Organisation for Economic Co-operation and Development

DCD(2024)39

Unclassified **English - Or. English**

28 November 2024

DEVELOPMENT CO-OPERATION DIRECTORATE

Network of Chief Economists of International Development Agencies & Financial Institutions

Meeting summary

7-8 November 2024
London, United Kingdom

This document contains the summary of the 9th meeting of Chief Economists of International Development Agencies & Finance Institutions, which took place on 7 and 8 November 2024, under Chatham House Rule.

Please note that this document is only available for download from O.N.E. in PDF format.

Ida Mc Donnell, Head of unit - Development research, Tel. +33 1 45 24 98 94, ida.mcdonnell@oecd.org

JT03556553

9th Meeting
Network of Chief Economists of Development Agencies
and Finance Institutions

Summary & Takeaways

Evidence and policy advice
Big issues shaping the future of development

Chatham House Rule | 7 & 8 November 2024
Held at the United Kingdom Foreign, Commonwealth & Development Office, London,

Contacts: Ida Mc Donnell (Ida.mcdonnell@oecd.org). Head of Unit, Development Research, OECD Development Co-operation Directorate – and secretariat to this Chief Economists Network**.**

Summary

Participants to the 9th meeting of the Chief Economist Network discussed trends and drivers in the global economy and risks to unlocking progress on big development issues (*see participants list at the end*). Significant bottlenecks stem from fiscal pressures, geopolitical fragmentation, the complex interplay between climate and development action and priorities, and disappointing progress in mobilising finance for development at a moment when international development budgets are being cut, debt continues to rise with adverse effects on liquidity and solvency in low-income countries, and private finance for sustainable development fails to meet expectations.

Uncertain outlook for growth and development

The global growth and development outlook remains highly uncertain, with no clear new growth drivers in sight. Rising debt, fuelled by the COVID-19 pandemic and energy price hikes, has strained fiscal balances worldwide, necessitating urgent debt consolidation and replenishment of public resources. High core inflation adds to the economic challenges, while green transition policies in advanced economies have spillover effects for developing economies. Geopolitical instability and demographic shifts are further clouding long-term growth prospects. Climate change continues to undermine developing economies (particularly in LICs) where countries lack the capacity to adapt to more frequent and intense natural disasters.

Doing more with less – getting higher development impact and returns from finance and investment

Donor and partner country budget constraints, coupled with declining public support for development cooperation, are polarizing resource allocation debates. There is also increasing skepticism about the potential to mobilize more private sector investments for developing economies. Grant-based financing is under greater strain than lending by Development Finance Institutions (DFIs), which can reinvest profits. However, some DFIs find that the ODA accountability framework is too rigid and hinders development of more innovative, cost-effective financial tools.

There is a cost for inaction. The challenging context for economic development calls for a focused, evidence-driven approach to development finance, prioritizing high-impact interventions that deliver tangible social and economic returns. There is demand for a new post-colonial generation of development partnerships that leverage ODA and other resources for inclusive, sustainable, country-driven, localised and impactful development.

How to unlock progress on the big issues for global development in today's fragmented and slowing global economy?

1. Concessional development finance must go to low-income countries that need it most and support sustainable development and poverty reduction in these countries.
2. Learn from the failure of the billions to trillions narrative and set realistic and achievable finance targets at the 4th FFD conference in 2025.
3. Ensure every dollar delivers the greatest possible impact through collaboration on rigorous evidence and cost-effectiveness analysis and more strategic communication on the cost of inaction and returns on investment.
4. Strategies guiding public and private financial instruments should be more realistic and transparent about their relative potential in getting the greatest economic and social returns across emerging markets and developing economies using the right data and measures, theories of change and being capable of adapting to different countries/regions.

Big issues in development

In his scene-setting, the Chief Economist of the World Bank Group presented six big challenges in development, the regions most affected by them and answers to the problems (*see also powerpoint presentation*). They are:

1. **Slowing growth**: across high-, middle-, and low-income economies. The answer: treat growth as top global priority.
2. **Debilitating debt:** urgent in low-income economies. The answer: in LICs, debt relief should be top international priority.
3. **Low investment:** a problem in seemingly healthy economies. The answer: in MICs, private investment climate should be top priority.
4. **Distorted trade:** weak WTO means greater unpredictability. The answer: strengthening WTO should be top global governance priority.
5. **Climate change:** low resilience in poorer half of the world. The answer: resilience is two third income, one third adaptation.
6. **Intensifying conflict:** in Central Europe, Middle East and East Africa. The answer: rich countries should stop prolonging wars.

Participants also flagged risks with **declining natural capital**. Recent trends show declining renewable and non-renewable natural assets. The answer: halt these trends for sustainability and human well-being.

Slowing growth

Global economic growth is projected to remain subdued at around 3% in the long term, with growth drivers weakening and challenges intensifying for all regions (see Table 1). Rising concerns about demographic shifts, social unrest, populism, and broader instability are underscored by a lack of investment and weak institutional capacity – particularly as LICs struggle with high debt servicing, limited fiscal space, and low capacity for domestic resource mobilisation.

Across regions, Asia leads global growth at 5% (**see powerpoint slides from ADB**). Rising protectionism by G20 countries threatens non-G20 MICs. African countries are contending with demographic pressures and weak state capacity, which hinder structural reforms necessary for inclusive, higher growth. Europe faces risks from deglobalization and regionalization, while high debt and slow declines in core inflation challenge HICs globally.

Table 1. Global economic prospects at different incomes levels

	POPULATION *(share of global population)*	GDP *(share of global economic activity)*	EXTREME POVERTY *(share of global population)*	CO_2 EMISSIONS *(share of global emissions)*
LOW INCOME	8.9%	0.6%	36.5%	0.5%
LOWER MIDDLE INCOME *($1,136-$4,465 GNI per capita)*	40.3%	8.3%	55.4%	15.7%
UPPER MIDDLE INCOME *($4,466-$13,845 GNI per capita)*	35.1%	30.3%	7.1%	48.6%
HIGH INCOME	15.7%	60.8%	1.0%	35.2%

Source: Indermit Gill, World Bank Group, scene-setting presentation on *Unlocking progress on big issues for development*, see package of powerpoint slides from the meeting.

In middle-income countries (MICs) reforms have stalled and there are efficiency gaps of nearly 50% compared to high-income countries (HICs) - this slows progress to higher income levels. Low-income countries (LICs) require urgent investment in human and social capital, as current spending levels remain far below what is needed for meaningful gains. Cheap and reliable energy is also a critical driver for growth and not available in most LICs.

The effectiveness of official development assistance (ODA) in fostering growth is increasingly debated, particularly as extreme poverty persists in many regions. While growth has traditionally been a primary vehicle for poverty reduction, there is growing recognition of the need to prioritize welfare-maximizing investments and directly target extreme poverty, supported by growth diagnostics and distributional analysis to ensure equitable benefits.

Takeaways:

- Do not lose focus on **human and social capital** in LICs as it is essential for a human-centric economy.
- There are upsides for **technologies** for agriculture and service delivery but there is a danger that the discourse on technology is skewed by and for advanced economies.
- Integrating **women and minority groups into the labour force** represents an untapped opportunity to boost growth – especially in many MICs.
- Addressing **extreme poverty alone, which would cost about 0.1% of global GDP,**[1] is insufficiently ambitious given rising poverty levels over USD 2.15 a day. Polices should focus on creating inclusive economic systems that empower poorer households and marginalized populations to contribute meaningfully to growth.
- There should be **stronger focus on state capabilities** for economic fundamentals, transformation and green transitions.

Trade protectionism

Trade is good for development. Rising protectionism and geopolitical fragmentation risk leaving low-income countries (LICs) behind and will make people poorer in all countries. The global trade landscape is evolving with regional tensions in Asia and potential shifts in tariff policies that can worsen growth prospects and lead to higher interest rates. Protectionist policies by G20 states (representing 85% of global GDP) are expected to slow down export-led growth and adversely affect capital flows to developing economies, further complicating global investment flows. Restructured trade relationships are expected to favour connector countries that leverage greater within region integration – seen in South Korea and Southeast Asian countries like Vietnam – which are already attracting increased investment.

Bilateral trade deals may lead to less efficiency, while LICs and least-developed countries (LDCs), with less than 1% of global manufacturing, struggle to benefit from shifting global value chains (GVCs). Europe's pivot away from Russian gas and focus on renewable energy, India's import of Russian oil, and increasing economic decoupling between the US and China are reshaping global trade and energy markets.

Industrial policies are increasingly prevalent (**See powerpoint slides from EBRD**). Industrial policies with green objectives are becoming more common, as are those targeting secure supply and regional development. Most policies are protectionist in practice and their track record has been mixed. Lack of transparency about the motivations for industrial policy makes it difficult to evaluate their contribution to development.

Takeaways:

- **Trade protectionism will undermine growth prospects for LICs**. For LICs job creation should pivot toward labour-intensive services, requiring research and strategies to unlock potential.

[1] UNUWIDER (2024) https://www.wider.unu.edu/publication/new-estimates-cost-ending-poverty-and-its-global-distribution

- **Open trade remains the best path forward with LICs focusing on entering GVCs incrementally**. To succeed, policies need to focus on competitiveness, inclusion and economic transformation.
- **Invest in productivity for economic transformation** and support implementation of ACFTA.
- **Don’t support industrial policy if domestic companies cannot compete abroad**. Analyse and discuss opportunity costs of industrial policy and help build analytical capacities to assess calculated risks and opportunity costs in developing countries. Learn from successes – for example, Chile’s industrial policy which worked because of external markets.

Climate change

There is growing concern that the emphasis on climate in development discussions risks creating a false dichotomy between climate action and fundamental development priorities such as inclusive growth, poverty alleviation, socio-economic inclusion and state capacity to secure and manage macro-economic fundamentals. Participants agreed on the need to integrate climate and development rather than treat them separately. However, they were concerned that the dominance of the climate narrative—especially in financing, budget allocations/earmarking and in political dialogue with partner countries — could divert policy focus from other priorities such as economic and social inclusion.

Climate action, especially adaptation, is particularly concerning for low-income countries (LICs), which, despite contributing minimally to global greenhouse gas (GHG) emissions, are disproportionately vulnerable to climate shocks. They are losing more with each extreme climate event with severe attrition in resilience. With no or low per capita income growth over the past five years, their capacity to build resilience through development is constrained. The heterogeneity in climate adaptation approaches and the tendency to conflate adaptation with resilience, calls for greater granularity and operational clarity in aligning climate and development goals.

Participants highlighted the need for better quality control in carbon credits and stressed the importance of embedding the value of natural assets into fiscal and monetary policies. Balancing conservation for global benefit with local economic priorities is essential for informed decision-making.

***Takeaways**:*

- **Make a stronger case for investing in climate adaptation**. ADB research shows a projected 17% GDP loss in Asia by 2070 if current climate policies remain unchanged.[2] A "triple dividends" approach—linking avoided losses with social and economic benefits—can help bolster this case, emphasizing the importance of innovation and prioritizing finance for climate adaptation based on its long-term benefits.
- **More operational granularity is needed for integrating climate and development in practice,** especially on climate adaptation and how it reinforces poverty reduction.
- **Build long-term infrastructure investments in LICs to address future shocks,** including capable information systems to predict and mitigate climate-related disasters. An example discussed was the system of weather stations in India which not only allowed for early warning capabilities but also inform strategies and investments to build resilience against future climate events.
- **Tiered carbon pricing and valuing natural assets**. Carbon credit markets are advancing through government, multilateral and market-led initiatives. Asia remains an active region for carbon markets where 20% of emissions are priced with growing momentum for countries to introduce Emissions Trading Systems (ETS). Tiered carbon pricing was proposed

[2] ADB (2024) https://www.adb.org/news/adb-says-climate-change-could-reduce-gdp-developing-asia-and-pacific-17-2070

as a strategy to internalise the environmental costs of depletion and degradation of natural capital.

Financing for development

Domestic resource mobilization remains the cornerstone of sustainable financing for development. Digital technologies can enhance tax collection and public financial management.

FFD4

Success at FFD4 hinges on bridging the gap in trust between advanced and developing economies in light of the failure to deliver on the Addis Ababa Agenda for Action. Participants criticised the unrealistic and damaging billions to trillions narrative surrounding FFD since Addis. They called for a more grounded conference that resets expectations and agrees on actionable and deliverable solutions the meet the diverse realities of different countries. Suggestions included quantifying financing needs for development by country, aligning finance to those needs, reforming the common framework on debt and setting achievable targets.

Debt

The debt crisis is starting to look like a systemic issue. Debt levels are high everywhere – particularly for low- and middle-income countries where total external debt tripled to $1 trillion in 2022.[3] IMF analysis updated September 2024 finds that 24 of the 68 LICs are at high risk of external debt distress while 11 are in debt distress.[4] LICs will need $440 billion in additional financing for the period 2022-26 to rebuild buffers and accelerate income convergence.[5] Exacerbating the situation, debt servicing costs rival or exceed social spending where, on average, low-income countries are likely to allocate more than twice as much funding to debt servicing than social assistance and 1.4 times more than healthcare.[6] In addition to implementing good debt management practices, participants discussed ways to create fiscal space in emergency and crisis situations – including when hunger is rising in a country, or the population has been affected by a climate disaster – such as freezing debt. Caution was advised regarding debt cancellation which lowers the ex-post risk premium for private lenders.

There is a need to focus on the broader debt restructuring mechanisms and helping countries get macroeconomic fundamentals in place. Broader reforms with the Common Framework on debt must be undertaken. Examples such as debt-for-nature or biodiversity swaps were welcomed although participants stressed these might add complexity to already complex situations (with a broader set of debtors than in the past that need to coordinate). The European Investment Bank (EIB) debt-for-climate swap in partnership with the Inter-American Development Bank (IADB), showcased that these swaps are possible in practise. Sovereign lenders also need to address internal coordination challenges and policy consistency notably when debt is handled by Ministries of Finance. The IMF Resilience and Sustainability Facility (RSF) has proven effective in mobilizing resources for countries demonstrating strong climate commitments, signalling the potential for broader adoption.

Private finance mobilization

Private finance mobilization has been the most underwhelming aspect of financing for development efforts and promises since the Addis Ababa Action Agenda. This is evidenced by failure to get more equity or FDI to LICs and sub-Saharan Africa (SSA). Yet, more official donors are

---

3 World Bank (2022) https://openknowledge.worldbank.org/entities/publication/47f55cbf-ee14-531a-8acb-8e2406f4354d

4 IMF (2024) List of LIC DSAs for PRGT-Eligible Countries - As of September 30, 2024

5 IMF (2024) https://www.imf.org/external/pubs/ft/ar/2023/in-focus/public-debt/

6 UNDP (2023) https://www.undp.org/da/denmark/press-releases/165-million-people-fell-poverty-between-2020-2023-debt-servicing-crowded-out-social-protection-health-and-education

entering this space and pivoting to private mobilization (See for example slides from OECD in the PPT package). Blended finance has largely bypassed LDCs and LICs where needs are greatest.

The growth of green bonds, driven by the *greenium* or yield premium, offers a valuable incentive for scaling climate finance.

The “promise” of private sector engagement is undermined by unclear roles, subsidy trade-offs, and weak incentives for investment in high-impact areas. Mobilisation needs to be tackled along the chain of equity to impact as shown by EIB (see powerpoint presentation). In addition to innovative instruments, attention needs to be given to building up the enabling environment for investments and all related instruments as well as the public finance part of the financing for development equation (beyond public debt). General tone was that the international financial system should let the private sector do what it does well rather than trying to get it to do other things.

Participants called for a sharper focus on realistic, country-specific tools that align with development context and local needs, ensuring private finance complements rather than displaces local markets. Clarifying the costs, risks, and returns of financial instruments, along with enhancing credit mechanisms and concessionality for lower-rated countries, can help attract sustainable investment. The importance of retaining local priorities and allowing the private sector to focus on its strengths was emphasized, along with the need for innovative, harmonized approaches to financing global public goods while balancing developmental goals.

***Takeaways*:**

- **Strengthen debt management capacity and increase concessional finance**. Continue support for debt management and tax administration in developing economies and maximise conessionality for debt sustainability. Initiatives, such as the GEMS database can hold great promise for providing information on private and sub-sovereign performance.
- Engage in more candid and honest exchange with countries in debt distress about the need to **get macroeconomics fundamentals right**.
- **Tailor and adapt financial instruments** to the specific needs of countries with different development resource needs. Greater clarity on whether mobilising on liability or asset side and on different levels of risk and ensure mobilized funds represent **genuine "new money".**
- Public actors should invest in **enabling environments** including efficient regulations.
- **Agree on better measures for leveraging private finance and tap into broader toolkit of instruments.** Public-private risk sharing must be through other instruments than equity. Credit enhancements, for example, can attract private sector investment in lower-rated economies while managing risk effectively.

Cost effective development impacts, best buys and innovative impact frameworks.

The challenge or market failure

Development agencies struggle with political and operational problems and tensions between investing for development impact, providing value of money and showing return on investment. This comes with a danger that investments are skewed to goals that are easier to measure but may be less sustainable or harder to scale up.

Most participants are working within their organisations to shift from output-focused metrics to those that prioritize real impacts, addressing the fundamental questions: *Are we doing the right things, and are we doing them right?*

Good impact measurement frameworks face political and institutional resistance for many reasons: they require more nuance, are complex, challenge assumptions and seek to avoid the pitfalls of oversimplification and aggregate generalisations. Effective analysis must account for heterogeneity, local context and data gaps and consider second-best options which may prove more feasible.

Cost effectiveness analysis and approaches

The growing body of data on successful interventions is strengthening the analytical foundation for more targeted and effective development strategies. Building on two decades of growth in impact evaluations, particularly randomized evaluations, of development and humanitarian programs, USAID's Position Paper on Cost Effectiveness underscores the importance of, and the ability for, greater use of cost-effectiveness evidence in programming. Cost effectiveness approaches map interventions and offer a robust guide to optimize resource allocation. Cost-effectiveness analysis also brings more disciplined, evidence-based approaches to project design and evaluation, helping teams focus on impactful outcomes.

Private sector perspectives on cost-effectiveness vary. Some prioritize good buys—projects deemed valuable based on principles or perceived impacts—while others focus on investments that align social and financial returns. DFIs are challenged to reconcile impact metrics with business objectives, often addressing these tensions by categorizing impacts into simplified frameworks. Such tools bridge gaps for stakeholders unfamiliar with complex evaluation methods, enabling more cohesive and strategic decision-making. For private finance, tools like the BII impact scoring system offer a way forward by incorporating dimensions such as productivity, sustainability, and inclusivity into decision-making processes (See powerpoint slides from BII).

Best buys

A "Best Buys" framework – mapping interventions by the evidence of their impact, against their cost effectiveness – can provide a handrail to discussions on the best approach to achieve development goals. Prioritizing easily measurable interventions risks sidelining more impactful but harder-to-measure efforts. This underscores the importance of adopting a system-level approach that evaluates both immediate and long-term effects while refining the definition of "good buys" versus "best buys," particularly in private sector investments where measuring social returns poses unique challenges (See slides from USAID).

Publicly communicating cost-effectiveness by sharing benefit-cost ratios can enhance political and taxpayer support by demonstrating tangible returns on investment. This approach, however, is not without criticism: while identifying "best buys" simplifies decision-making and prioritization, it may unintentionally discourage more ambitious goals or innovative solutions with potentially greater long-term impacts.

Innovation

"Best buys" focus should not be a lazy substitute for evidence-based innovation. To fully harness innovations, it is crucial that they are supported by rigorous evaluation mechanisms and help expand the portfolio of high-impact interventions. Pragmatic adoption of "high potential" interventions, twinned with robust evaluation plans, can help broaden and deepen the stock of "good" and "best" buys. Equally, a bad evaluation is more dangerous than not doing one.

The evidence-based approach to innovation by France's Fonds d'Innovation pour le Développment is to fund the first phase of scale up if there is evidence on impact. New "best buys" can be created with seed funding to take risks in early-stage innovation and testing new things through non-prescriptive bottom up approaches that create space for new ideas.

Nevertheless, there are significant risk appetite challenges and collective action constraints to innovation and scaling up. High levels of earmarking (up to 95% in some organizations, such as the WFP) limit flexibility and the capacity to innovate and adapt approaches. The dichotomy between cost-effectiveness in terms of budget spend or the development benefits achieved adds complexity and current metrics risk directing investments toward easily measurable but less transformative outcomes. Scaling interventions, even with evidence, funding, and government support, remains hindered by overly complex mechanisms.

***Takeaways*:**

- **Build on existing platforms to share impact analysis.** Bilateral policies for evidence-based pilots, multistakeholder programs (e.g., PROSPECTS) , and partnerships that enable governments to prioritize evidence development can improve outcomes. Tools like the IDEAL (Impact Data and Evidence Aggregation Library), which standardizes evidence from over 15,000 RCTs, were highlighted as resources to bridge evidence gaps and streamline decision-making. Scaling up introduces challenges such as spillovers, capacity mismatches, and macroeconomic effects, particularly in regions with limited data, as seen in EIB's efforts outside Europe.
- **Proposal to compile and coordinate value propositions,** examples of costs of inaction and other knowledge that moves the needle to scale programmes with high return on investment.
- **Improve communication skills that gets political support for findings from cost effective, best buys and scaling evidence driven innovation.** While cost-benefit and cost-effectiveness analyses are valuable, they must resonate with both technical and non-technical audiences to secure support for scaling interventions. Given that values and political priorities drive decision-making cost-effectiveness frameworks must not only guide decisions but also shape the narrative of "how" interventions align with broader goals.

Reading

Here are links to some reports mentioned during discussions (not exhaustive).

OECD, *Financing for Development 2025 (Draft) Fact Sheets*, (2024). Provides critical analysis and key data points to assess progress on the Addis Ababa Action Agenda (AAAA) commitments, contributing to global efforts in evaluating financing sustainable development. https://one.oecd.org/document/DCD(2024)29/en/pdf

ADB, *Asia Pacific Climate Report 2024.* Offers an overview of the region's evolving climate landscape, up-to-date public perceptions, and key areas for policy responses. The report highlights the region's climate vulnerability, provides updated estimates of the potential impacts and costs of climate change, and proposes priority actions to accelerate adaptation progress. https://www.adb.org/climate-report/editions/2024

ADB, Asian Development Policy Report - *Aging Well in Asia* (2024). The report explores four linked dimensions of well-being: health, productive work, economic security, and social engagement. It highlights the need for lifelong investment in human capital, a life-cycle approach to intervention for age-specific needs, and population-wide outreach to people of all ages. It provides concrete recommendations in the policy domains of health, employment and retirement, pensions, long-term care, and community-level support. https://www.adb.org/publications/asian-development-policy-report-2024

USAID, *Cost-Effectiveness Position Paper* (2024). This Position Paper articulates USAID's commitment to achieving the greatest possible impact per dollar of taxpayer resources spent, through the use and generation of cost-effectiveness evidence. The paper outlines principles and best practices to help the Agency and its partners increase their impact per dollar, by leveraging cost-effectiveness evidence when appropriate and investing in new evidence generation to fill key gaps. https://www.usaid.gov/policy/cost-effectiveness

USAID, *Direct Monetary Transfers Position Paper* (2024). This Position Paper summarizes principles and best practices for how and why USAID can include direct monetary transfers—a form of market-based assistance—to individuals, households, and microenterprises as a core element of its development toolkit. https://www.usaid.gov/policy/direct-monetary-transfers

BII, *When growth does – and does not – reduce poverty* (2024). The report looks beyond the tendency for investment and growth to reduce poverty, to investigate when growth has a greater or lesser effect on poverty. https://assets.bii.co.uk/wp-content/uploads/2024/05/22082549/When-growth-does-and-does-not-reduce-poverty.pdf

BII, *Impact Scoring Methodology (2022-2026 strategy period)* (2022). BII's approach to impact management. Outlines the role and design of the Impact Score and methodology for calculating the score. https://assets.bii.co.uk/wp-content/uploads/2022/02/24121022/British-International-Investment-Impact-Score-2022-26.pdf

Richard Samans (ILO), *Human-Centred Economics: The Living Standards of Nations (2023)*. This book engages in a fundamental reflection regarding the chronic underperformance of economies with respect to social inclusion, environmental sustainability and human and systemic resilience. It proposes a reformulation of macroeconomic theory and policy to explicitly internalize the role of policies and institutions that enable them. https://link.springer.com/book/10.1007/978-3-031-37435-7

UNEP, *Inclusive Wealth Report* (2023): A biennial effort led by the United Nations Environment Programme (UNEP) to evaluate national capacities and performance in terms of measuring economic sustainability and well-being taking into account the three components of the Inclusive Wealth Index (Produced Capital, Human Capital and Natural Capital). https://www.unep.org/resources/report/inclusive-wealth-report-2023-measuring-sustainability-and-equity

Amir Lebdioui, *Survival of the Greenest* (2024). The book analyses the geography of decarbonisation, the state of climate financing and the rise of green protectionism and argues that the low-carbon economy stands to increase economic disparities between nations. It provides policy approaches on how to adapt green industrial policy to different starting points, market sizes, productive structures, state-business relations dynamics institutional layouts and ecological contexts. https://www.cambridge.org/core/elements/survival-of-the-greenest/F0A8EDD3878C262B24FAEC1A9CE1CA18

Bjorn Lomborg, *Best Things First (2023)*. The book identifies 12 cost-efficient solutions based on peer-reviewed studies of cost-benefit analysis for gaining the most impact per dollar spent. https://copenhagenconsensus.com/books/best-things-first

Professor Sir Partha Dasgupta, *Final Report of the Independent Review on the Economics of Biodiversity (2021)*. The Economics of Biodiversity: The Dasgupta Review

Bill and Melinda Gates Foundation, *Principles for Allocating Finance for Development and Climate Goal (2024)*. https://docs.gatesfoundation.org/documents/gates_foundation_principles_finance_for_development_and_climate_goals.pdf.

JICA, *Final Report, Technical Cooperation Project for promotion of the Program for Japan-India Cooperative Actions towards Sustainable Development Goals (SDGs) in India (2021)*. https://openjicareport.jica.go.jp/pdf/12371126.pdf. To implement the SDGs agenda, India launched the Aspirational District Program (ADP) to quickly and effectively transform 112 most under-developed districts across the country, identifying immediate improvement areas and measuring progress by updating 49 KPIs (covering Health & Nutrition, Education, Agriculture & Water Resources, Financial Inclusion & Skill Development and Infrastructure) on a monthly basis. JICA provided concessional loans and technical cooperation aimed to complement the efforts of the ADP, and to promote action-oriented policies based on Japan's knowledge and experience.

EBRD*, Transition report 2024-25, Navigating Industrial Policy (2024)*. The Transition Report 2024-25 focuses on industrial policies in the EBRD regions and beyond. Such policies have seen a resurgence, seeking to address market failures such as environmental degradation. However, their track record is mixed. Their growing popularity is shaped primarily by domestic political economy considerations and rising geopolitical tensions. While industrial policies are typically employed by higher-income economies, they are also now used more frequently in economies with less administrative and fiscal capacity to implement them. Transition Report 'Navigating industrial policy'

EBRD, *Life in Transition Survey (2024)*. The Life in Transition Survey IV surveyed over 37,000 households in 33 economies in the EBRD regions and four comparators. This wave included new modules on attitudes to the green transition, employment histories, migration and remittances. Life in Transition Survey Report 'Household resilience in a turbulent world' (and associated data).

Meeting agenda

Meeting times	***Thursday, November 7, UK FCDO, London***
09:30 – 10:00	*Arrival and refreshments*
10:00 – 10:15	***Welcome***
10:15 – 11:45	***State of development today, tour de table***
11:45 – 12:30	***Issues shaping the future of development***
12:30 – 14:00	***Lunch and group photo***
14:00 – 16:45	***Unlocking progress on big issues for development***
17:00 – 18:15	***Public event at FCDO: Conversation with Chief Economists - Addressing the big issues shaping the future of development***
18:30 – 19:30	***Reception***
20:15	*Self-funded dinner*

Meeting times	***Friday, November 8***
09:30 – 10:00	*Arrival and refreshments*
10:00 – 12:30	***Innovations in development impact/best buys evidence and analysis***
12:30 – 14:00	***Working lunch – emerging takeaways and future collaboration***
14:00 – 15:30	***Unlocking progress with innovations in financing for development***
15:45 – 16:30	***Takeaways and proposals for future collaboration***
16:30 – 16:45	***Meeting wrap-up***

Participants list

Maren-Elise BACHKE	*Senior Advisor, Section for Partnership and Development Policy Analysis, Ministry of Foreign Affairs, Norway*
Federico BONAGLIA	*Deputy Director, Development Centre, OECD*
Paddy CARTER	*Director, Development Impact Research and Policy, British International Investment (BII)*
Andrew DABALEN	*Chief Economist and Senior Vice President for Development Economics World Bank Group*
Pilar GARRIDO	*Director, Development Co-operation Directorate, OECD*
Indermit GILL	*Chief Economist Senior Vice President for Development Economics, World Bank Group*
Arif HUSAIN	*Chief Economist, World Food Programme*
Kyosuke INADA	*Chief Representative, France Office, Japan International Co-operation Agency (JICA)*
Dean KARLAN	*Chief Economist, US Agency for International Development (USAID)*
Adnan KHAN	*Chief Economist, UK Foreign, Commonwealth, and Development Office (FCDO), United Kingdom*
Kalpana KOCHHAR	*Director, Development Policy and Finance, Bill and Melinda Gates Foundation*
Petya KOEVA BROOKS	*Deputy Director, Research Department, International Monetary Fund (IMF)*
Zsoka KOCZAN	*Lead Economist, European Bank for Reconstruction and Development (EBRD)*
Wolfgang KRIEGER	*Economist, DEG (German Investment Corporation)*
Pushpam KUMAR	*Chief Environmental Economist, UN Environment Programme (UNEP)*
Jin-Yue LEE	*Director, EDCF Coordination Department, Export-Import Bank of Korea*
Lars Andreas LOE	*Policy director, NORAD, The Norwegian Agency for Development Cooperation*
Hans H.G. MAGNUSSEN	*Special Advisor, Economic Analysis Unit, Ministry of Foreign Affairs Denmark*
Arif MAMUN	*Acting Chief Economist & Deputy Vice President- Evaluation, Department of Policy and Evaluation, Millenium Challenge Corporation (MCC), USA*
Thomas MELONIO	*Director of Innovation, Research and Knowledge, Agence Française de Développement (AFD)*
Chris PAIN	*Development Specialist, Department of Foreign Affairs, Ireland*
Albert PARK	*Chief Economist and Director General, Economic Research and Development Impact, Asian Development Bank (ADB)*

Mélanie RAYMOND	*Acting Chief Economist & Director, International Economic Relations, Global Affairs Canada*
Joseph REBELLO	*Senior External Affairs Officer, World Bank Group*
Debora REVOLTELLA	*Chief Economist & Director, Economics Department, European Investment Bank (EIB)*
Paul RYAN	*Head of International Finance Division, Department of Finance, Ireland*
Richard SAMANS	*Director of Research, International Labour Organization (ILO)*
Elina SCHEJA	*Chief Economist, Swedish International Development Cooperation Agency (Sida)*
Steven STONE	*Deputy Director, Industry and Economy Division, UN Environment Programme (UNEP)*
Love THEODOSSIADIS	*Lead Economist, Swedish International Development Cooperation Agency (SIDA)*
Máximo TORERO	*Chief Economist, Food and Agriculture Organization (FAO)*
Ruud VAN DER HELM	*Senior Strategist, Directorate for Multilateral Affairs, Ministry of Foreign Affairs, Netherlands*
Arianna VANNINI	*Principal Adviser for Strategic Foresight and Chief Economist, Directorate for International Partnership (INTPA), European Commission*
Chris WOODRUFF	*Non-executive Director, British International Investment (BII)*

Invited experts

Carson CHRISTIANO	*Executive Director, Centre for Effective Global Action, Berkeley.*
Rema HANNA	*Jeffrey Cheah Professor of South-East Asia Studies and Chair of the International Development Area, Harvard Kennedy School*
Greg FISCHER	*Partner and Director, Sustainable Investing & Social Impact, Boston Consulting Group*
Paul HORROCKS	*Head of Private Finance for Sustainable Development Unit, Development Co-operation Directorate Organisation for Economic Co-operation and Development (OECD)*
Amir LEBDIOUI	*Associate Professor of the Political Economy of Development and Director, Technology and Management Centre for Development University of Oxford*
Bjorn LOMBORG	*President, Copenhagen Consensus Centre*
Juliette SEBAN	*Executive Director, Fund for Innovation in Development (FID), Agence Française de Développement (AFD)*

Secretariat (OECD Development Co-operation Directorate)

Ida MC DONNELL	*Head of Unit, Development Research, OECD*
Andrew PARK	*Policy Analyst, Development Research Unit, OECD*