations, Department of Economic and Social Affairs, “DCF survey findings report: national mutual accountability and transparency in development cooperation”, May 2018.
effectively monitoring and reviewing progress on their implementation, and stakeholders have an important role to play in this regard. The monitoring and review of progress can also be affected by the degree of effectiveness and comprehensiveness of development cooperation information systems. Many national development cooperation policies and related forums continue to focus primarily on the performance of government ministries and to a much lesser extent on the performance of other development cooperation actors against targets. Consequently, development cooperation information systems can be limited to a small core of targets for a small number of actors, which does not reflect or support the increasing dynamism in development cooperation actors and activities.

**Inclusive opportunities for strengthening development cooperation assessment and learning at all levels**

79. Voluntary national reviews have become an important instrument for reviewing progress on the 2030 Agenda. Since 2016, 142 countries have presented their reviews at the high-level political forum on sustainable development. The reviews show that limited evidence and reporting on the means of implementation, including development cooperation, as well as data disaggregation, remained some of the key challenges for many, if not all, countries. To this end, the 2018 Forum, in its survey study, recommended that the multi-stakeholder consultations and country-led survey assessments should inform the preparation of and follow-up to voluntary national reviews. The Global Partnership for Effective Development Cooperation, in its monitoring report, showed that around half of surveyed programme countries were using the mutual assessments of effective development cooperation to inform their reviews.

80. The fifth session of the Ministerial Conference of the Least Developed Countries will be held in Doha in 2021. Development cooperation actors could use the Conference and related preparations to address the existing and emerging challenges facing the least developed countries, including severe structural impediments to sustainable development; high vulnerability to economic and environmental shocks; and low levels of human capital and rapid population growth. Building upon a preparatory process that integrates country, regional and global substantive reviews involving all stakeholders, the Conference will conclude with a new 10-year programme of action for the least developed countries, which will coincide with the decade of action for the Sustainable Development Goals.

81. The challenging global context is contributing to a more difficult landscape for international development cooperation. However, the diverse actors in development cooperation are demonstrating sustained commitment to some of its central norms, while adapting policies and practices to deliver results across the 2030 Agenda, the Addis Ababa Action Agenda, the Paris Agenda and the Sendai Framework. The present report has highlighted these overall trends and identified key areas in which intensified efforts in development cooperation could accelerate progress towards sustainable development, where development cooperation can be a game changer in the decade of action. The Forum retains its unique role as the United Nations global platform for evidence-based, balanced and inclusive review of these latest trends, progress and emerging issues in international development cooperation and their impact. An action-oriented session in 2020 will provide an opportunity to scout the horizon and identify and advance the best practices and successful innovations of all actors and stakeholders to ensure that no one is left behind.

82. Action points and recommendations include:

(a) Strengthened consultation, monitoring and review of development cooperation with all stakeholders could improve transparency and accountability
around support for countries’ sustainable development priorities, building trust and enhancing the sustainability of results;

(b) Key actors, such as parliamentarians, civil society, including women-led and youth-led organizations, local governments and others, need to be engaged meaningfully and systematically;

(c) There is a need for greater accountability with respect to the consultation, monitoring and review of private sector engagement to ensure that its contributions advance poverty eradication and sustainable development;

(d) Support for national development cooperation forums could be strengthened, building upon comprehensive participation that accurately reflects the reality of contemporary development cooperation, as well as strong data and information systems for monitoring and discussing progress;

(e) The Ministerial Conference presents an opportunity for development cooperation actors to strengthen their commitments to reach the furthest behind first, including through innovative modalities, activities and partnerships in support of the least developed countries;

(f) The Forum will have a key role to play in bringing together the increasing diversity of development cooperation actors and charting a future course, mindful of challenges and prepared for opportunities.