Concept Note Session 3
Getting better results for sustainable development: the role of national
development cooperation policies
Monday, 21 May 2018, 4:30 PM – 6:00 PM

Format

• 15-minute introduction and special presentation in plenary, 4:30 pm – 4:45 pm (ECOSOC Chamber)
• Three 60-75-minute moderated dialogues in parallel, each with high-level panellists, 4:45 pm – 6:00 pm
  o Dialogue I (Conference Room C)
  o Dialogue II (ECOSOC Chamber)
  o Dialogue III (Conference Room D)

Objective

Advancing knowledge exchange on how the scope of national development cooperation policies is changing
to achieve better development results, and what is needed to make this process more effective.

Focus questions

• What are the steps involved in using national development cooperation policies (or equivalent policy
  frameworks) to align development cooperation activities with national priorities reflecting the 2030
  Agenda?
• What are ways in which target setting for international development cooperation partners and non-
  state actors can be improved to achieve development cooperation results?
• What are the essential mechanisms which need to be in place for periodic multi-stakeholder review of
  development cooperation? What are concrete actions that can be taken to develop capacity support to
  undertake this?

Background

A. Policies for aligning national development priorities with development cooperation support

As countries align their support to their national priorities, it is important to assess how well these processes
are functioning, and where good practice can be further leveraged. National development cooperation
policies (NDCPs) are one such tool used for this purpose of aligning and mobilizing development cooperation.
Countries responding to the 2018 DCF Survey reported their national development cooperation policies (or
equivalent policy framework) were highly aligned with national development plans and strategies.

National development cooperation policies are showing wider coverage in the instruments and stakeholder
engagement addressed, beyond aid and traditional partners. Yet, there remains considerable scope for their
improved use for whole-of-government and whole-of-society approaches that can step up the effectiveness
of development cooperation. There is also a sizable number of countries operating without NDCPs, using
other frameworks in some cases. ODA, while limited within the overall scheme of means of implementation,
remains critical. Today, other public and private sources of development finance largely bypass Least
Developed Countries (LDCs) and other countries in special situations. For countries with limited capacities,
ODA will remain a distinct and vital source of development finance. For many, ODA can serve in different
ways as a powerful catalyst to engage other actors, such as the private sector, in development efforts. It can also help keep development cooperation firmly focused on targeting those furthest behind first.

Sectoral shifts in ODA allocation may have disproportionate effects on vulnerable population groups and countries, where funding of social programmes is dependent on ODA. While investments in economic sectors, humanitarian aid and in-donor refugee costs have risen steadily between 2010 and 2015, those in social sectors have been on the decline. Further improving the ability, especially at national and subnational levels, to track the most vulnerable and marginalized groups will be essential to better understand their needs and provide more tailored and effective support.

**FIGURE 1**

**Coverage of development cooperation instruments in NDCPs**

<table>
<thead>
<tr>
<th>Development Cooperation Instrument</th>
<th>Percentage of Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical cooperation and other capacity building</td>
<td>82%</td>
</tr>
<tr>
<td>Grants/concessional loans (part of ODA)</td>
<td>82%</td>
</tr>
<tr>
<td>South-South and/or triangular cooperation</td>
<td>64%</td>
</tr>
<tr>
<td>ODA as a catalyst for other types of financing</td>
<td>62%</td>
</tr>
<tr>
<td>Domestic resource mobilization strategies</td>
<td>56%</td>
</tr>
<tr>
<td>Private finance for sustainable development</td>
<td>49%</td>
</tr>
</tbody>
</table>

Session 3 will explore the steps involved in using national development cooperation policies (or equivalent policy frameworks) to align development cooperation activities with national priorities:

- how embracing the 2030 Agenda affects this alignment process;
- the filling of gaps in existing national development cooperation policies (or similar frameworks);
- changing processes;
- integrating modalities beyond ODA, including South-South and triangular cooperation;
- forming new relationships to engage a wider range of stakeholders, including private sector and private philanthropic organizations; and
- use of different types of policies or frameworks, other than NDCPs, to support these processes.
B. Target setting in national development cooperation policies

Most countries participating in the 2018 DCF Survey reported having targets mostly for government and its ministries in their NDCPs. There was minimal use of these policies for articulation of institutional responsibilities within government. The use of targets for development cooperation partners, especially those wielding considerable influence in the recipient countries, is similarly at a low level. There were fewer targets for international development cooperation partners and OECD DAC partners collectively and individually, as well as providers of non-financial development cooperation (Figure 2).

While upon preliminary investigation very few NDCPs of countries responding to the survey contained examples of indicators and targets, one country’s NDCP does provides an illustration of how these may be formulated (Box 1). NDCPs reviewed also had minimal reference to inclusiveness targets, including those for gender.

**BOX 1**

Example of targets in national development cooperation policies

One country’s NDCP outlines objectives with targets and indicators for: (a) development cooperation modalities that promote effective and sustainable development; (b) capacity development for strengthened country systems; and (c) international development cooperation partners.

<table>
<thead>
<tr>
<th>Objective 1: External resources are used to promote effective and sustainable development</th>
<th>Indicator: Share of ODA provided through programme-based approaches (Baseline: 28 per cent; Target: 50 per cent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective 2: Partnerships focus on capacity development and systems strengthening</td>
<td>Indicator a): Use of country public finance management systems (Baseline: 32 per cent; Target: 50 per cent)</td>
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<td>Indicator b): Use of country procurement systems (Baseline: 20 per cent; Target: 35 per cent)</td>
</tr>
<tr>
<td>Objective 3: All development actors are convened in a partnership to promote equitable and broad-based growth</td>
<td>Indicator a): Aid on-budget (Baseline: 79 per cent; Target 90 per cent) and disbursed on schedule (Baseline 91 per cent; Target: 95 per cent)</td>
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<td>Indicator b): Conducting annual meetings and mutual assessments of progress, including Joint Monitoring Indicators</td>
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</table>
The session will be used to understand the process of target setting:

- what constitutes effective target setting for monitoring development cooperation commitments;
- where are there barriers to target setting, including the setting of inclusiveness targets; and
- priority areas for capacity support

C. How monitoring and review of development cooperation features in NDCPs

Both the 2016 and 2018 DCF Surveys showed low use of independent evaluations of international development cooperation, with only a few countries planning to conduct such evaluations. A review of survey countries’ NDCPs shows wide variation in how these policies are used to address monitoring and evaluation. Some policies focus on structures and processes, like annual reviews with development cooperation partners. Others set out goals and objectives of monitoring and evaluation systems, like tracking the progress and effectiveness of development cooperation and addressing implementation.

Just over half of surveyed countries were required to report progress to parliament, the same result as for the 2016 DCF Survey. Practical steps need to be taken to involve parliamentarians, including equipping members of parliament institutionally, financially and technically to undertake oversight activities. This includes empowering parliamentarians to take decisions based on the quality of NDCPs.
Several countries identified the need for capacity support in various aspects of monitoring and evaluation, especially impact evaluations for their NDCPs and international development cooperation. They also identified capacity support needs in tracking South-South cooperation; monitoring and evaluating private sector; developing integrated monitoring and evaluation systems for development cooperation and development cooperation information systems that are timely, accurate and comprehensive.

**TABLE 1**

<table>
<thead>
<tr>
<th>Commissioned independent evaluation in past 12 months</th>
<th>Did not commission independent evaluation in past 12 months</th>
<th>Intend to commission independent evaluation in next 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>DCF 2016 Survey</td>
<td>12</td>
<td>30</td>
</tr>
<tr>
<td>DCF 2018 Survey</td>
<td>13</td>
<td>25</td>
</tr>
</tbody>
</table>

The session will seek to answer what is needed for effective periodic multi-stakeholder review of development cooperation:

- effective mechanisms for the monitoring and review of development cooperation progress, and commitments of donors;
- barriers to progress;
- concrete actions to involve parliamentarians in monitoring and evaluation of development priorities; and
- priority areas for capacity support

**Further reference**

- Report of the Secretary-General on Trends and progress in international development cooperation, E/2018/55 [Arabic] [Chinese] [English] [French] [Russian] [Spanish]
- 2016 DCF Accountability Survey [Summary] [Study]
- 2018 DCF Accountability Survey [Summary] [Study] forthcoming
- What is development cooperation? – DCF Policy Brief No. 1