Summary Record of the 1067th DAC meeting held on 15 October 2019

The Draft Summary Record [DCD/DAC/M(2019)9] was approved under Item 2 of the Draft Annotated Agenda [DCD/DAC/A(2019)15] at the 18 November 2019 DAC meeting and is now issued as FINAL. The Committee also agreed to declassify this final version.

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Summary Record of the 1067th DAC meeting held on 15 October 2019

Item 1. Welcome and Adoption of the Agenda
1. The DAC Chair welcomed new DAC delegates and asked that the Committee adopt the meeting agenda, which they did without modification.

Item 2. Approval of Draft Summary Record
2. The Chair announced that the revised 10 July 2019 DAC summary record [DCD/DAC/M(2019)6/FINAL] had been approved via the written procedure and declassified. The Chair then asked that the Committee approve the 10 September 2019 summary record. The EU proposed some changes to paragraph 4, which the Secretariat will integrate into a revised version for agreement and declassification via the written procedure.

Item 3. Briefing by the DCD Director and DAC Chair
3. The Director and Chair reported to the Committee on a number of developments and work streams, including through updates issued via email the previous day. The DAC Chair briefed the Committee on the results of the Tidewater meeting, held on 10-11 October 2019 in Lyon, France. After consultation with the French hosts, her office will soon circulate a brief read-out with specific actions. Members interested in hosting next year’s event are invited to express their interest to the Chair’s Office. The Chair also highlighted a number of other developments relevant to the Committee, including collaboration between the DAC and Development Centre, ODA modernisation, a forward planning exercise for the Chair in 2020, and the upcoming Global Refugee Forum.

4. The Chair then announced that Azerbaijan formally became a DAC Participant in October 2019. Mr. Seymur Fataliyev, Director of the Azerbaijan International Development Agency (AIDA), provided an overview of Azerbaijan’s development co-operation and humanitarian assistance. Azerbaijan is increasing its ODA and is mainly focused on Asia and Africa, in areas such as infrastructure and social services. Azerbaijan co-operates with the DAC since 2015, when it started reporting to the OECD on its activities. In 2017, Azerbaijan became a DAC Invitee and with its new Participant status aims at sharing experiences, notably on South-South and Triangular Co-operation, and to learn from DAC’s good practices and lessons learnt on development finance statistics, monitoring and evaluation, and aid effectiveness. Members of the DAC welcomed Azerbaijan’s new role in the DAC and the new, more transparent process to engage with non-DAC members in DAC meetings and subsidiary bodies.

Item 4. Follow-up to DAC Recommendations
5. The Secretariat issued a paper on follow-up to DAC recommendations, which had been presented to the Informal Group on the Programme of Work and Budget on 19 September. The current version of the note included details on specific follow-up to be undertaken in 2020 for the DAC Recommendation on the Humanitarian–Development–Peace Nexus and the DAC Recommendation on Ending Sexual Exploitation, Abuse, and Harassment in Development Co-operation and Humanitarian Assistance. The Director announced that UNDP has requested to adhere to the nexus recommendation; this request will be forwarded to the Committee for approval via the written procedure in the coming weeks. The Legal Directorate provided context to this discussion with details on the OECD-wide standard setting review. A final report on progress in reviewing OECD standards will be submitted to the MCM in 2021 in advance of which the DAC may wish to review its action plan agreed in 2017.

6. Members underlined the need for peer learning to support implementation of its recommendations and highlighted the important role of peer reviews in monitoring implementation but also lighter, more regular mechanisms. Members also emphasised their own roles in supporting the dissemination of recommendations in their countries and requested Secretariat support in developing briefing materials for this purpose. They requested more granular details on the proposed activities and budget for 2020. The Director confirmed that there will be no diversion of resources from Part I or from existing voluntary
Items 5. DAC Members’ Support to the Multilateral System

7. In opening the discussion, the DAC Chair noted that as the largest group of shareholders and partners to the multilateral system, the actions of DAC members directly affect the system’s effectiveness. Alignment is essential between actions on boards and in partner countries. The DCD Director emphasised the importance of ensuring effective and quality support to the multilateral system which comprises 40% of total ODA. While there are positive trends in multilateral financing, around one-third was earmarked in 2017. The Secretariat briefly introduced the paper DCD/DAC(2019)50, noting reasons that Members give for supporting multilateral co-operation and challenges they face, and observing that earmarking funding to multilateral institutions is not without risks. DAC peer reviews find that most Members would gain from adopting a more coherent approach to their cross-government engagement with and funding of multilateral institutions. The 2030 Agenda provides an opportunity for Members to use their voice in governing mechanisms to ensure partner country contexts and needs drive multilateral entities’ strategic plans and strategies so that core funding is well aligned to needs.

8. Delegates welcomed the paper and the discussion to be held at the peer-learning event on 11 December 2019. They felt that key challenges were well captured in the report and offered a number of elements to add to the analysis. Many observed that discussion is needed about the distinction between core and earmarked funding, in particular the different types of earmarked funding, and it was suggested that multi-agency and multi-donor pooled funds aligned to strategic outcomes should be distinguished from heavily earmarked project funding and that voluntary contributions to the UN Resident Co-ordinator system, for example, could be considered as core. The challenge of fragmentation within the multilateral system might also be discussed. Elements that could be considered on 11 December include: lack of coherence, in particular the disconnect between dialogue with multilateral institutions at country level where development co-operation is implemented, and dialogue with headquarters and at boards; effective approaches in least developed countries and situations of conflict and fragility; use of earmarked funding as a strategic tool promoting change within institutions. Consideration should also be given to the point at which the Committee should engage multilateral institutions in this conversation.

9. Ms. Suzanne Steensen from the Secretariat of the Multilateral Organisation Performance Assessment Network (MOPAN) commented that responsible shareholdership is a challenge for co-ordination, pointed to a disconnect between Members’ representatives in New York, Geneva, Paris and their respective headquarters, to which country-level representatives add another layer. MOPAN seeks to give tangible tools to Members to help steer reforms. It tests whether multilateral organisations can deliver results and looks at the degree and types of earmarking affecting organisations’ ability to deliver results at country level. The DCD Director encouraged Members to consider how they might make use of the various mechanisms housed in the Secretariat – MOPAN, the Global Partnership for Effective Development Co-operation (GPEDC), the Multilateral Development Finance Report, ODA statistics and the results community – to take this discussion further.

10. In closing, the DAC Chair noted that the next step would be discussion at the 11 December peer-learning event, cautioned that multilateral reform would not be decided by the Committee, and suggested that consideration be given to the precise points upon which Members can make a difference.

Items 6. Impact of Digital Transformation on Civic Space

11. The Secretariat presented the draft foresight policy brief on the impacts of digital transformation on civic space, including an overview of preliminary scenarios identified and key policy questions for the DAC’s consideration. The Committee expressed strong support for the foresight initiative and considerable interest in the content of the brief. Several members provided comments on the draft. In particular, they highlighted: the importance of bringing nuance to the various types of new civic activism and actors; alluding to the rising fear of users of digital technologies and increasing trends of self-censorship; the notion of corporate social responsibility, applying a human rights approach to technology, and the
important role of tech companies as an enabler for transparency; the rise of “digital authoritarianism” which threatens democratic models of digital governance and a greater urgency for democracy assistance programmes that address digital threats.

12. Members shared examples of how their respective countries are tackling this issue, including by implementing CSO digital resilience programmes in partner countries to counter shrinking space; supporting digital human rights defenders; and developing digital strategies that recognise and seek to address the emerging digital threats. Several members agreed that the DAC has a role to play in many of the policy implications raised in the brief. Delegates highlighted the need to continue involving GOVNET in the next steps of development of the paper.

13. Following the round of comments, several delegates indicated that they would submit comments in writing to the Secretariat. This brief was the first of a series of eight on foresight to be produced and shared with the DAC in various fora (for example, in the networks) in the coming months.

Item 7. Decentralised Development Co-operation (DDC)

14. The DCD Director and CFE Deputy Director presented the main findings of the second joint DCD-CFE draft report, Decentralised Development Co-operation: Unlocking the Potential of Cities and Regions for Sustainable Development, and presented the proposed future work programme to strengthen DAC-RDPC collaboration with cities and regions. The DCD Director highlighted that the report will be launched at the Second OECD Roundtable on Cities and Regions for the SDGs to be held in Bonn, Germany on 9 December and invited DAC members to participate (registration at the link: https://www.oecd.org/cfe/regional-policy/sdgs-cities-regions-roundtable.htm). The subnational level will be crucial to deliver on the SDGs in particular with increased urbanisation in many countries; for example, the transition to a low-carbon economy will happen at a local, rather than central, level. DAC members expressed wide support for the report’s messages, including the need to address the challenges of data collection on DDC and other subnational government finance and investment, to better facilitate and export subnational resources and expertise, and to promote multi-level partnerships and subnational networks. Several members raised specific areas of interest in the future work programme, including a joint DAC-RDPC dialogue to improve collaboration and co-ordination on DDC. The DAC Chair underlined the importance for all DAC members to provide any additional feedback on the questions raised for future work to the Secretariat (Rachel.morris@oecd.org) as soon as possible.

Item 8. Policy Network Update: Gendernet

15. The Secretariat provided an overview of the multi-stakeholder GENDERNET session held on 2–3 October and the 4 October Members-only meeting. Throughout the three days of meetings, participants covered emerging work on making finance work for gender equality and women’s empowerment, new lessons on ending violence against women and girls, new work by the DCD and with GENDERNET and INCAF on gender equality and fragile states, new work on institutional approaches and policies on gender equality, as well as the upcoming international processes in 2020 around the 25th anniversary of the Beijing Declaration and Platform for Action and the 20th anniversary of the UN Security Council Resolution 1325 on women, peace, and security. DAC Members appreciated the content covered at GENDERNET and the dynamic active participants, and several Members expressed appreciation for the Members-only discussion that focused on emerging priorities and the future Programme of Work and Budget. A number of Members expressed support for work streams, including implementation of the new DAC Recommendation on Ending Sexual Exploitation, Abuse, and Harassment; more and better quality financing and strategic policies for gender equality; potential new work on climate change and gender equality; and overall seeking to work with other Networks as well. The DAC Chair reiterated the importance of championing gender equality throughout the DAC’s work, including through the implementation of the Recommendations.
Item 9. Summary of Conclusions

16. 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 10. Any Other Business

17. Ms. Dineo Mathlako, Head of African Renaissance and International Co-operation Fund (ARF) Secretariat in South Africa, addressed the DAC to present the ARF’s work. The ARF was established in 2001 and works predominantly but not exclusively in Africa. Among its strategic objectives are the promotion of democracy and good governance, socio-economic development and integration, and humanitarian assistance. One of the main priorities is to finalise its upcoming five-year strategic plan. The ARF wishes to partner with other countries and development agencies to advance development objectives.

18. The delegate from Korea intervened to raise the issue of blended finance. He shared an update on current work and made a call for more support to make it easier for DFIs and MDBs to unleash the potential of blended finance. Delegates agreed that this topic should be raised more frequently in the DAC. The Secretariat informed the Committee that the blended finance guidance will come to the DAC for adoption in the second half of 2020. This agenda is wider than the DAC and attracting attention far beyond the OECD.

19. The delegate from Belgium intervened to update the Committee on GOVNET who met in plenary the previous week. The meetings included a report back on HLPF discussions on SDG16, ongoing work with CSOs, the two new DAC recommendations (there was a clear request to have GOVNET involved on implementation and monitoring), rising authoritarianism, and the challenges and use of new technologies.

20. The delegate from the United States previewed the upcoming INCAF meetings from 6 to 8 November, which include Task Team and Director Level Meetings.