OFFICIAL SUMMARY
Prepared by the President of ECOSOC

The Economic and Social Council convened the fifth biennial High-level Meeting of the Development Cooperation Forum (DCF) at United Nations Headquarters in New York on 21 and 22 July 2016. The meeting brought together over 250 representatives of governments and the range of stakeholders – civil society organizations, local governments, parliamentarians, philanthropic organizations, international organizations and development banks and the private sector – to review trends and progress in international development cooperation, with the overarching theme of “Development cooperation: lever for effective implementation of the 2030 Agenda”.

The meeting built on an extensive two-year preparatory process, including: analytical work, culminating in the 2016 Report of the Secretary-General on “Trends and progress in international development cooperation” (E/2016/65); three high-level DCF Symposia held in the Republic of Korea, Uganda and Belgium; and other special events, briefings, side events and workshops.

The High-level Political Forum on Sustainable Development and the ECOSOC Forum on Financing for Development are mandated to take the work of the DCF into account in their follow-up and review of the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda on financing for development. The Addis Agenda further recognizes the DCF as the primary global platform for multi-stakeholder discussion on quality, impact and effectiveness of development cooperation.

The DCF-related research and multi-stakeholder discussions also informed the preparations and follow-up for the General Assembly’s 2016 Quadrennial Comprehensive Policy Review, which will guide the United Nations system’s operational activities for development during the first years of implementation of the 2030 Agenda and Addis Agenda.

This Official Summary presents the key messages and policy recommendations of the Forum on: (i) development cooperation in the 2030 Agenda and Addis Agenda; (ii) aligning development cooperation to support national sustainable development strategies; (iii) bridging capacity gaps and facilitating technology development and transfer; (iv) strengthening the contribution of South-South cooperation to sustainable development; (v) engaging the private sector in development cooperation; and (vi) strengthening monitoring and review of development cooperation for better sustainable development results.
KEY MESSAGES

**Development cooperation as lever for effective implementation of the 2030 Agenda**

The 2016 Development Cooperation Forum brought a multi-stakeholder embrace of the broad concept of development cooperation reflected in the 2030 and Addis Agendas, encompassing financial resources, capacity building, technology development and transfer, policy change and multi-stakeholder partnerships.

The Forum heightened the urgency to put, into our daily practice, a transformative focus on sustainable development results, putting the furthest behind first and adapting institutions and policies in support of priorities and systems in developing countries. It called for much more context-specific information on development cooperation needs, policies and best practices.

The Forum integrated an emphasis throughout the discussions on science, technology and innovation, climate change and resilience building.

The DCF advanced discussions on the prioritization and more effective use of ODA and its unique role within the global partnership for sustainable development.

Participants called for strengthened efforts by the United Nations to support Southern partners to enhance the evidence base on achieving sustainable development results.

The Forum brought new emphasis to improving the evidence base on engaging the private sector in development cooperation, as a way to make a step change in knowledge sharing and mutual learning, as well as trust building in this area.

The DCF identified tremendous capacity gaps and new opportunities in strengthening the qualitative dimension of multi-layered monitoring and accountability systems for development cooperation.

The Forum called for mainstreaming inclusive, multi-stakeholder partnerships and bottom-up approaches in all forms of development cooperation.

The biennial high-level meeting, and its extensive preparatory process, showed how the DCF enables open, candid, critical and action-oriented dialogue among all actors in development cooperation, generating concrete policy guidance under the 2030 and Addis Agendas.

**SUMMARY OF DISCUSSION**

**I. Development cooperation in the 2030 Agenda and Addis Agenda**

The 2030 Agenda for Sustainable Development commits the international community to bring global solidarity, international cooperation and collective action to new heights. Concerted efforts are needed at all levels to transition from sectoral to more integrated approaches, to localize the Sustainable Development Goals and to take synergistic approaches to the 2030 Agenda, Addis Agenda, the Sendai Framework for Disaster Risk Reduction and the Paris Agreement on Climate Change, which together form an action plan for people, planet, peace, prosperity and partnership.

“Our shared responsibility must be based on an honest assessment of strengths and weaknesses.”
The 2016 Development Cooperation Forum has heightened the urgency to put, into daily practice, a transformative focus on sustainable development results, putting the furthest behind first and adapting institutions and policies in support of priorities and systems in developing countries. Development cooperation can promote coherence among different development agendas and activities, facilitate inclusive cross-sector partnerships and provide capacity support for policy coherence for sustainable development. This includes ensuring better linkages between development cooperation and humanitarian assistance and promoting systematic investment in building the resilience of countries and communities.

All stakeholders can embrace and advance the broad concept of development cooperation reflected in the 2030 Agenda and Addis Agenda, encompassing financial resources, capacity building, technology development and transfer, policy change and multi-stakeholder partnerships. The quality of the relationships between and among partners is critically important, beyond the overall quantity of resources that development cooperation represents.

Development cooperation should continue its distinct role in supporting the poorest and the most vulnerable countries and people. Leaving no one behind means directing targeted assistance and providing sufficient resources and support to countries and communities with the least resources and weakest capacity. In this context, existing commitments on ODA must be met, while ODA should be further prioritized in its allocation and more effectively used to benefit those furthest behind first. Development cooperation has great potential to help correct market failures and asymmetric access to development opportunities among and within countries and to support their national sustainable development strategies. Leaving no one behind will require: making new choices and larger-scale investments; using new evidence-based tools; strengthening domestic institutions, including in the areas of data, monitoring and review; providing longer-term budget support; and broadening multi-stakeholder partnerships at all levels.

In identifying the needs of all developing countries, a more comprehensive approach, beyond gross national income per capita, should be explored. The 2016 DCF highlighted the different challenges facing least-developed-countries, land-locked developing countries, small island developing states, countries affected by conflict and fragility, and middle-income countries. The Forum underscored the challenge posed to the implementation of the 2030 Agenda by the current knowledge gaps and stressed the urgency of acquiring much more context-specific information on development cooperation needs, policies and best practices.

Development cooperation should contribute to mobilization and optimal use of all means of implementation. ODA can be an important leveraging tool in areas such as domestic resource mobilization, strengthening statistical capacities and mobilizing public-private partnerships in developing countries. The catalytic use of ODA should be closely monitored against its effectiveness in generating positive outcomes for poverty eradication and sustainable development, and not just increasing the volume of finance. The growing and complementary contributions of South-South and tri-angular cooperation should be further strengthened and there should be greater knowledge sharing. The private sector should be more strategically engaged in development cooperation, including in the development and transfer of science, technologies and innovation (STI), in favour of developing countries.
Development cooperation has a key role to play in strengthening accountability of all development actors and enhancing the quality and impact of partnerships. This includes promoting the oversight role of parliamentarians, providing capacity support for civil society, and facilitating the greater engagement of the public in all spectrums of the development processes. Results-focused, evidence-based and inclusive approaches are key to facilitate knowledge-sharing and mutual learning for sustainable development.

II. Aligning development cooperation to support national sustainable development strategies

Development cooperation actors are undertaking policy and institutional reforms in line with the 2030 Agenda. Countries at all development levels are adapting their development cooperation policies and strategies and reforming institutions, including establishing new functions within existing entities, to mainstream the 2030 Agenda and Addis Agenda in their cooperation efforts. Development cooperation institutions at all levels, including the United Nations system, need adjustment. Global institutions should adapt their priorities, corporate strategies, operational approaches, funding and capacity to the 2030 Agenda. It is critical that all these adaptations include efforts to enhance alignment of development cooperation interventions with the development priorities of developing countries.

Country ownership and government leadership are essential to effective implementation. One delegate shared his country’s effort to streamline its public financial management systems and institutions, which resulted in increased domestic revenues, significant debt reduction and strengthened and more diversified partnerships, including greater emphasis on South-South cooperation. National development cooperation policies should reflect a whole-of-government approach and be owned by whole societies, through institutionalized participatory development processes that engage all stakeholders, including parliaments and civil society organizations, with their vital oversight roles.

Achieving genuine country ownership and alignment will require significant shifts in development cooperation processes and behaviour. Development partners acknowledged that alignment was one of the areas where progress had been lagging. Some practical difficulties were identified, including in matching their desired development outcomes with those of developing countries and aligning their systems with the various country systems of their partners. Accountability tools should also be revisited to ensure they sufficiently recognize the dynamics of development that can produce systemic change.

Longer-term, programme-based approaches (e.g. budget support, pooled funding, etc.) facilitate better alignment with national sustainable development strategies of developing countries. In this regard, some developing countries are revising their national development cooperation policies, under which partners are obliged to agree upon the terms of engagement. This can not only facilitate alignment but also support developing countries in consolidating strategies and building up their knowledge base.

Addressing the poor quality of data and increasing the visibility of financial and non-financial flows will also be key to better alignment of incentives and cooperation efforts. Data gaps make programming difficult in this early implementation phase of the 2030 Agenda, which is why some
developing countries are prioritizing data and national statistical capacity in their international cooperation. Some countries are also working to fully integrate their databases on development cooperation into their national public financial management systems.

III. Bridging capacity-gaps and facilitating technology development and transfer

Developing countries indicated huge gaps in policy and institutional capacities for achieving the 2030 Agenda – particularly in areas such as public administration; domestic resource mobilisation, including tax administration; and data and statistics. LDCs typically have limited capacities in policy integration and ensuring a strong science-policy interface, which are instrumental to meeting the SDGs. More ODA should be allocated to support the countries with the weakest policy-making and implementing capacities. Critically, policy reforms need to be fast-tracked to ensure a more enabling international environment for sustainable development, as set out in the Addis Agenda.

Capacity support should be built into any development cooperation interventions at country level, towards enhancement of human resources and skills development for national stakeholders, including youth, women and girls. Managing ‘silo’ projects without the engagement of local actors will not bring lasting results for sustainable development. Development cooperation for capacity development, including technical cooperation, should be demand-driven, based on clear needs assessments.

Development cooperation has critical roles to play in supporting developing countries to harness technological trends for sustainable development, including through the Technology Bank for LDCs. It could also support building of developing countries’ capacities to link national statistics with big data, in a way that serves the public interest. At the same time, some technological changes, such as mechanized labour and robotics, risk leaving poor and marginalized countries or people further behind. Dialogue on these challenges is often held only in the context of negotiating free-trade agreements. Participants called for stronger multi-stakeholder platforms to discuss technological development and transfer from a development cooperation perspective, including at regional level. DCF is well positioned to provide such open space for multi-stakeholder exchanges at global level.

IV. Strengthening the contributions of South-South cooperation to sustainable development

South-South cooperation preserves policy and fiscal space for developing countries. Its longstanding conceptual framework is non-prescriptive, based on common principles. By virtue of its approach, it is capable of harmonizing diverse priorities among stakeholders and ensuring shared ownership and processes. These characteristics are evident, for instance, in the new development and infrastructure banks of the South, which merit further study to generate lessons and knowledge relevant for all actors in development cooperation.

South-South cooperation has great potential to reduce asymmetries in access to development opportunities and directly respond to local demands. The experience of South-South cooperation shows that adoption of new policies based on exchange of knowledge can have a big development impact. In this and other ways, South-South cooperation can contribute to addressing the systemic issues that limit policy space and undermine development. South-South cooperation also recognizes
the importance of localizing global goals like the SDGs consistent with context-specific demands and levels of capacity to solve local problems. It should thus also be able to strengthen its contributions to creating an enabling environment based on multi-stakeholder partnerships, with active participation of civil society. In this connection, some participants highlighted the importance of South-South cooperation showing respect for human rights and rights-based approaches and ensuring accountability to the public and beneficiaries of development projects.

South-South cooperation needs to further develop its institutions and exchanges, while preserving its strategic focus in promoting autonomy, resilience and structural change. Institutions should be set up or existing institutions re-engineered in developing countries to be able to channel South-South cooperation more effectively. Information and knowledge sharing amongst all actors in developing countries, including development cooperation institutions and civil society organizations, should be strengthened. Functional coordination mechanisms on political and operational aspects of development cooperation do not yet exist and could be considered. More regional clusters of cooperation can be created in key areas, such as financing, statistics and monitoring and evaluation.

Participants called for strengthened efforts by the United Nations to support Southern partners to enhance the evidence base on the value added of South-South cooperation in achieving sustainable development results. In this connection, the challenges of documenting evidence and quantifying the relevant data were noted. There was a sense that conceptual cleavages on what qualifies as South-South cooperation was of less interest to developing countries. Rather, with a clear sense of the basic purpose of South-South cooperation, developing countries could together define the parameters for measuring South-South cooperation and assessing its contributions to achieving sustainable development. Participants underscored the importance of the DCF as a platform to share the rich experience among Southern partners and cross-fertilize the good practices.

V. Engaging the private sector in development cooperation

Effective engagement of the private sector in development cooperation begins with building genuine alliance between public and private sectors, including civil society and trade unions, based on deeper mutual understanding. The public sector should take a more practical approach to innovate opportunities and incentivize the private sector to invest in sustainable development, going beyond philanthropy or corporate social responsibility. The private sector should take the 2030 Agenda as an opportunity to rethink its approach to sustainable value creation and better “business diplomacy”, by aligning their businesses with priorities of the societies in which they operate. Participants offered examples of governments and private sector working together in this direction.

The 2016 DCF put strong emphasis on improving the evidence base on engaging the private sector in development cooperation, as a way to make a step change in knowledge sharing and mutual learning, as well as trust building in this area.
Blended finance is one vehicle for strengthening private sector engagement in development cooperation – not only financing but also capacity building, technology development and transfer, and multi-stakeholder partnerships. It is not a panacea in the face of the enormous financing gaps to achieve the SDGs. Current trends showing more blended finance invested in middle-income countries and those with lower levels of poverty.

Discussions in the DCF and other platforms is shifting from considering the usefulness of blended finance to deepening understanding on when its use is appropriate, how it should be used and structured, and how the associated risks should be assessed and managed. Blended development cooperation is justified on a “case-by-case” basis to avoid undue subsidies to the private sector, achieve value for money and effectively manage risks for both public and private sectors. The DCF can provide a neutral multi-stakeholder platform for building further evidence, providing policy guidance and opportunities for capacity development concerning the effective use of blended financing instruments in favour of developing countries.

Development cooperation can support engaging the private sector from the outset in co-designing projects and strengthening capacities in developing countries of national and local governments, local development finance institutions, parliamentarians and civil society organizations.

“The issue of blended finance is not just about increasing the finance, but more about managing the risks.”

Major efforts are needed to ensure transparency and accountability of all actors in blended development cooperation. Measures need to be created to incentivise bilateral and multilateral development finance institutions to publish their relevant contracts and establish public complaint mechanisms; in this regard, the potential role of the United Nations in developing global regulatory frameworks, standards and guidelines was noted. In addition, the importance of putting in place independent validation mechanisms was highlighted.

VI. Strengthening monitoring and review of development cooperation for better sustainable development results

All stakeholders have a collective responsibility in the monitoring and review of progress towards development cooperation commitments, with a strong focus on mutual learning for better results and leaving no one behind. The accountability of Governments to the public provides the basis for effective monitoring and review of progress at all levels and should be further strengthened, including through greater efforts to collect authentic citizen-based data.

The active involvement of parliaments, local authorities and civil society is especially important to hold governments accountable at the national level for delivering on development cooperation commitments under the 2030 Agenda and Addis Agenda. In this regard, the Forum again highlighted the pressing need for capacity support for parliamentarians, local governments and civil society organizations.
The criteria for measuring progress should be strongly anchored in and aligned with national sustainable development plans, including in the case of private and blended development cooperation. A global standard for monitoring the national budgetary process, including its auditing component, could support individual countries to better link resources with results and integrate overall financial management, including development cooperation.

Issues related to statistical capacities and quality data, such as disaggregation, convergence and open data, should be addressed concurrently, for more transparent and accountable development cooperation and for design and implementation of better policies and practices.

Inclusive space is needed for designing and implementing a solid country results framework (CRF) linked to the SDGs, including with more precise indicators and incentives for non-state actors. The Forum strongly underscored the need to step up the conversations at country level for monitoring behavioural changes of all stakeholders in development cooperation and promoting transparency and multi-layered accountability. The need to foster an enabling environment for civil society organizations was also highlighted.

Systems and processes for monitoring and review of development cooperation at all levels should be linked in more cohesive and coherent ways. Regional monitoring mechanisms (e.g. UN Monitoring Mechanism) can play a strengthened role in inter-connecting work on accountability at national and global levels to facilitate peer-learning and provide supplementary data. The DCF has a unique role in providing the primary multi-stakeholder platform at global level for open and honest review and action-oriented debates on the trends and progress in international development cooperation, including its quality, impact and effectiveness.

Development cooperation itself should support inclusive, evidence-based and much more dynamic processes of monitoring and review, conducive to experimentation, ‘failing faster’ and swiftly owning up to failures without fear. Such an approach is critical to unleash the full force of human creativity and enable the faster learning, adjustments and innovations in policy and practice.

**VII. Way forward and next steps**

We must stoke a shared sense of urgency to take possible actions immediately towards the SDGs. There is no time to search for perfect solutions. Participants called on the Economic and Social Council, including the Development Cooperation Forum, to provide clear direction and leadership for the United Nations development system and beyond to help create and re-gear incentive schemes, within which synergy and collaboration are rewarded and unprofitable competition is avoided.

Development cooperation has to support the changes in mind-set needed to achieve the SDGs – from sectoral to integrated approaches; from governmental to whole-of-government and whole-of-society approaches; from measuring development in terms of income or growth to considering the
multiple dimensions of poverty, sustainability and inclusivity. It should promote the shift in focus from financing to the broader partnership dimension and effective engagement of all stakeholders.

Development cooperation should help strengthen institutions and systems to strip out discrimination and inequality and place people at the centre as an active partner in delivering on the 2030 Agenda. The United Nations and all governments should engage young people in particular in more tangible and meaningful ways. As those who will be most affected by the 2030 Agenda, youth can play a bigger role at the centre of follow-up, review and accountability processes, bringing disruptive and transformative thinking and linking it to the bold aspiration of leaving no one behind.

The United Nations development system has a key role in nurturing partnerships in all areas of sustainable development, including with regard to mobilization of financial and non-financial resources, North-South, South-South as well as triangular cooperation and private and blended development cooperation. The United Nations development system will need to adapt to the broader and integrated agenda and respond to the strong demand for country ownership of national sustainable development strategies.

The conceptual and political independence of the Development Cooperation Forum is critical to its capacity for innovation and contributions to implementation efforts at all levels. With open and honest exchanges, the 2016 DCF advanced the global policy dialogue on how development cooperation can play more strategic roles in promoting rights-based, results-oriented and whole-of-society approaches to support developing countries to strengthen country ownership and in assisting all stakeholders in achieving the 2030 Agenda. Participants called on the Forum to further strengthen its capacity to promote knowledge sharing and mutual learning and provide guidance on development cooperation in the implementation of the 2030 Agenda and Addis Agenda.

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DCF Analytical Work – 2014-2016 Cycle

- Report of the Secretary-General on Trends and progress in international development cooperation. Latest biennial report and main substantive input to the 2016 High-level Meeting of the DCF, addressing the importance and tremendous potential of development cooperation as a lever for effective implementation of the 2030 Agenda for Sustainable Development.
- Fourth DCF Accountability Survey Study. Maps and analyses the evidence on the state of play in development cooperation on the ground in the responding countries, which structure their assessment around ‘mutual accountability enablers’, like national development cooperation policies, country-driven results frameworks, clear institutional structures with dialogue forums, and quality information.

Development Cooperation: Scope and Implementation

- What is development cooperation? Major tasks and activities of development cooperation based on the new universal Agendas.
- New forms of cooperation and increased coherence to implement the SDGs. Cohering national policy to maximise the use of new forms of development cooperation.
- Re-engineering development cooperation institutions to deliver on the 2030 Agenda for Sustainable Development. Active engagement as the fulcrum of better alignment, integration and coherence.
- Assessing the suitability of different development cooperation modalities for greater effectiveness and impact post-2015. Exploring the unique opportunities each modality provides to the transformed development cooperation landscape.
- Adjusting development cooperation for the SDGs. Lessons learned from MDGs and adaption of coherent policy at all levels of government.
- Making development cooperation on climate change sensitive to the needs of the most vulnerable countries. Analysing recent trends and issues in development cooperation funding for climate change sensitive countries.

Trends in Development Cooperation Financing and Capacity-building

- Improving ODA allocation for a post-2015 world. Re-examining the role of ODA and ensuring it is used where it is best suited and needed most.
- ODA allocation and other trends in development cooperation in LICs and vulnerable contexts. Identifying recent trends in ODA allocation and applying a portfolio of models to each country’s particular needs.
- Private and blended development cooperation: Assessing their Effectiveness and impact for Achieving the SDGs. Substantive and procedural elements to consider.
- Strengthening technology facilitation and capacity building in a post-2015 setting. Understanding the issues. Linking technological innovation and the SDGs.
- International Development Cooperation to Promote Technology Facilitation and Capacity Building for the 2030 Agenda. Exploring the relationship between development cooperation and the promotion of technology and capacity-building.

Monitoring and Review of Development Cooperation

- Addressing changes and challenges in monitoring and review of development cooperation at the national level. Using six enablers of mutual accountability to unpack the changes and challenges and identify ways forward.
- Monitoring and review of development cooperation to support implementation of a post-2015 development agenda. Exploring how to help governments prepare for monitoring and review of an increasingly complex set of global commitments on development cooperation.
- Localizing Monitoring and Review of Development Cooperation for the 2030 Agenda. Prospects and challenges of practicing monitoring and review of development cooperation at the local level.
- Country results frameworks for effective monitoring and review. Using integrated, aligned country-driven results frameworks to support the 2030 Agenda.
- Citizen-based monitoring of development cooperation to support implementation of the 2030 Agenda. Overview of citizen-based monitoring systems and ways of enabling effective citizen-based monitoring and review.

DCF Side Events, New York, 20–22 July 2016

- “Launch of Development Cooperation Forum (DCF) Accountability Study”, UNDESA.
- “Enhancing accountability and policy coherence in SSC: Monitoring quality and documenting impact at country level”, CPDE, Reality of Aid, UNDP.
- “Blended finance in the SDG Era,” technical workshop. UNDESA.
- “Managing triangular cooperation in Latin America: country-led practices and tools”, PIF CSS.
- “Adaption of the 2030 Agenda for Sustainable Development and the Role of Development Cooperation in Asia and the Pacific”, ESCAP, OHRLLS.
- “Principles of SSC and TOSSD: What findings from case studies in the South can tell us about convergence and discrepancy”, Nest, GDI.
- “Effective Development Cooperation for Least Developed Countries”, OHRLLS.

Preparatory Symposia

- DCF Belgium High-level Symposium, 6-8 April 2016.
- DCF Republic of Uganda High-level Symposium, 4-6 November 2015.
- DCF Republic of Korea High-level Symposium, 8-10 April 2015.

Other preparatory events of 2014-2016 DCF cycle

- Development Cooperation, levers for integrated SDG implementation – Briefing on the 2016 DCF Preparatory Process (22 February 2016).
- Mobilizing development finance for the 2030 Agenda: next steps towards measuring total official support for sustainable development (TOSSD) – DCF Side Event (27 October 2015).
- Joint meeting of the General Assembly and ECOSOC: “A renewed global partnership for development and successor arrangements to MDG” (30 October 2014).

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