Summary Record of the 1053rd DAC meeting held on 16 November 2018

The Draft Summary Record [DCD/DAC/M(2018)11] was approved at the DAC meeting on 5 December 2018 and is now issued as FINAL. The Committee also agreed to declassify this final version.

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Item 1. Welcome and Adoption of the Agenda

1. The Vice-Chair from the Netherlands served as Chair for today’s meeting in the absence of the DAC Chair. She invited the Committee to approve the meeting’s draft agenda. Two members mentioned that the document for item 8 arrived late and that they would therefore have difficulty providing robust comments. The Secretariat invited comments on that item following the meeting. The DAC then approved the agenda without modification.

Item 2. Approval of Draft Summary Records

2. The Chair invited the Committee to approve the draft summary record of the 1050th DAC meeting on the peer review methodology held on 4 October 2018 and the draft summary record of the 1052nd DAC meeting held on 25 October 2018. The Committee provided some minor comments on both the 4 October and 25 October summary records, which the Chair invited delegations to share with the Secretariat in writing. The Secretariat will update the records accordingly then issue new versions to members for approval.

Item 3. Briefing by the Director and Chair

3. The Director reported to the Committee on recent developments from the perspective of the Secretariat. He mentioned that following the interviews of DAC Chair candidates on Wednesday, he had issued an invitation to members to express their preference for one of the two candidates, with a deadline of 23 November 2018. Members are requested to send an e-mail to jorge.moreiradasilva@oecd.org and to eric.bensel@oecd.org. This method of receiving members’ preferences by e-mail has the advantage of making the process traceable and auditable. The intention is to have a chair named during the week of 26 November and have this decision validated in the formal meeting of 5 December.

4. The DAC Roundtable on the Humanitarian–Development–Peace Nexus will be held on 19 November and will bring together senior representatives from OECD Member States, the multilateral system, and civil society. The Roundtable will build upon significant efforts made by the DAC, and its subsidiary network INCAF, over the past two years to develop stronger policy frameworks and to operationalise commitments to strengthen humanitarian, development, and peace actions. DAC members will have the opportunity to review the draft Recommendation on the Development–Humanitarian–Peace Nexus with their INCAF colleagues at the Roundtable and in subsequent fora, including at an informal DAC meeting to discuss the draft Recommendations, if DAC members so wish. The key output from the Roundtable will be a draft DAC Recommendation, endorsed by INCAF members, ready to be tabled for approval at the DAC Senior Level Meeting in February 2019.

5. The Total Official Support for Sustainable Development (TOSSD) Task Force met last week in Stockholm, at the same time and same venue as the Inter-Agency and Expert Group on SDG (IAEG-SDGs) indicators – mandated by the UN Statistical Commission to develop the global indicator framework. The Secretariat used this opportunity to create interactions between the two groups – TOSSD Task Force and IAEG-SDGs – and to push for featuring TOSSD in the SDG global indicator framework. The Task Force held a side event on TOSSD at the IAEG and got positive reactions on proposals to use the TOSSD methodology to complement the data sources of some of the existing indicators, and have this issue considered as part of the 2020 comprehensive review. The Director indicated that it would be useful for OECD delegations in New York to continue to push for TOSSD to be part of the 2020 comprehensive review.
6. The Director then reported to the Committee on the launch of the Global Outlook on Financing for Sustainable Development at the Paris Peace Forum, alongside the CEO of the Agence française de développement. The Secretariat is circulating a digital version of the full publication to delegates and their Permanent Representatives. Given the breadth of the report, the Secretariat plans on reaching out to policy makers through a range of mechanisms and avenues. Should delegations be interested in having an event or roundtable on the report in their capital, they are invited to propose this to the Secretariat. In addition, the Secretariat is inviting all Permanent Representatives and delegates to an OECD launch on December 3, at which a Director-General from Ireland will intervene. The DCD and colleagues from other directorates will provide the full picture of the report and engage policy-makers beyond the traditional development communities.

7. The Chair mentioned that she will represent the DAC Chair at the Steering Committee of the Global Partnership for Effective Development Co-operation to be held in New York at the end of November. In discussion, delegates requested more discussion on TOSSD and agreed to hold a meeting of the Major Policy Issues informal group on the issue in December and to place TOSSD on the agenda for the January DAC meeting.

Item 4. DAC Peer Review Methodology

8. The Secretariat introduced the discussion, noting that all written comments from Members had been addressed. The renamed chapter seven of the DAC peer review reference guide strikes a middle ground amongst Members. There is considerable support to focus on the need for a coherent approach to crises, disasters and conflicts, while other Members want to maintain a focus on humanitarian efforts. Humanitarian assistance is included as the fourth component of the updated chapter. The reference guide will be applied flexibly over the 2019–20 Programme of Work and Budget. Guidance materials will be updated to provide greater clarity to Members regarding the peer review process. The Secretariat will reflect regularly on how the guide is applied and towards the end of 2020, the Secretariat will propose further updates to the reference guide for the 2021-22 period.

9. Most Members expressed support for the changes to the reference guide and the peer review process. Germany noted it was not yet in a position to agree on changes to chapter seven and would raise concerns later with the Secretariat. Finland proposed wording changes to chapter seven that distinguish between aligning aid instruments in fragile and crisis contexts and Members’ humanitarian efforts. In response to Italy’s concerns about asking Members to identify specific issues and challenges in the Memorandum, the Secretariat noted the current guidance encourages Members to signal in advance issues with which the peer review can help. A number of members noted a preference for the management response to peer reviews to be optional rather than mandatory. The Secretariat confirmed that this would be the case and reflected in updated guidance. Others asked how the updated Council recommendation on policy coherence for sustainable development and the proposed instrument on sexual exploitation and abuse would impact on the reference guide and its application. The Secretariat clarified that these instruments would be applied as soon as they are agreed, but this would not require edits to the reference guide until the next methodology meeting.

10. The Committee agreed that the Secretariat co-ordinate with Germany and Finland regarding the text of chapter seven. A revised reference guide will be submitted in the following week and include small changes suggested to other chapters. The revised reference guide will go out under written procedure. Members will be requested to agree to the changes before the next DAC meeting on 5 December.
**Item 5. Private Sector Instruments**

11. The Secretariat presented the paper on interim reporting methods for private sector instruments that the facilitator Mr. Eric Postel had drafted in follow-up to the meeting held on 9 November. Members expressed their thanks to the facilitator and noted that good progress had been made at the 9 November meeting. Members supported the facilitator’s option A as a basis for further discussions on the interim arrangement. As regards the possible enhancements, members’ first feedback was generally positive although a few members objected to some items in the list and several stated they would send detailed comments in writing.

12. In response to questions from a few members, the Secretariat stated that the templates for members’ self-assessment of PSI vehicles would need to be completed by mid-July which was the deadline for reporting complete data on ODA in DAC statistics. The Secretariat also informed the Committee of the update on PSI given to the Participants of the Arrangement on Officially Supported Export Credits at their meeting on 15 November 2018.

13. It was agreed that members would send their written comments by close of business 20 November 2018, so that a revised version of the proposals could be circulated ahead of the WP-STAT meeting where clarifications to the reporting requirements could be discussed. The revised proposals would be presented for approval by the DAC at its meeting on 5 December 2018.

**Item 6. DAC Programme of Work and Budget 2017-18**

14. This item comprised a two-part presentation: the Committee Progress Report (for information) and the revision of an Output Result (for approval). The Secretariat presented the main elements from the Committee Progress Report [DCD/DAC(2018)42], covering the period up to 30 June 2018. The Secretariat highlighted that the overall expenditure for the DAC PWB is at 47% of the total estimated costs for 2018. Expenditure levels vary across the 15 DAC priorities/output results, depending on their budget status: foundational/optional/hosted partnerships. All foundational intermediate output results are on track for completion. The Secretariat indicated that the next Progress Report covering the 2017–18 biennium will be released in May 2019 and will include the financial statement on expenditure and income validated by the OECD’s financial services.

15. The second part of the presentation was for decision and concerned the revision of the Output Result relating to the work on engagement with civil society organisations. The Secretariat presented the rationale for increasing the annual total estimated cost (TEC) from 200 KEUR to 290 KEUR. Thanks to funding received from Sweden, the Secretariat has been able to carry out a more ambitious programme of work in 2018. In particular, it has enabled the Secretariat to prepare a study on DAC members’ approaches to working with civil society.

16. The DAC welcomed, and provided some feedback on, progress made by the Secretariat on implementing the programme of work. They approved the Revised Output Proposal, thanking Sweden for their financial support to this work stream.

**Item 7. Financing Climate Futures: Re-thinking Infrastructure & Re-thinking Development Finance for Climate**

17. The Deputy Director from the OECD Environment Directorate (Mr. Anthony Cox) presented findings from the overall Financing Climate Futures Initiative, which provides guidance for countries on how to move beyond an incremental approach to financing climate-compatible infrastructure towards the transformational agenda needed for decisive climate action.

18. Following that initial presentation, the Development Co-operation Directorate presented findings from two case studies of the initiative. The case study on “Mobilising commercial capital
for sustainable infrastructure: Insights from national development banks in Brazil and South Africa” highlighted the potential of national development banks as actors for decisive climate action, their potential for mobilising commercial capital and the increasing focus on development impacts. Concessional climate finance from international partners has been found to play a key role in this regard. Key findings from the case study on “Achieving Clean Energy Access in Sub-Saharan Africa” included the need for an integrated approach for on-grid and decentralised solutions, a stronger focus on clean cooking, and approaches targeted to specific country contexts.

19. Members expressed strong support for this work, emphasising the initiative’s relevance for discussions at the international level and members’ own operations. Going forward, members indicated interest in more information on gender-aspects and development impacts of clean energy/cooking, and encouraged close co-ordination with work conducted by the International Energy Agency and other relevant actors. Japan, as the incoming G20 presidency, emphasised that the work of the OECD will be used to facilitate discussions at the G20. The discussion provided strong encouragement for the Secretariat to continue work on the promotion of climate-compatible infrastructure and the mobilisation of commercial capital for this purpose.

Item 8. Private Sector Engagement

20. The Secretariat provided an update on the comments received on the Private Finance for Sustainable Development Platform paper and issuance of a revision based on the input and comments at the DAC meeting in October. The Secretariat also gave an overview of the Private Finance for Sustainable Development (PF4SD) Week and Conference (15–18 January 2019), in particular the seminars and workshops which will take place in the lead up to the Conference.

21. The Secretariat then presented the forthcoming Social Impact Investment (SII) report “The Impact Imperative”, which will be launched at the January conference. Together, the report and conference make impact central to financing sustainable development. Members stated their appreciation of the report especially the linking of the messaging on financing for sustainable development with the recently released Global Outlook and forthcoming Development Co-operation Report regarding the need to focus on results and making sure private sector financing is going where it is most needed. The messaging in the forthcoming SII publication about the need for experimentation of innovative new approaches to addressing the SDGs was also appreciated. Delegates commented that the findings from all three DCD publications should be consolidated into practical guidance for policy makers. It was suggested that the role of the public sector be mentioned more explicitly and also that definitions be included in the publication. The Secretariat noted that the messaging in the preview would be strengthened and that the document would be shortened to become the highlights of the full publication. Delegates were asked to provide further feedback via written comments by the end of November.

Item 9. Development Results

22. The Secretariat updated the Committee on the work undertaken with the OECD/DAC Results Community, two weeks after the latest workshop held at the OECD (29–30 October 2018). The Secretariat presented in more detail two key projects: i) research work on challenges and opportunities for using the SDGs as a common platform for shared results in partner countries, involving three case studies; and ii) the development of guiding, non-prescriptive principles for results-based management in development co-operation. Principles will draw on a review of existing practices conducted in 2018 and will be developed in 2019 following an open process. The Committee will be consulted on the draft guiding principles in mid-2019.

23. The Committee expressed strong appreciation for the work of the OECD/DAC Results Community. As a platform for sharing information and learning from each other, it helps members in developing their results systems and making better use of the SDGs. Several delegates presented
expectations on pursuing the work on how to adapt results approaches to Agenda 2030, e.g. incorporating leave no-one behind, partnerships with the private sector, multilateral contributions, and emphasising learning and adaptive approaches. Members appreciate the participation of partner countries in the workshops and expressed support to pragmatic, flexible principles that can apply to all DAC members. At a member’s request, the Secretariat confirmed that it would look for ways of facilitating information exchange in between workshops by using, for example, the website.

**Item 10. Preventing Sexual Exploitation and Abuse**

24. The Secretariat provided an update on the progress in developing an OECD Instrument on Preventing Sexual Exploitation and Abuse (PSEA) and the DAC Member Survey on PSEA. As of 16 November, 20 members have responded to the survey, and five others have confirmed that they will send their responses in the coming days. Members were invited to contact the Secretariat if they have any questions about completing the survey and to inform them when they plan to send their responses.

25. Members expressed their support for this work and the inclusive, open process that the Reference Group is pursuing. The Secretariat presented the revised Terms of Reference for the DAC Reference Group, to which members provided comments, which they are invited to send to the Secretariat in written format by 23 November. The Secretariat will incorporate these changes and issue a final version to the Committee. The next Reference Group meeting will be held on 12 December, with potential representation from civil society, the UN, and partner countries.

**Item 11. Summary of Conclusions**

26. The Secretariat provided an overview of the decisions, action points, and next steps emerging from the day’s proceedings The Secretariat will circulate this overview to the Committee in electronic form.

**Item 12. Any Other Business**

27. The delegate from the European Union informed the DAC that the EU wishes to organise the 2020 Arab–DAC Dialogue meeting in Brussels. He can share more details soon. The delegates from Ireland and the United Kingdom reported to the Committee on the outcomes of the Gendernet meetings in late October. The main topics discussed in those meetings include: how to address gender equality and women’s economic empowerment effectively, unpaid care and domestic work, conflict / fragility and gender equality, and aid to gender equality. The network seeks ideas on the theme for the next Gendernet meeting.