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Summary of the seventh high-level meeting of the Development Cooperation Forum

Note by the Secretariat

In accordance with General Assembly resolutions 67/290 and 70/299, the President of the Economic and Social Council has prepared the present summary of the seventh high-level meeting of the Development Cooperation Forum for submission to the high-level political forum on sustainable development, convened under the auspices of the Council. The summary is also intended to inform and strengthen the financing for development follow-up process, as mandated by the Assembly in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development. The 2021 Forum was held virtually on 6 and 7 May 2021, in accordance with protocols related to the coronavirus disease (COVID-19), after being postponed from May 2020. The summary includes the messages and recommendations from the meeting, based on the trends, progress and challenges identified in the report of the Secretary-General on trends and progress in international development cooperation (E/2020/10) and in a concise conference room paper with data updates. On the basis of the strong engagement by high-level policymakers and practitioners from all regions and diverse areas of action, it is recommended in the summary that the 2021 high-level political forum should take forward the Forum's reimagined understanding of development cooperation - informed by risk, designed to build resilience and strongly linked with climate action - which will strengthen the foundation for collective action in the COVID-19 pandemic response and recovery. To build resilience against future shocks, the 2021 high-level political forum should also promote inclusive, accessible and sustainable infrastructure that is aligned with the 2030 Agenda for Sustainable Development and meets the needs of local communities, especially the most vulnerable segments of the population.





I. Introduction

- 1. The Development Cooperation Forum reviews trends and progress in international development cooperation, including strategies, policies and financing, promotes greater coherence among the activities of different development partners and strengthens the links between the normative and operational work of the United Nations. It produces actionable policy guidance for Member States and other actors for enhancing the quantity, quality, impact and effectiveness of development cooperation. Its work informs the high-level political forum on sustainable development and strengthens the follow-up and review process of the 2030 Agenda for Sustainable Development. Its work also informs and strengthens the financing for development follow-up process and efforts to implement the Addis Ababa Action Agenda of the Third International Conference on Financing for Development.
- 2. In accordance with General Assembly resolutions 67/290 and 70/299, the Secretariat hereby submits to the high-level political forum on sustainable development, convened under the auspices of the Economic and Social Council, a summary of the seventh high-level meeting of the Development Cooperation Forum, as prepared by the President of the Council. In line with protocols related to the coronavirus disease (COVID-19), the meeting was convened virtually on 6 and 7 May 2021, after being postponed from May 2020.
- 3. The 2021 Forum sought to advance development cooperation that reduces risk, enables recovery and builds resilience during the COVID-19 period and beyond. The importance attached to this objective showed in the strong engagement by high-level policymakers and practitioners from all regions and diverse areas of action, including representatives of national Governments, civil society, the private sector, philanthropy, women, youth and other vulnerable groups, as well as mayors and other local authorities, international organizations and development banks. Participants came ready to contribute to shaping a more strategic and effective role for development cooperation in the decade of action for the Sustainable Development Goals.
- 4. The upshot: the 2021 Forum gave rise to a reimagined understanding of development cooperation informed by risk, designed to build resilience and strongly linked with climate action that can strengthen the foundation for collective action in the COVID-19 pandemic response and recovery. Global agreements already in place provide a foundation for building back better. However, doing so will require more concerted, creative and flexible implementation of the global agreements, and efforts at all levels must build on and reinforce country systems, policy frameworks and national and local capacities, support inclusive approaches and facilitate coordination among diverse actors.
- 5. The present summary outlines the key messages and policy recommendations of the Development Cooperation Forum in five areas: (a) building risk and resilience into the DNA of development cooperation; (b) meeting development cooperation commitments to navigate crises; (c) advancing a sustainable COVID-19 recovery through development cooperation; (d) sharing knowledge and technology for recovery and response, including to support inclusive digital transformation and effective data governance; and (e) reimagining development cooperation for the decade of action.

II. Building risk and resilience into the DNA of development cooperation

- 6. Without a stronger international response to the pandemic, backed by development cooperation, the world risks the devastation of a "lost decade" of development in developing countries. The current global context is defined by intersecting risks that simultaneously put stress on development actors to contain and end the COVID-19 pandemic, to recover from its socioeconomic impacts and to reinvigorate the effective implementation of the 2030 Agenda, the Addis Ababa Action Agenda, the Paris Agreement and the Sendai Framework for Disaster Risk Reduction 2015–2030. Without substantial increases in financing and other forms of development cooperation aimed at building resilience, the Sustainable Development Goals will be difficult to achieve by 2030. In particular, the multidimensional and cascading nature of the COVID-19 crisis has once again highlighted the urgency of financing for prevention and disaster risk reduction, as well as for disaster preparedness and response. Strengthened international development cooperation and multilateralism will be critical to enabling recovery, reducing risk and building resilience and preparedness for the decade of action.
- 7. International development cooperation has to become more risk-informed, given the increasingly complex risk landscape and the scope of resources and expertise required. The impacts of COVID-19 and systemic risks, such as climate change, clearly show the importance of risk management for national sustainable development and for the means of implementation. Development cooperation should support developing countries in strengthening their capacities at the national and local levels to manage and reduce risks, lest future shocks further undermine progress on the Sustainable Development Goals. Many developing countries had embedded multidimensional risks into their national priorities and plans prior to the pandemic. The crisis has motivated partners and provided them with opportunities to adapt their development cooperation efforts to the new and emerging risk landscape. All actors should ensure that both existing and pandemic-related risks are addressed through financial and non-financial cooperation that is aligned with country priorities and reinforces country systems.
- 8. Development cooperation should address the structural drivers of inequalities and support building back better and fairer. The pandemic has revealed and exacerbated stark inequalities that have reversed progress for women, children and young people, indigenous peoples and migrants, among others. Development cooperation should prioritize support for building resilient health and social protection systems (including those for food and nutrition security); those systems are the essential foundations of societal efforts to reduce inequalities, withstand shocks and limit negative consequences. Developing countries will require such support from multilateral and bilateral partners in the short, medium and long term, through diverse means: financing (including debt relief, concessional loans and grants), capacity support and innovative partnerships in relation to data, technology and innovation.
- 9. Investments in recovery should tackle the underlying conditions that have shaped how the COVID-19 crisis has unfolded in developing countries. Developing countries entered the crisis with what are referred to, in the health sector, as "pre-existing conditions": the vulnerabilities faced in particular by the least developed countries, small island developing States, landlocked developing countries and other countries in special situations. For those countries, the socioeconomic fallout of the pandemic may be even more devastating than the health shock. As home to most of the world's poor people, middle-income countries have also faced distinct

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- challenges stemming from their vulnerability to the socioeconomic impacts of COVID-19, alongside structural barriers to financial and capacity support.
- 10. The least developed countries face significant emerging risks. The pandemic has brought economic losses, an erosion of infrastructure and constraints on public services, on top of pre-existing structural weaknesses and vulnerabilities in the least developed countries. Development cooperation partners (multilateral and bilateral, public and private) can support those countries in the following areas: building their capacities to expand production and productivity, create jobs and advance technologies and digital connectivity; being part of more resilient regional and global value chains; and effectively planning for, investing in and managing infrastructure assets and green technologies, in support of a transition towards a risk-informed, climate-resilient and sustainable economy.
- 11. The 2019/20 Development Cooperation Forum survey showed that, before the current crisis, having national sustainable development strategies in place helped countries to identify risks, think through contingencies and plan for different scenarios. The experience of developing countries with recent, more localized risks, such as the Ebola virus outbreak and natural disasters, had made such efforts an increasingly essential component of national development planning. Many developing countries have reflected that experience in their development cooperation ecosystems, namely, in their national development cooperation policies and other key enablers of effective development cooperation identified through the Development Cooperation Forum, including country results frameworks, development cooperation information systems, national development cooperation forums and capacity support.
- 12. Flexibility, built on a strong foundation of trust between partners, has been an important factor behind encouraging experiences among development cooperation actors so far in the pandemic response, including the rapid deployment of new resources and tools in order to achieve immediate impacts. Such flexibility manifested itself in the ability to reallocate funds to urgent priorities, especially from bilateral donors to the health area, to streamline and relax certain standards and rules (e.g., for procurement) for the sake of a quicker response, and to bring forward implementation dates. Those measures were supported by the existence of strong national development cooperation policies and agreements that included risk considerations and contingency response aspects. Moreover, developing countries have made important contributions to the response, including by sharing supplies in the early stages, rolling out their own stimulus packages, where feasible, and taking major steps to contain the spread of the virus through lockdowns.
- 13. Advancing risk-informed approaches urgently requires building better data and statistical capacities and systems, based on access to high-quality, timely, reliable and disaggregated data and the capacity to leverage new data sources, including digital data. In the 2019/20 Development Cooperation Forum survey, the lack of quality data was identified as a key issue for developing countries in achieving long-term development objectives and responding to urgent short-term needs. Experiences in developing countries have shown the power of strong data and administrative systems in channelling emergency resources and boosting social protection coverage during times of crisis. The demand for real-time trend data surged during the pandemic, driving numerous innovations and partnerships in the data sphere. However, many of them remained at the global level or relied on external capacities or resources beyond the reach of developing countries. Building on those experiences, development cooperation partners should help to strengthen the capacity of countries' data and information systems. Partners should also support better real-time tracking of development cooperation-related data based on the provision of timely and accurate information.

III. Meeting development cooperation commitments to navigate crises

- 14. Achievement of the target of 0.7 per cent of gross national income for official development assistance (ODA/GNI) is a priority, as are the related policy changes in support of developing countries' resilience. Development cooperation actors should draw on the example and lessons of those that have successfully protected or increased development cooperation budgets and capacities during the crisis. Official development assistance (ODA) should be safeguarded for the poorest countries and for those in debt distress and in fragile contexts. In addition, ODA sectoral allocations should be rebalanced by investing in preparedness such as crisis prevention and planning, climate change adaptation, epidemic and pandemic prevention driven by country needs and priorities. Grant financing is vital for the poorest and most vulnerable countries, which are at high risk of debt distress. The decline of grant financing relative to loans should be reversed.
- 15. The \$100 billion climate finance target must be met as a new target in addition to ODA commitments, with an emphasis on grants rather than loans. ODA must also be aligned with the 2030 Agenda and the Paris Agreement. Development cooperation partners and relevant stakeholders should work to streamline and simplify application and management procedures for climate finance in order to promote easy access to global climate funds by developing countries. Moreover, pandemic recovery efforts should reduce the obstacles to accessing and attracting development cooperation for climate action and disaster risk reduction and ensure that investments address multiple risks, increasing not only the quantity but also the quality and impact of investments.
- 16. A more comprehensive approach to debt relief, based on vulnerability, would address the immediate liquidity pressures and restore long-term external debt sustainability in many developing countries. High and unsustainable debt levels undermine macroeconomic stability in the least developed countries and small island developing States and pose risks to achieving sustainable development. The Debt Service Suspension Initiative of the Group of 20 has alleviated financial pressures in some vulnerable countries but remains insufficient. A more comprehensive international approach would combine temporary standstills with sovereign debt reprofiling and restructuring. Debt swap initiatives could also be further explored.
- 17. More resources for multilateral development banks are needed in order to bolster their financial capacity for both concessional and non-concessional lending. In this regard, the resources of the International Development Association (IDA) should be replenished, as already agreed. Lending from regional development banks serving the least developed countries, in particular the African Development Bank and the Asian Development Bank, should also be significantly increased. Longer-term concessional financing, including through a strengthened IDA, could be an important tool for facilitating the necessary investments in human capital, social protection and health systems and resilient infrastructure.
- 18. Blended finance, building on the principles laid out in the Addis Ababa Action Agenda, can be used as a complement to concessional finance in the context of the crisis. Blended finance can be deployed in a countercyclical manner, when other private financial flows have abruptly stopped, and can thus improve access to finance for small businesses and ensure financial and technical support for private sector actors in developing regions. Numerous development finance institutions have worked to enhance their collaboration and leverage their respective strengths to improve the impact, effectiveness and sustainability of their investments in pandemic response and recovery. This could be strengthened further through closer

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- collaboration with and capacity support for national and subnational development banks in developing countries, bridging global and local expertise to catalyse finance for sustainable development. To fully meet its potential, blended finance needs to be directed in greater proportion to where the needs are greatest and where investments support high sustainable development impact. Non-concessional resources should be used to leverage private investment when possible, with ODA to be used in support of social sectors that are typically less suitable for blended finance transactions.
- 19. Private sector engagement in development cooperation should become more substantial and strategic in support of developing countries' resilience. The 2019/20 Development Cooperation Forum survey revealed that the engagement by the private sector with developing countries' national development cooperation forums or platforms remained limited. However, the pandemic showed the importance of private sector contributions to supporting a rapid crisis response. To strengthen partnerships for resilience, the engagement of private sector actors in development cooperation should focus on priority areas in which their expertise and resources can have a transformational impact, including on climate action, financial inclusion, support for and financing of small and medium-sized enterprises, agriculture and rural development, the creation of decent work opportunities for women and young people, and supporting economic actors through long-term investment.
- 20. South-South and triangular cooperation have shown resilience in the pandemic context and should be further strengthened. Deepening South-South cooperation and triangular cooperation can enhance capacities and resources for risk-informed development cooperation, including through trade, industrial policy, regional integration and regional value chains in food, health and related products, and scaled-up financing. In addition, the global South has played a primary role in producing and catalysing knowledge on health and other risks to sustainable development, which could be strengthened through the exchange of experiences, skills and good practices among national and local entities.
- 21. Capacity-building support for integrated national financing frameworks, plus enhanced access to data and information, will assist developing countries in embedding risk management in fiscal and financial policies. Integrated national financing frameworks can strengthen the connection and contribution of short- and medium-term policies to long-term sustainable development aspirations, as reflected in national sustainable development strategies. By laying out the full range of financing sources for sustainable development public, private, domestic and international such frameworks allow countries to develop strategies to increase investment, manage risks and advance their priorities.

IV. Advancing a sustainable COVID-19 recovery through development cooperation

22. No one is safe until everyone is safe. COVID-19 vaccines should be treated as global public goods, available to everyone, everywhere, as soon as possible. The Access to COVID-19 Tools Accelerator initiative, including the COVID-19 Vaccine Global Access (COVAX) Facility, has demonstrated a novel approach to development cooperation to combat a global pandemic, but it remains a work in progress. The world is still far from vaccine equity. This requires urgently scaling up production, supply, distribution and, above all, emergency mass vaccination programmes in every country and community. Some have questioned whether ODA alone can cover the related costs without additional innovative financing models and protocols that work coherently across international and domestic public resources. Export restrictions on vaccines and essential materials should be lifted, production ramped up in all regions and health systems strengthened for urgent distribution and vaccination. A waiver of

intellectual property rights on the vaccines would enable broader production of the vaccines in developing countries and a swifter and more sustainable response. In parallel, the successes and challenges of the Access to COVID-19 Tools Accelerator initiative should be examined to identify potential lessons for other initiatives that bring together diverse actors (from the public and private sectors) and methods to solve critical development challenges.

- 23. Multilateral collaboration on science and technology, including through South-South and triangular cooperation, remains key for effective crisis response and recovery across the globe. Science, technology and innovation diplomacy provides an answer to the immediate and long-term challenges of the crisis by facilitating development cooperation and knowledge exchange in public health, in health research and with regard to best practices related to monitoring, testing and treatment protocols and more. Knowledge transfer, including through South-South cooperation, can support countries' capacities and scale up their contributions to global innovation. For example, developing regions were able to bring together public health authorities for a better-coordinated response across and within countries and for the timely exchange of essential medical supplies and staff during the crisis.
- 24. Development cooperation should give priority to building resilient and robust health systems in vulnerable countries, with equitable access to affordable care for all, to enable better preparedness for future health shocks while addressing underlying health needs, such as maternal and child health and the treatment of infectious and non-communicable diseases. Major gaps in the health workforce remain a challenge in most developing countries. The creation of decent jobs, the strengthening of health systems, and improvements in health outcomes and health security all work in synergy and should be supported in an integrated way for a sustainable recovery.
- 25. To address the dual emergencies of the pandemic and climate change, development cooperation must unlock quality finance for adaptation and resiliencebuilding, while concurrently focusing on mitigation and the reduction of greenhouse gas emissions. This is vital for particularly vulnerable countries, including the least developed countries, landlocked developing countries and small island developing States. Middle-income countries also face distinct challenges, as they have limited access to concessional finance but require more and better financial and capacity support to navigate these dual emergencies. Access to concessional resources for climate action should go beyond gross domestic product indicators. The multidimensional vulnerability index for small island developing States should be developed and utilized to enhance access to needed concessional resources. Through the redirection of concessional resources towards pandemic recovery, the climate investment gap has deepened. Meanwhile, environmentally regressive pandemic recovery policies have increased vulnerabilities in local communities and exacerbated inequalities. Despite the rhetoric of building back better, countries have still promoted "brown" or "grey" investments through stimulus and tax incentives, including in the fossil fuel and coal-mining industries.
- 26. Recovery spending should be geared towards supporting disaster risk reduction, sustainable infrastructure and decent work. Development cooperation partners should commit to strengthening the capacities of developing countries to develop a pipeline of investable projects in sustainable infrastructure with the potential for substantial long-term returns. Massive investments in and effective management of sustainable infrastructure will affect the achievement of all the Sustainable Development Goals. Both public sector and in particular private sector investments in sustainable infrastructure need major scaling up in clean energy, transportation, housing, information and communications technologies and other sectors. It will be critical to scale up public and private investment in a just transition towards clean energy, including by investing in renewables and expanding access to clean energy in developing countries, and in the creation of green jobs and technical training.

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27. For sustainable recovery, development cooperation should further support the localizing of the Sustainable Development Goals and the design and implementation of inclusive solutions. Many countries have already recognized the effectiveness of locally led pandemic response and recovery efforts. Using new technologies, the local and regional levels have become key spaces for experimentation and innovation to help overcome common challenges in partnership and solidarity, including through in-country and cross-border local government partnerships. In addition, beyond "whole of government" approaches backed by strong political leadership, "whole of society" approaches are needed to address the dual emergencies of the pandemic and climate change. Development cooperation should support such approaches, including by engaging the expertise and knowledge of youth and indigenous communities, to build long-lasting resilience for sustainable development.

V. Sharing knowledge and technology for response and recovery, including to support inclusive digital transformation and effective data governance

- 28. Access to science, technology and innovation, and bridging the technological and digital divide, are crucial for pandemic recovery and for accelerating sustainable development in the least developed countries and other countries in special situations. Enhancing research and development capacity in the least developed countries would unlock innovative solutions in many areas, from enhancing productive capacity to agriculture, health and education. More focused development cooperation to advance both research and development and technology transfer, aligned with the priorities of the least developed countries, could strengthen integrated approaches in those areas, including in ways that reduce exposure and enhance the response and adaptation to risks, contributing to sustainable development and the achievement of climate goals.
- 29. Digital transformation holds great potential for building back better and fairer, but that will also require concerted international efforts to bridge the digital divide and address data governance. Through technology transfer and further support for developing countries in building their digital infrastructure and capacities, development cooperation can help to ensure that the digital transformation accelerated by the crisis is inclusive.
- 30. The way in which Governments and companies use data will not only define our digital future, but also increase or decrease trust in Governments and institutions and hence their ability to function effectively. A key question is how to balance privacy and personal protections with the effective use of data as an asset for sustainable development. Building national and local capacities for data systems should include focusing on the regulatory environments around data governance. Such efforts should be grounded in multilateral consensus and collaboration relating to good digital governance standards, what such standards mean and how they are ensured in practice, not only at the national level, but also globally.
- 31. Innovations in regional development cooperation and knowledge-sharing spurred by the pandemic should be systematized and institutionalized to ensure a resilient recovery. The current pandemic will not be the last crisis of such magnitude. This reality makes it all the more important to systematize regional cooperation and institutionalize the lessons gleaned so far from the pandemic response and recovery, including to ensure more timely and effective knowledge-sharing on data science and emerging technologies, such as artificial intelligence. The pandemic has elevated the need for and the importance of effective communication tools, knowledge-sharing platforms and capacity development mechanisms for development cooperation among all relevant stakeholders, including civil society and the private sector. Significant strides were made, in particular at the regional level, to scale up technical and financial cooperation for pandemic response. New and innovative partnerships,

tailored to the distinctive challenges of recovery, have also emerged and can benefit from further interregional communication and collaboration.

VI. Reimagining development cooperation for the decade of action

- 32. The 2021 high-level political forum on sustainable development, convened under the auspices of the Economic and Social Council, should take forward the reimagined understanding of development cooperation informed by risk, designed to build resilience and strongly linked with climate action which will strengthen the foundation for collective action in the COVID-19 pandemic response and recovery. Global agreements already in place provide a foundation for building back better and fairer. However, doing so will require strengthened global solidarity and more concerted, creative and flexible implementation of the global agreements, and efforts at all levels must build on and reinforce country systems, policy frameworks and national and local capacities, support inclusive approaches, engaging not only government actors but also women, youth, indigenous peoples, migrants, local governments, civil society and the private sector, and facilitate coordination among the diverse actors in international development cooperation, all with knowledge to share and various resources to contribute.
- 33. To build resilience against future shocks, the 2021 high-level political forum should promote inclusive, accessible and sustainable infrastructure that is aligned with the 2030 Agenda and meets the needs of local communities, especially the most vulnerable segments of the population. Development cooperation, including financing, investment and capacity-building, will be critical.
- 34. The twenty-sixth Conference of the Parties to the United Nations Framework Convention on Climate Change, to be held in Glasgow, United Kingdom of Great Britain and Northern Ireland, will be a crucial platform for presenting how revised nationally determined contributions and sustainable recovery efforts will work together and for identifying strategic opportunities to scale up risk-informed and climate-smart development cooperation. The pandemic recovery has been called a "once-in-a-generation opportunity" to shift the efforts of all stakeholders towards the Sustainable Development Goals and climate action.
- 35. The fifth United Nations Conference on the Least Developed Countries, to be held in Doha in 2022, should firmly embed resilience-building into the DNA of development cooperation with the least developed countries and other countries in special situations. Among other key elements, the programme of action for the least developed countries should include expanding productive capacities for sustainable development, new and innovative forms of assistance to graduating countries to facilitate smooth transitions and in line with a changing development finance landscape, and improved monitoring and crisis response processes to allow for rapid interventions in cases of sudden crises and emergencies.
- 36. The Development Cooperation Forum can fuel development thinking and progress for the decade of action and further strengthen the linkages between the global policy dialogue and innovation action in development cooperation on the ground. It can play a much more active role as an inclusive global platform for collecting and refining ideas for scaling up high-quality and high-impact development cooperation in support of the most vulnerable countries and peoples as part of the recovery and long-term path to sustainable development. This will also be the case in the next round of the Forum survey exercise, in the second half of 2021, which will provide a unique opportunity, 18 to 24 months into the crisis, to gauge the alignment of development cooperation with the needs of developing countries and the risk landscape.

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