

**DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE**

Summary Record of the 1064th DAC meeting held on 10 July 2019

The Revised Draft Summary Record [DCD/DAC/M(2019)6/REV1] was sent for APPROVAL via the written procedure.
No objections were expressed by the deadline; the record is therefore considered approved, issued as final, and declassified.

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Item 1. Welcome and Adoption of the Agenda

1. The Chair announced that item 11 (Peer Learning on Mainstreaming Environment in Development Co-operation) would be taken up in the autumn to liberate more time for discussion under item 4. She then asked that the Committee adopt the meeting agenda, which they did without further modification.

Item 2. Approval of DAC Summary Record

2. The Chair informed delegates that the Secretariat has issued a revision to the 15 May 2019 DAC summary record [DCD/DAC/M(2019)4/REV1] for approval via the written procedure with a deadline of 17 July 2019. The Chair then asked for any comments on the summary record from the 18 June 2019 draft summary record. The EU delegate announced that he will share comments in writing by close of business 11 July. The Chair asked that the Secretariat incorporate those points then issue a revision to that record for approval via the written procedure, also with a deadline of 17 July.

Item 3. Briefing by the DCD 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 Chair announced that the revised DAC roadmap [DCD/DAC(2019)1/REV5] now reflects that the October DAC meeting has been shifted from 23 to 15 October. She also informed delegates that she would meet the chair of the Governing Board of the Development Centre the following day to discuss collaboration between the two bodies.

4. The Director mentioned the meeting held the previous day with multilateral development banks (MDBs) on measuring the mobilisation of private finance and data disclosure whose objective was to discuss possible ways to address the confidentiality concerns expressed by some MDBs about sharing activity-level data with the OECD on private finance mobilisation. The workshop issued an agreement that the OECD and the International Finance Corporation would lead a working group of interested MDBs and OECD members to explore options and develop common solutions for sharing data on mobilisation.

Item 4. DAC Recommendation on Ending Sexual Exploitation, Abuse, and Harassment in Development Co-operation and Humanitarian Assistance

5. The Chair began the session by thanking the Co-chairs of the DAC Reference Group on Preventing Sexual Exploitation and Abuse (PSEA), the Secretariat, and DAC Delegates for their hard work on finalising the draft *DAC Recommendation on Ending Sexual Exploitation, Abuse, and Harassment in Development Co-operation and Humanitarian Assistance: Key Pillars of Prevention and Response*. The Co-chairs subsequently outlined the purpose and content of the draft DAC Recommendation and discussed the procedure for adoption, which would involve incorporating the final changes and adopting the draft Recommendation at the meeting today or reaching an agreement swiftly via written procedure.

6. Following preliminary discussions, the Chair invited delegates to comment on the revised version of the text, which incorporated comments and amendments following the 18 June 2019 DAC meeting. Several Members expressed their opposing red lines regarding the list of vulnerable groups, which needed to be addressed before all Members could welcome the text. The Chair reminded delegates that prior to the meeting, a Member proposed that the word “all” be added before the word “vulnerable” to make the list of vulnerable groups more inclusive in the last paragraph of the preamble and in section III, provision 2, a) of the draft.

7. The delegate from Denmark, the EU, and other DAC members informed the Committee of their strong preference for the previous version of the text circulated prior to the 18 June 2019 DAC meeting, which included a longer list of vulnerable groups. To reach consensus, Denmark – supported by others – proposed that a national statement be annexed to the summary record to supplement the list of vulnerable populations in the current version of the text. Following this proposal, representatives from Finland, Netherlands, Sweden, Spain, Portugal, Iceland, Belgium, Norway, and the European Union informed the Committee of their intention to sign Denmark’s proposed statement, and others noted they may want to join. The delegate from the United States expressed concern that having such a statement would detract from the Recommendation as a consensus-based document. Following the discussion, the Chair asked delegates to contact their respective capitals to discuss options in order to reach consensus on the text. The US delegate also informed the Committee of his country’s willingness to reconsider the list of vulnerable populations in the 18 June 2019 version of the draft Recommendation. All members welcomed this amendment, but some needed time to confirm with capitals.

8. The Committee agreed that the Secretariat would issue, later that day, a revision of the document with the original language, which would be sent for adoption via written procedure on a no-objection basis with a deadline of close of business on 12 July 2019. It was noted that should any objections be expressed by that deadline, the Committee would adopt the /REV1 version with addition of the word “all” in the relevant paragraphs. In that event, Denmark proposed a national statement to be annexed to the summary record of the next DAC meeting on 10 September 2019.

9. By the 12 July 2019 deadline, no objections were expressed. The DAC Recommendation on Ending Sexual Exploitation, Abuse, and Harassment was therefore officially adopted by the Committee on that date.

Item 5. Cook Islands and the DAC List of ODA Recipients

10. In 2017, the DAC agreed to delay a decision on the graduation of the Cook Islands from the DAC List of ODA Recipients to allow time for improvements in the country’s data on gross national income (the sole criterion for graduation). In mid-June 2019, the government of the Cook Islands issued a letter and report to the DCD Director spelling out the results of data work in collaboration with the International Monetary Fund. The GNI per capita figures developed for the years 2015, 2016 and 2017 show that the Cook Islands exceeded the World Bank’s high-income threshold in all three years, thereby meeting the established criterion for graduation from the DAC List. The Committee therefore approved the graduation of the Cook Islands from the DAC List of ODA Recipients to take effect on 1 January 2020.

11. New Zealand expressed its thanks to the Committee for having provided additional time for Cook Islands to compile GNI per capita data so that the decision on graduation could be based on sound and internationally comparable data. This was a much appreciated recognition of the statistical challenges faced by this small country and its very small administration. The production of GNI data has been a big exercise for the Cook Islands, since it involved generation of a new, previously uncounted data stream, but the process has also been valuable for the Cook Islands’ own planning. The Cook Islands and New Zealand are planning for graduation. However, because the inherent challenges of scale and vulnerability do not disappear after graduation, supporting small island developing states (SIDS) to sustain the development trajectory through development processes is of great importance to DAC members.

12. The IMF confirmed that it had supported the Cook Islands in their compilation of the GNI data through their Pacific Regional Technical Assistance Center, which a number of members finance. Part of the Center’s work is to place advisors in the region who can reach out to small and very understaffed statistical agencies in their data compilation challenges. This exercise showed how it can bring value to the DAC and its deliberations and, of course, to the Cook Islands in their challenges.

13. The Chair, noting that graduation is an opportunity for celebration, recognised along with other members the special challenges and vulnerabilities faced by SIDS, and the importance of this issue for the Committee. This issue will be a major feature of the Chair's visit to New Zealand and Australia and some of the Pacific islands. It will also be taken further by the Chair in a meeting later in July in New York. The DCD Director informed members that he will communicate the DAC's decision on graduation to the government of the Cook Islands as part of a recent process to improve communication and transparency with partner countries.

Item 6. Policy Network Update: WP-STAT

14. The DAC Chair informed the Committee that she had met with the Chair and Vice-Chairs of the Working Party on Development Finance Statistics (WP-STAT) and attended a part of the meeting held on 1-2 July 2019. She noted that the reporting on debt relief in the ODA grant equivalent system had been an information item on the WP-STAT agenda and that there had been no comments from members. Her reading was that the WP-STAT considered the topic highly political and would do no further work on it, unless the proposal, on which there was broad consensus, needed to be revised in light of the outcome of the consultation between the DAC and the Paris Club creditors to be held in September or October.

15. The DAC Facilitator for WP-STAT (the delegate from Portugal) then presented the highlights of the meeting. The WP-STAT had approved clarifications to the statistical directives in the areas of debt sustainability (procedural steps that members need to take to ensure their ODA loans are in compliance with the IMF Debt Limits Policy and the World Bank Non-Concessional Borrowing Policy), triangular co-operation (improved description and clarification on ODA eligibility) and women's rights organisations and movements (update to the sector codes proposed by GENDERNET). It had also agreed to revise the process for the annual review of the List of ODA-eligible international organisations so that decisions could be taken in a timely manner with respect to the reporting cycle. It had advanced discussions on several other topics, on which proposals would be submitted for approval via the written procedure in the coming weeks. These included greater granularity of the regional groupings, reporting on mobilised private finance, measuring support to statistics and data, and tracking development co-operation in support of SDG7 on energy. The proposals for the List of ODA-eligible international organisations had been presented and would be approved via the silent procedure by 15 July.

16. The WP-STAT Facilitator further explained that several agenda items had focused on data quality and the WP-STAT had also held a half-day workshop on data quality, building on the findings of the statistical peer reviews. Feedback from the TOSSD Data Survey had been presented and members had expressed strong support for TOSSD, except for two members who reiterated their concerns with regard to the measure. Finally, discussions had also been held on improving WP-STAT knowledge management. To avoid problems with the issue of late documents, members had agreed that for future meetings of the WP-STAT, any documents that are issued later than one week before the meeting would be removed from the agenda.

17. In the discussion that followed one member emphasised that it was important to avoid situations where delays in the production of documents would affect regular WP-STAT processes. Three members commented on TOSSD. One noted that the work on the reporting guidelines had advanced very well but the question of how the DAC would be involved in their quality assurance and approval had not been answered. The Secretariat responded that in bilateral correspondence with this member, it had provided detailed information on both the DAC's role in the approval of TOSSD Reporting Instructions and the submission of the TOSSD proposal to the Inter-Agency Expert Group on SDG Indicators. She recalled that the role of the DAC in TOSSD governance had been discussed in several DAC meetings, where it had been stated that a DAC approval of TOSSD would jeopardise efforts to get TOSSD accepted as a global statistical measure at the United Nations. The Secretariat's understanding was therefore that TOSSD Reporting Instructions would not be presented for approval by the DAC. Another member stressed the importance of this discussion, flagging that the TOSSD Task Force had been mandated to recommend the

Reporting Instructions. This member had appreciated the Secretariat's support for collecting initial TOSSD data, in particular in areas where statistical evidence currently did not exist, but emphasised that the measure had to be legitimised through an approval by a relevant authority, ideally by a UN body. In response to a request from one of these members to revert to the issue of the mandate of the Task Force to a formal DAC meeting, the Secretariat recalled that the questions on TOSSD governance had been discussed at the DAC Senior Level Meeting (SLM) and that at that point of time no member had questioned the approach which had been spelled out in detail in the SLM document. The Secretariat affirmed its availability to brief the DAC any time, but approval by the Committee of TOSSD would make it an OECD product, decreasing the chances of it being accepted by the G-77 countries. A third member stated that its understanding of the approval of TOSSD was as outlined by the Secretariat. The DAC Chair reiterated that TOSSD needs to be a UN instrument and advised members to talk to their missions in New York as the next stages of work on TOSSD would be political.

Item 7. Guiding Principles for Managing for Sustainable Development Results

18. The DAC Chair introduced this item by reminding delegates of the importance of results-based management (RBM) as a management approach to maximise the impact of efforts towards achieving sustainable development. She also pointed out that, in its actual practice, RBM can detract our attention from focusing on long-term outcomes. The fact that the Guiding Principles on Managing for Sustainable Development Results (MfSDR) that are put for adoption address this tension is therefore very much welcome. The DCD Director made reference to the October 2018 workshop of the DAC Results Community, where members demanded principles that would bring clarity and serve as a reference point as members' diverse results-based approaches continue evolving in complex development co-operation and humanitarian landscapes. The Secretariat then introduced and presented the rationale for developing new Guiding Principles on MfSDR, the process followed, and the scope of the principles.

19. The Committee expressed strong appreciation for the iterative, evidence-driven, and open process that was designed for developing the guiding principles. Establishing the Principles is important and timely because it provides a common understanding as managing development co-operation becomes more complex. The DAC also expressed strong support for the content of the Principles that are concise and which are seen as refreshing the Results agenda and making it fit for the 2030 Agenda, with issues such as adaptability, local ownership, alignment of indicators and leaving no one behind well captured. Most members were ready to approve them as they were.

20. While acknowledging the inclusive work carried out to develop the principles, Spain suggested a few changes aimed at improving the document, stressing further the importance of sustainability and the development effectiveness principles, including transparency. Spain had shared with members some suggested changes in language, for consideration in the meeting – while recognising that the language might still be improved.

21. While all other DAC members were ready to endorse the proposal *as is*, in the spirit of consensus, most members expressed a willingness to accommodate some of Spain's suggestions, though a few mentioned that they would not be in a position to approve the document during the meeting if substantive changes were being made. Several members also requested to maintain the existing balance between accountability and learning purposes of results-based management systems in the preamble, and to refine specific wording.

22. Members also acknowledged that implementing the Guiding Principles will be the next challenge. This calls for developing practical guidance and tools and identifying good practice, as well as maintaining peer learning processes within the Results Community. An independent evaluation could also assess how these principles are implemented in practice, as well as their benefits.

23. The Chair concluded by asking the Secretariat to look at ways to accommodate some of Spain's suggested revisions, after a discussion with their representatives, while maintaining a balance between the four purposes of results-based management. The objective is to send out a revised set of Guiding Principles before the end of meeting – in tracked changes – for written approval on a no-objection basis within a 36-hour deadline. After the deadline (i.e., Friday 12 July, noon Paris time), the Guiding Principles will be considered adopted and declassified. Dissemination will follow, starting at the Senior Level Meeting of the Global Partnership for Effective Development Co-operation and at the High Level Political Forum.

24. By the 12 July deadline, no member had expressed any objections to the revised principles, which are therefore adopted on that date and have been declassified¹.

Item 8. Recommendation of the Council on Policy Coherence for Sustainable Development (PCSD)

25. OECD Deputy-Secretary General Jeff Schlagenhauf thanked the Committee for inviting him to speak and introduce himself as the new Deputy Secretary-General overseeing both the development and public governance work at the OECD. He noted in this regard that this Recommendation was very welcome as it is being jointly developed and supported by the DAC and the Public Governance Committee (PGC). He expressed his support to this process and welcomed the collaboration between the two committees in implementing the recommendation.

26. The OECD Director for Public Governance provided an update of the draft revised Recommendation on PCSD [COM/DCD/DAC/GOV/PGC(2019)1]. He reminded delegates that after the adoption of the SDGs, the DAC asked the Secretariat to proceed with the revision of the 2010 Recommendation on PCD [[OECD/LEGAL/0381](#)] to align it to the 2030 Agenda, to take a horizontal approach in this process, and to work jointly with the PGC in consultation with other relevant committees. He emphasised that the principles in the revised draft Recommendation embody several years of lessons learned in promoting Policy Coherence for Development, drawing on the DAC Peer Reviews, but also building on country experiences in the PGC, including on budgeting, civil service skills, whole-of-government co-ordination, regulatory frameworks, and stakeholder engagement. He also underlined that the draft revised Recommendation is based on the notion that there is no one-size-fits-all approach for promoting PCSD and, therefore, countries can tailor the recommendations to their specific national contexts.

27. On the process, the Public Governance Director underscored that the draft revised Recommendation has been developed through an inclusive and horizontal approach involving a number of OECD committees and bodies beyond the DAC and PGC. The draft revised Recommendation has been considered by National Focal Points for PCSD, which involves SDG co-ordinators, as well as the Regional Development Policy Committee, the Environmental Policy Committee and the Committee on Statistics and Statistical Policy. He also pointed out that at the request of Members external and open consultations were launched to seek feedback from key stakeholders and the public. He highlighted the broad participation of a wide range of stakeholders from Member and non-Member countries. He also informed delegates of the three-week parallel process of written procedure with the DAC and PGC for approving the draft for transmission to the Council and invited delegates to provide final written clarifications or comments to the Secretariat by close of business 29 July 2019.

28. The Committee welcomed both the latest draft and the wide consultation process of revising the draft. Several delegates highlighted the need to take the opportunity of the momentum provided by the adoption of the draft revised Recommendation to bring this issue to the fore of global platforms on the implementation of the SDGs. Several Members also welcomed the greater emphasis on the issue of transboundary impacts in the draft revised Recommendation. Others expressed support for the wide

¹ See <http://www.oecd.org/dac/results-development/guiding-principles-on-managing-for-sustainable-development-results.htm>

consultation process and requested more detail in terms of the comments provided by outside stakeholders. Finland, Ireland, Mexico, Norway, Spain, Slovak Republic, and Sweden supported the approval of the draft and its transmission to the Council. Some members, however, and in particular Canada and the Netherlands, requested that language be modified to align the guidance under each principle to the non-binding nature of the draft revised Recommendation. Delegates also welcomed future collaboration between the DAC and PGC as result of this process.

29. The DCD Director highlighted the important contribution that DCD's work on financing for sustainable development, which goes beyond flows as it also focuses on policies, can make to support the implementation of the draft revised Recommendation. The Chair closed the discussion by stressing the strong support from delegates for the work on policy coherence and the draft revised Recommendation on PCSD.

Item 9. DAC Global Relations Strategy and Partner Engagement

30. The Committee discussed its global relations strategy and engagement with partners which is increasingly essential to deliver DAC products and to champion the 2030 Agenda effectively. In line with the new DAC mandate "to influence and be influenced," the Committee discussed in detail the annual plan for implementing the DAC Global Relations Strategy, the Committee's engagement with Africa and with OECD Key Partner China.

31. The Committee encouraged the Secretariat to continue engagement with Africa in an OECD-wide perspective drawing on the DAC's added value and expertise. The Committee also encouraged further engagement with China, seeking reciprocity and mutual benefits, and welcomed the interest expressed by the new China International Development Co-operation Agency (CIDCA) in DAC work on development statistics, evaluation, SDGs and triangular co-operation, stressing that this offered an opportunity to highlight the OECD's evidence-based approach to policy-making and international standards, to which China should be encouraged to adhere. Some members raised concerns around the divergence of values (e.g., open societies, transparency, and accountability to citizens and each other) with emerging donors and suggested that they be addressed in DAC's engagement work. Some members also raised specific issues with the content of the briefing paper on engagement with China, and the Secretariat agreed to revise the paper. The Committee agreed to hold another discussion on the topic in the DAC Informal Group on Engagement.

Item 10. Russian Federation Participation in DAC Meetings

32. The Committee discussed the Russian Federation's attendance in formal DAC meetings and confirmed the existing practice of inviting non-DAC Invitees. The Committee also discussed the attendance of reporting donors at the meetings of the Working Party on Development Finance Statistics (WP-STAT) and requested that the Secretariat work with the Legal Directorate to develop a formal procedure.

Item 11. Peer Learning on Mainstreaming Environment in Development Co-operation

33. The Committee agreed to postpone this item to the autumn.

Item 12. Summary of Conclusions

34. 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 13. Any Other Business

35. The representative from Switzerland informed delegates that the DAC Chair and Switzerland will co-host an informal dialogue on development effectiveness on 14 July. Switzerland will also host a breakfast event on data for development on 12 July.

36. The representative from France reported on the G7 Development Ministerial held in Paris the previous week. Ministers agreed three declarations², highlighted the role of the OECD and of ODA to least developed countries and the importance of the Sahel region, and launched a call to promote innovative financing for development instruments including TOSSD, Blended Finance, Impact Investing, and finance to prevent fragility.

37. The representative from Greece invited candidacies to fill co-chair vacancies on the DAC facilitator groups. Once she receives the new names, she will issue a revised list. She also reminded delegates that she had circulated for comments a revised terms of reference for the facilitator groups.

² See the meeting communiqué at the following address:
https://www.diplomatie.gouv.fr/IMG/pdf/g7_financing_for_sustainable_development_declaration_cle0973b7.pdf