

## Concept Note Session V

### Development cooperation by the private sector, other non-state actors and blended development cooperation

*Friday, 22 July 2016  
11:00 -13:00  
ECOSOC Chamber  
UN Headquarters, New York*

The private sector is expected to play an increasingly important role in achieving the SDGs. Private development cooperation has grown rapidly over the past decade, from philanthropic and grant-making organizations, individuals and corporations, providing funding and know-how, technology and capacity building, and innovative approaches to development challenges.

Public sector actors are also increasingly providing new models of finance, including “blended” finance/development cooperation and risk mitigation instruments, designed to attract private funds to profit-making ventures that are aimed at advancing sustainable development and the achievement of the SDGs.

Blended finance as defined in the Addis Ababa Action Agenda refers to public finance blended with non-concessional private finance, which can be done through: grants, loans or equity contributions that are blended with private flows; and through methods such as guarantees, used to encourage private flows via risk sharing or mitigation. Blending of public and private “not for profit” development cooperation flows also takes place.

Yet, there is insufficient evidence and thus ongoing debate on whether these various forms of “blending” always mobilize additional private flows, supports national sustainable development priorities or increases sustainable development impacts.

There is need for greater efforts to share and exchange more and better information on the effectiveness and impact of both the private and blended development cooperation modalities and the respective assessment methods.

During its 2014-2016 cycle, the Development Cooperation Forum has provided various platforms to discuss private and blended development cooperation among the relevant actors. These have included: a policy brief to deepen the understanding of private and blended



development cooperation; workshops in Incheon, Addis Ababa and Kampala alongside the DCF high-level preparatory symposiums and the Third International Conference on Financing for Development; and informal consultations with multiple stakeholder groups engaged in or impacted by private and blended development cooperation.

As part of the 2016 High-level Meeting of the DCF, this plenary session will provide an open space for knowledge sharing and mutual learning on: (i) incentivizing private and blended development cooperation to contribute best to achieving the SDGs; and (ii) enhancing the reporting on quantity, quality and effectiveness of private and blended development cooperation.

#### ***Focus Questions:***

- *What role does development cooperation have in bringing innovation and private capital into the equation for the achievement of the SDGs? What are key lessons learned so far in incentivizing private sector engagement in development cooperation?*
- *How can we ensure that blended development cooperation, including impact investing, supports national sustainable development priorities and increases sustainable development impact? What does the record show so far?*
- *What are practical steps to promote better understanding, inspire knowledge sharing and mutual learning and support standard-setting and more coherent reporting on the quantity, quality and effectiveness of private and blended development cooperation at all levels? What barriers and problems need to be overcome?*

#### ***Format***

Moderated interactive discussion (2 hours), featuring brief presentations by speakers.

#### ***Background documents***

- Secretary General's report on trends and progress in international development cooperation, E/2016/65 ([all language versions](#))
- 2016 DCF Policy Briefs ([all language versions](#)):
  - No. 1: What is development cooperation?
  - No. 7: Private and blended development cooperation: assessing their effectiveness and impact for achieving the SDGs
- Summaries of DCF High-level Symposiums in [Republic of Korea](#), [Uganda](#) and [Belgium](#)

*The **2016 High-level meeting of the Development Cooperation Forum (DCF)** will focus on the importance and tremendous potential of development cooperation as a lever for effective implementation of the 2030 Agenda for Sustainable Development. The overall objective is to provide policy makers and practitioners at all levels concrete guidance on development cooperation in the SDG era, and to contribute to the review of progress on the 2030 Agenda, in particular on financing and other means of implementation.*

*The DCF is a core function of the United Nations Economic and Social Council, which has a major role at global level in the follow-up and review of the 2030 Agenda and Addis Ababa Action on financing for sustainable development. The DCF has a clear, broad mandate to review trends and progress in international development cooperation. It encourages discussions on the future of development cooperation. It works to promote greater coherence in development policy and among partners, knowledge sharing and mutual learning.*

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