

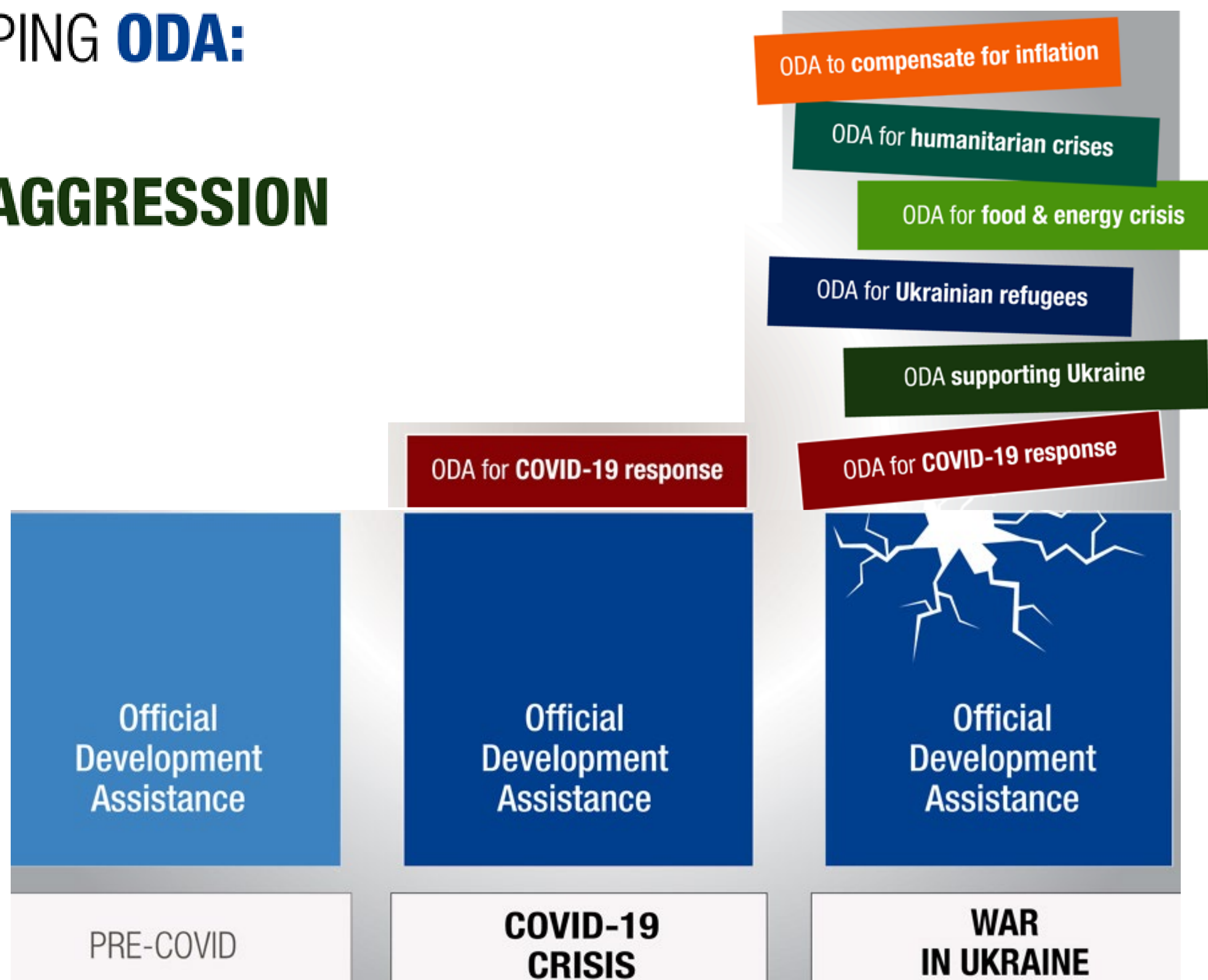
Development
Co-operation Report 2023

DEBATING THE AID SYSTEM



Join the conversation:
[@OECDDev](#) & [#DebatingAid](#)

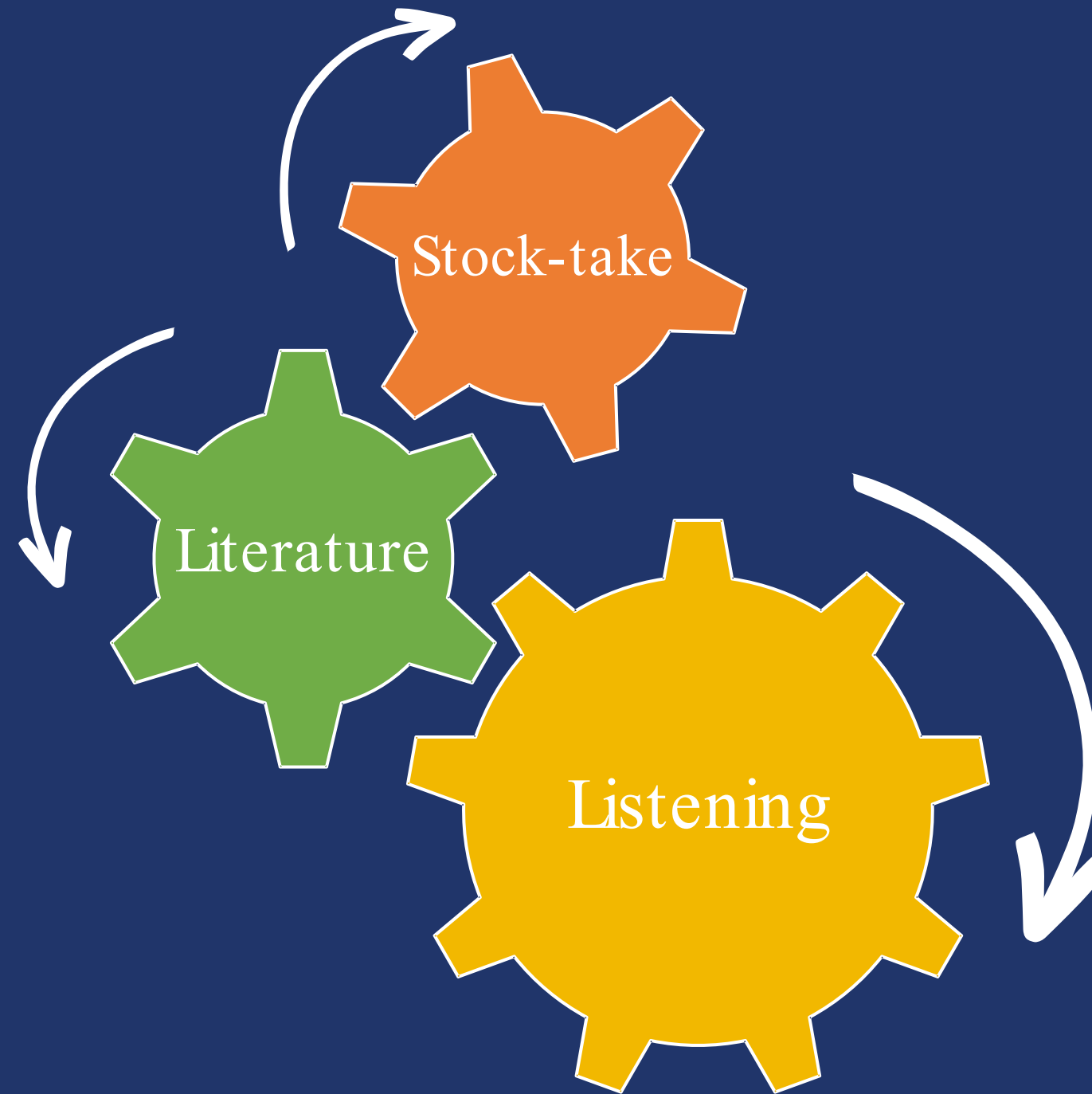
TWO CRISES RE-SHAPING ODA: **COVID-19** AND **RUSSIA'S WAR OF AGGRESSION AGAINST UKRAINE**





Development Co-operation
Report 2023
DEBATING THE AID SYSTEM

60th edition of the Development Co-operation Report



Context of thinking and reflection

Examine big questions of ODA identity, mandates and capacity of various actors in the system to meet new demands amid crises.

For example:

- What vision for more inclusive development co-operation, balancing power and partnerships? What opportunities, trade-offs and dilemmas?
- What coherence and systemic issues affect development co-operation and how to overcome them in face of diverse interests?
- How to define and safeguard ODA relevance and integrity?
- What priorities and accountability for ODA allocations?

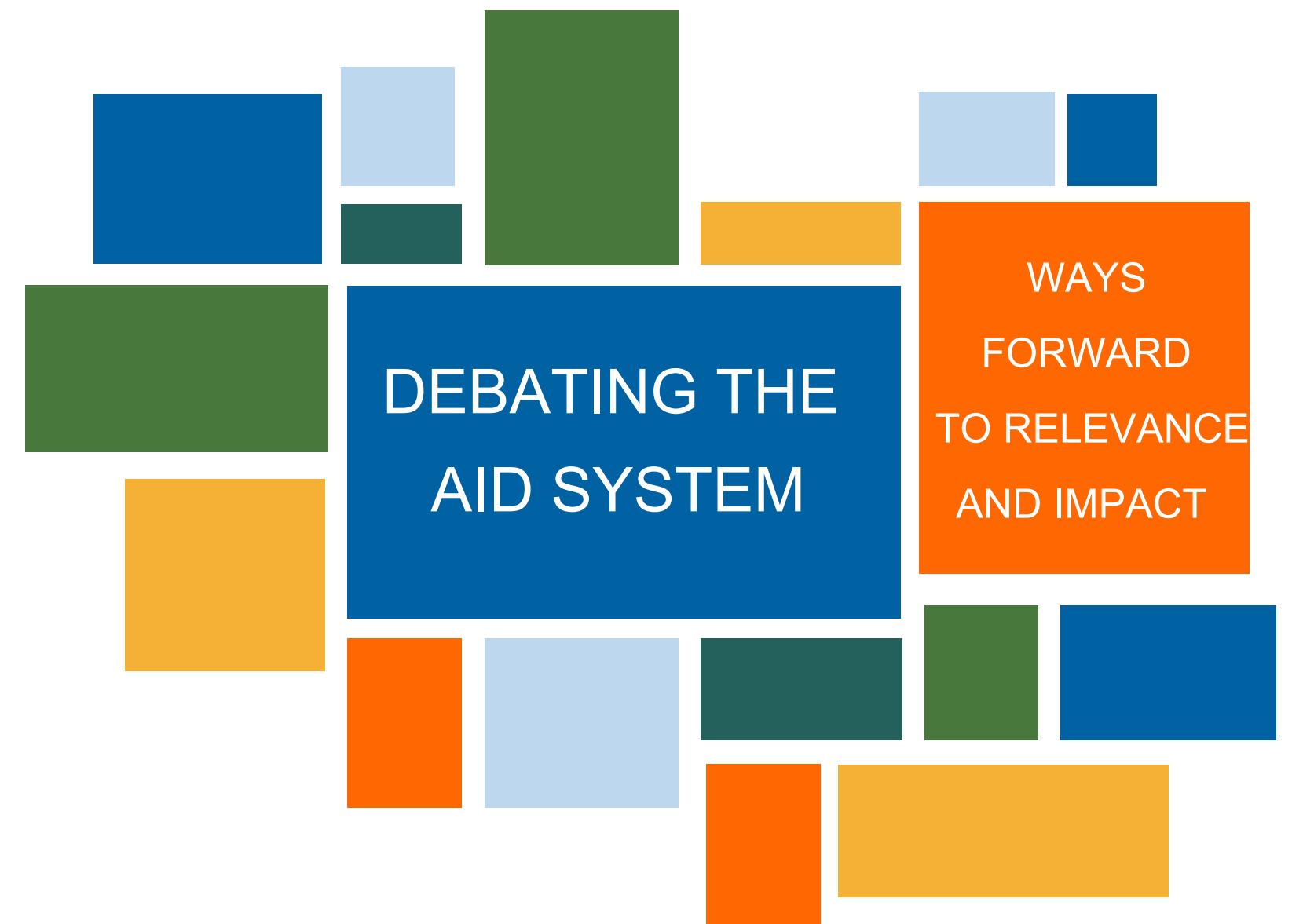


Table of contents

Front matter with preface by OECD SG and Editorial by the DAC Chair

Overview : Keeping development co-operation relevant and impactful amid daunting challenges

Part 1: Political economy of aid
(6 chapters/in my views/in focus)

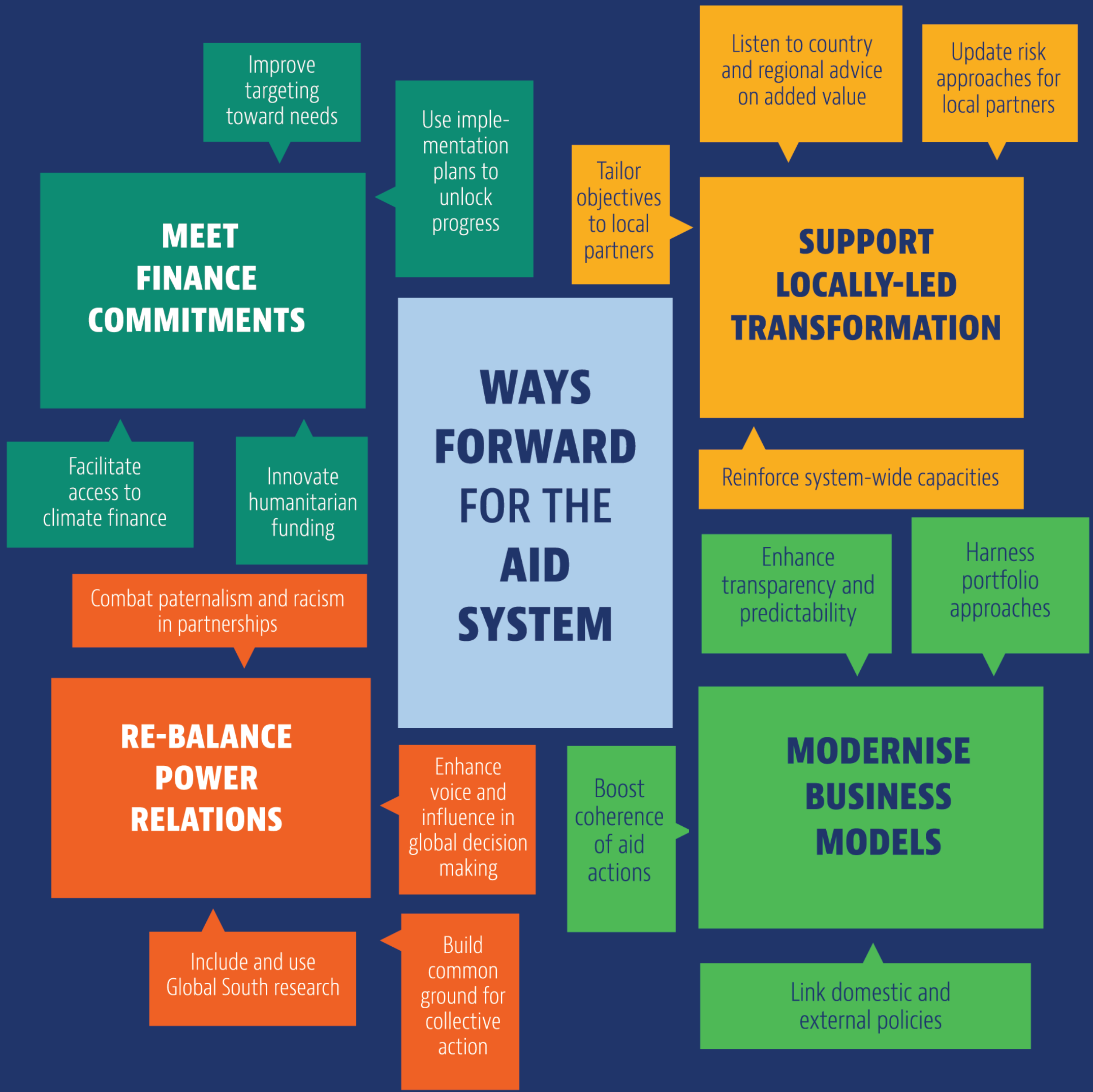
Part 2: Relevance in a complex system
(9 chapters/in my views/in focus)

Part 3: Adapting to evolving demands
(7 chapters/in my views/in focus)



Development Co-operation
Report 2023
DEBATING THE AID SYSTEM





Ways forward

Listen to country and regional advice on added value

Update risk approaches for local partners

Tailor objectives to local partners

**SUPPORT
LOCALLY-LED
TRANSFORMATION**

Reinforce system-wide capacities



Being locally led is about...

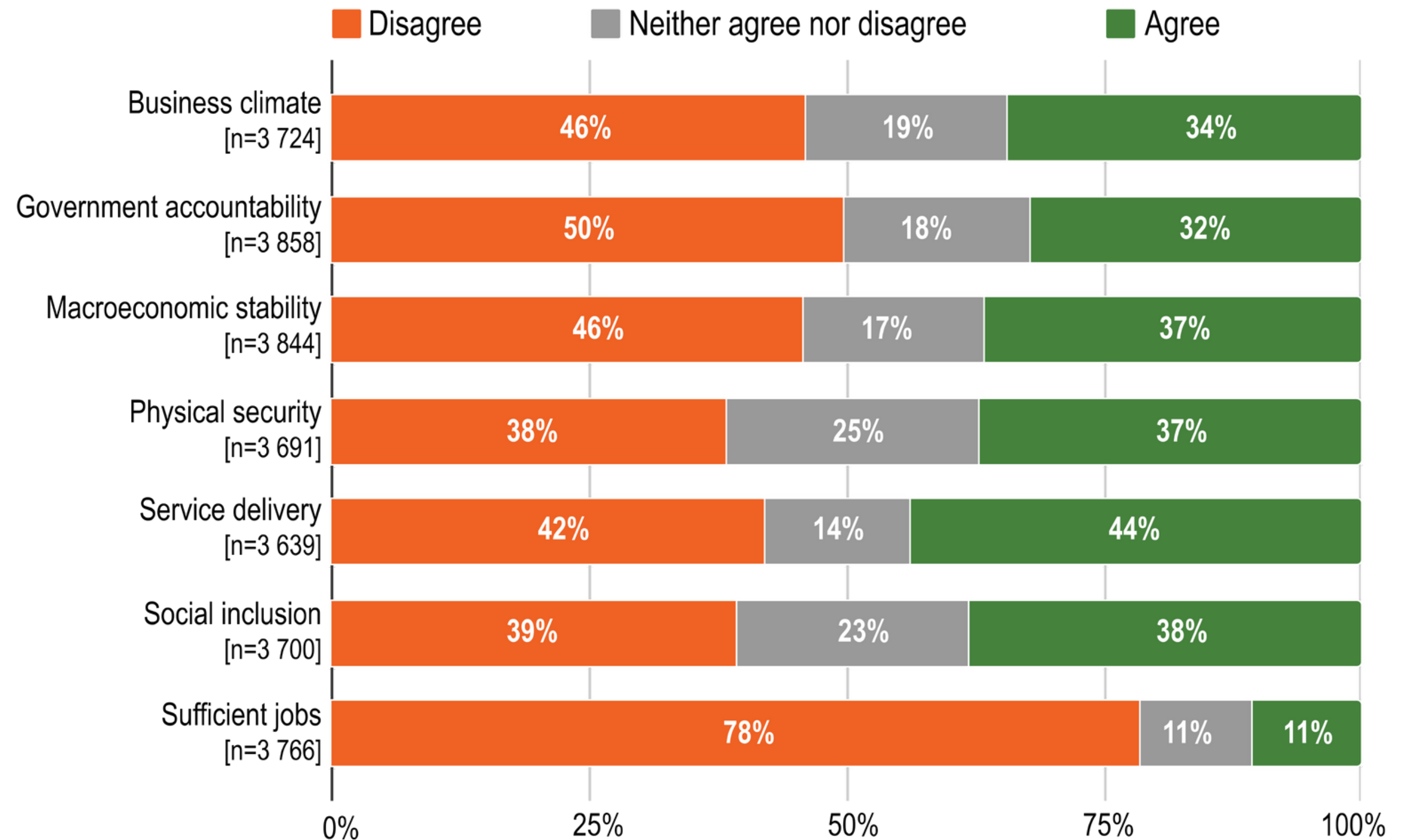
embracing partner countries' advice on how development co-operation can be transformative and add value in strategic sectors.

It also entails supporting regional development mechanisms and institutions.



IDEAS FOR ACTION

Figure. Leaders' overall perceptions of their country's development, 2020



➔ Chapter 18 "Responding to Global South views on development priorities, progress and partner performance"

Being locally led is also about...

Overcoming constraints to localizing delivery and using local evidence and knowledge

IDEAS FOR ACTION



To enable diverse local partnerships, use partner systems, providers need to update:

- Risk strategies
- Due diligence
- Procurement rules and procedures
- Partnership frameworks
- And recognize and value more explicitly Southern, local and indigenous research and knowledge

Ways forward



Enhance
transparency and
predictability

Harness
portfolio
approaches

MODERNISE BUSINESS MODELS

Boost
coherence
of aid
actions

Link domestic and
external policies

ADOPT PORTFOLIO
APPROACHES TO OPTIMISE AND
ALIGN SCARCE HUMAN AND
FINANCIAL RESOURCES AND
DELIVERY BEHIND STRATEGIC
OBJECTIVES

➔ Check out Chapter 8 “Maximising ODA”



IDEAS FOR ACTION

Tackle long-standing issues: fragmentation, limited use of country systems and poor allocation according to need

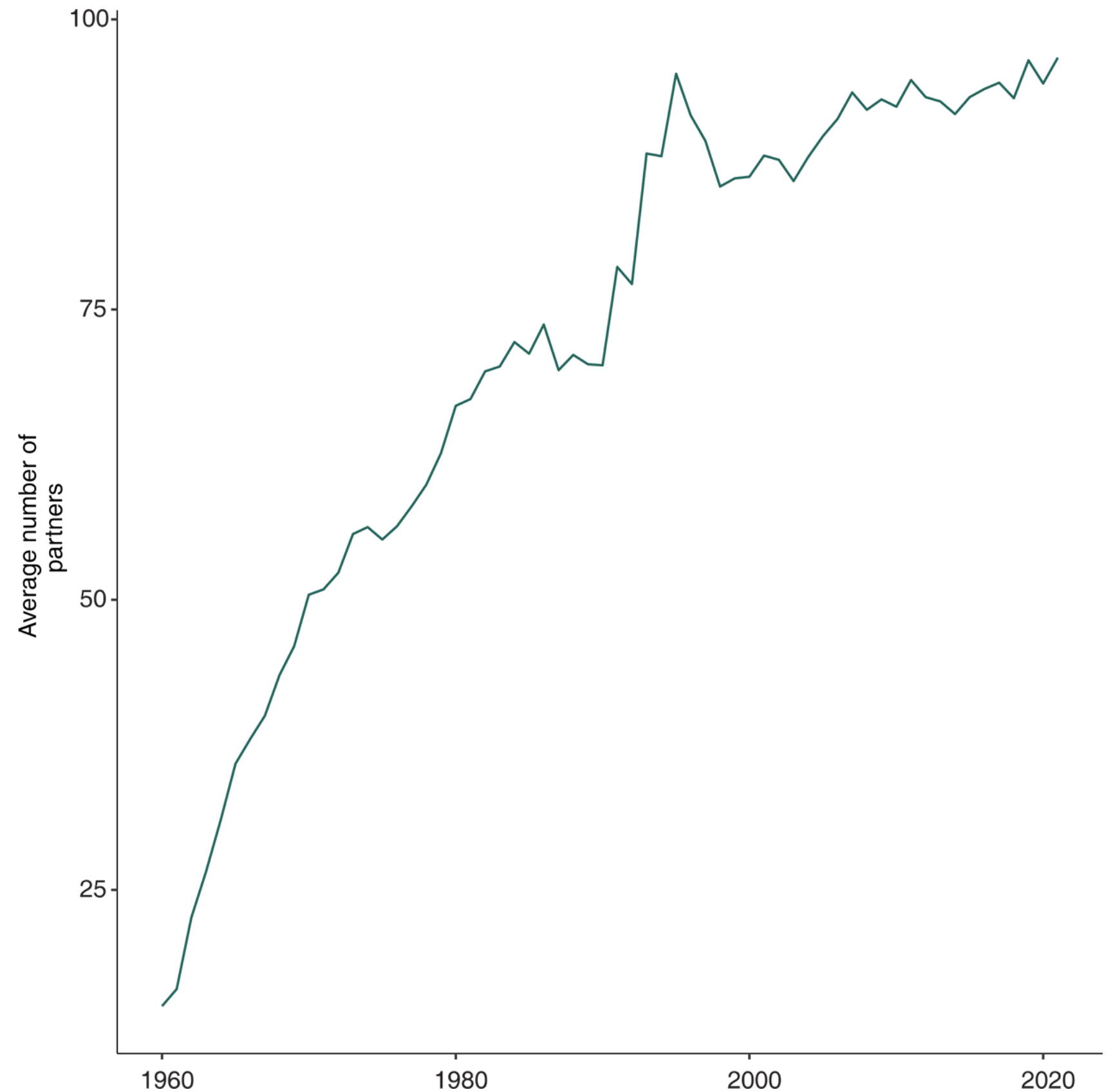


Figure. DAC members have significantly increased their number of recipient countries over time

ANTICIPATE AND ACT UPON
THE IMPACT OF DOMESTIC
POLICIES AND REGULATIONS
ON DEVELOPMENT
OBJECTIVES FOR GREATER
POLICY COHERENCE



KEY OBSTACLES TO IMPLEMENTING POLICY
COHERENCE FOR SUSTAINABLE DEVELOPMENT:

- Lack of long-term measures to ensure sustained commitment beyond electoral cycles
- Limited enforceability measures
- Challenges in communicating the benefits across government
- Absence of defined priority areas, time-bound actions or key performance indicators

IDEAS FOR ACTION

Ways forward

Combat paternalism and racism
in partnerships

RE-BALANCE POWER RELATIONS

Enhance
voice and
influence in
global decision
making

Include and use
Global South research

Build
common
ground for
collective
action



STRONGER VOICE AND INFLUENCE IN DECISION MAKING

“Contributions to the report outline calls for reforms to make the international financial system work better for them and ensure greater voice, agency and equal footing in partnerships for economic growth and development”

A recurring theme in chapters across the report

BUILD COMMON GROUND ON NORMS AND ACCOUNTABILITY AMONG PROVIDERS

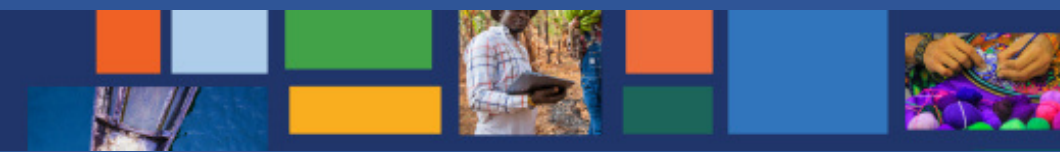
“The emergence of South-North, North-North, South-South and triangular co-operation has garnered new opportunities for multi-actor partnerships with reciprocal learning formats.”

Sachin Chaturvedi, In My View

IDEA FOR ACTION

“Prioritise and build institutions awareness and capacity to address power imbalances and racism in the international de system, for example training and reflection on power and bias; increasing diversity in the workforce, and redesigning partnerships for more equity.”

Overview



Ways forward



MEET FINANCE COMMITMENTS

Improve
targeting
toward needs

Use imple-
mentation
plans to
unlock
progress

Facilitate
access to
climate finance

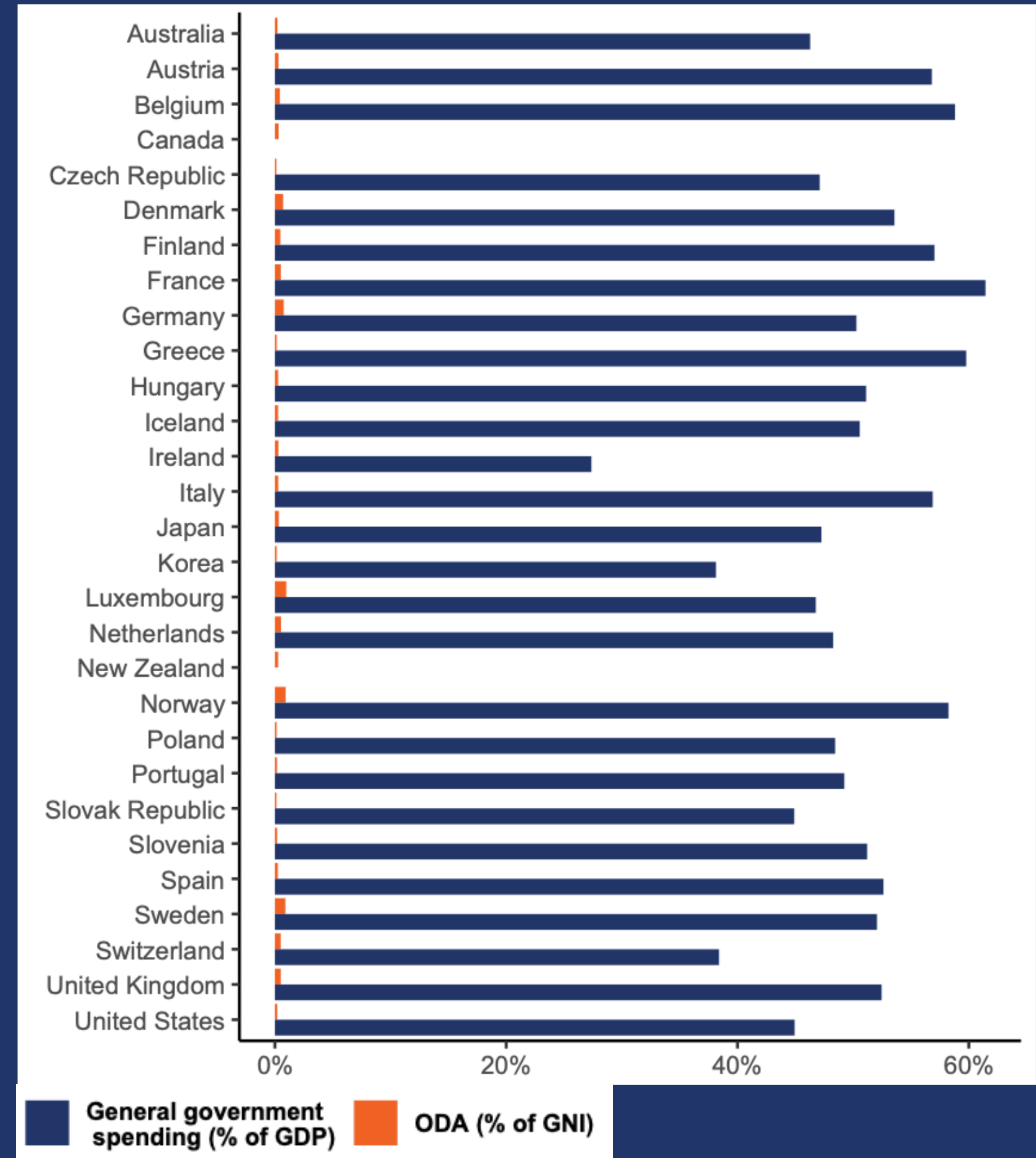
Innovate
humanitarian
funding

UNLOCK PROGRESS WITH IMPLEMENTATION PLANS



IDEAS FOR ACTION

Figure. ODA remains a small share of general government spending



IDEAS FOR ACTION

Ways to
facilitate access
to **climate finance**

Agree on how to
measure and
track climate
finance



Increase
overall
support

Provide climate
finance that is
new and
additional



Thank you for your time and attention!



Development Co-operation Report 2023 |
DEBATING THE AID SYSTEM

Join the conversation:
[@OECDDev](#) & [#DebatingAid](#)