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

Report on DAC's implementation of High Level Panel recommendations

Final version

The present report documents measures to implement the recommendations from the High Level Panel. DAC members reviewed this report's content at the Committee's 11 January 2018 meeting. The report has been updated and finalised with the DAC's comments.

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Report on DAC's implementation of High Level Panel recommendations

1. This report takes stock of the actions undertaken by the OECD Development Assistance Committee (DAC) with regards to the recommendations put forward in the report of the High Level Panel (HLP), “A New DAC in a Changing World: Setting a Path for the Future”, published in January 2017¹.
2. Through an iterative process during 2017, the Committee has developed a Strategic Vision and a new Mandate that were adopted at the 2017 High Level Meeting (HLM) and inscribed in its Communiqué². The new Mandate was also approved by the OECD Council on 14 December. By this the DAC is formally committed to continue the reform process to ensure the Committee is fit for purpose in the era of the 2030 Agenda for Sustainable Development. The reform is influenced both by the HLP report and the In-Depth Evaluation of the DAC.
3. The new global framework and new challenges and dynamics call for transformation. The DAC through its reform will build on its core strengths, and continue to:
 - Define and measure development co-operation, thus being the guardian of the ODA definition and monitoring its flows,
 - Set standards for providers’ engagement in development co-operation and facilitate Members’ mutual accountability for development efforts,
 - Promote learning, exchange of views and co-ordination among Members on good practices in development co-operation.
4. While retaining these strengths, the DAC will transform to remain relevant and influential. The direction for this change is pointed out in the Strategic Vision and the Mandate. In the vision the DAC has identified six main strategic priorities:
 - Focus on fostering development impact and mobilising resources,
 - Learn from existing development approaches,
 - Explore new development approaches,
 - Reach out to development actors beyond its Membership to influence and be influenced,
 - Increase transparency, proactively self-assess and hold itself to account,
 - Work in effective governance, systems and structures.
5. This report takes the recommendations made by the HLP referring them to the actions taken thus far.

1 <https://www.oecd.org/dac/Report-High-Level-Panel-on-the-DAC-2017.pdf>

2 <http://www.oecd.org/dac/DAC-HLM-2017-Communique.pdf>

HLP RECOMMENDATION 1: The DAC should change its mandate to promote development co-operation in support of the new consensus development agenda.

6. The 2030 Agenda has affected and influenced all work streams of the Development Co-operation Directorate (DCD) and all processes handled by the DAC. One example is the peer review process where the review methodology has been adapted in order for the review to reflect to which extent and how the reviewed country's development co-operation is part of a whole-of-government 2030 Agenda implementation policy.

7. In discussions concerning the draft mandate, members strongly supported linking it to the 2030 Agenda and citing the pledge to leave no one behind. At the HLM, members reaffirmed their respective commitments regarding ODA to developing countries, including towards Least Developed Countries. The HLM also welcomed efforts by the Membership to develop and implement policy actions on reversing the declining trend of ODA to countries most in need.

8. In the new mandate, as well as in the HLM Communiqué, it is clearly stated that the DAC should retain its central role in defining and monitoring Official Development Assistance, continue to improve the quality of data and increase transparency to enable citizens and stakeholders to hold members to account.

9. The DAC has continued to increase its focus on supporting the mobilisation of finance for the new consensus development agenda. This is also clearly spelled out in the new mandate. At the HLM members agreed to “actively support the implementation of the AAAA and the UN-led Financing for Development process”. This focus, together with an outreach approach, has positioned OECD as a space for policy dialogue, evidence gathering and analysis on financing for development.

10. The DAC continues to prioritise developing policy to address drivers of fragility and vulnerability as well to increase resilience to environmental, social, economic and political risk. The scale, complexity and human cost of today's crises demand a comprehensive international response, and the coherent use of humanitarian and development instruments along with policy dialogue to address short-term as well as longer-term needs. The DAC builds on its strong evidence base and uses its convening power to find coherent ways of collaborating, bringing together diplomatic, humanitarian, development, and peacebuilding actors. Members agreed, at the HLM, “to improve our responses to the needs of refugees and internally displaced persons and address the root causes of forced displacement and irregular migration”. The DAC will support the ongoing discussions – especially on follow-up and monitoring – of the Global Compact on Refugees and the Global Compact for Safe, Orderly, and Regular Migration.

11. During 2017, the DAC conducted an analysis of the special financing needs of small island developing states (SIDS), many of which are Middle Income Countries (MIC). It highlights vulnerabilities and challenges, which require tailored development finance solutions. At the HLM members committed to work with the UN development system, the World Bank and the regional development banks and other stakeholders, by gathering the necessary evidence to support the mobilisation of appropriate resources and the implementation of effective international co-operation approaches. The DAC will continue to analyse to help identify countries where ODA is most needed (such as in least developed countries, low-income countries, SIDS, land-locked developing countries, and fragile and conflict-affected contexts) and where additional actions may be required. At the HLM, specific challenges faced by MICs and countries transitioning through income

levels were discussed. At the HLM members also recognised the particular vulnerability and fragility that graduate countries can face in the event of a humanitarian crisis, and that more holistic consideration should be given to financing needs for resilience and recovery. Therefore members requested the Secretariat to develop for DAC consideration evidence-based proposals for reinstatement of countries on the list of ODA eligible countries.

12. The DAC will continue to uphold DAC statistics as the authoritative source for internationally relevant, accurate, credible and comparable data on development finance. This includes continuing to develop the TOSSD (Total Official Support for Sustainable Development) measurement framework to become the standard for measuring cross-border financial contributions to the SDGs. TOSSD complements but does not replace ODA; the DAC will continue to support its development through an open, inclusive and transparent consultative process. An informal, international TOSSD Task Force was established, in concert with the UN Statistical Commission and the Inter-Agency Task Force on Financing for Development and relevant UN bodies. In this regard, the next meeting of the UN Statistical Commission in March 2018, where TOSSD will be considered, will be of great importance.

HLP RECOMMENDATION 2: The DAC should be more inclusive of other development partners in its work and intensify its outreach and dialogue with other development partners in order to increase effectiveness and achieve results.

13. The DAC has continued to systematically engage with non-DAC actors in development co-operation. During 2017 a DAC–CSO reference Group was created to increase policy dialogue with international CSOs, including those based in developing countries. Dialogue with the private sector, CSOs and other stakeholders has increased through the work streams, in particular those on development finance and blended finance. The HLM itself marked this increase in outreach efforts as it was well attended by representatives from CSOs, developing countries, foundations, private companies, multilaterals and non-DAC donor countries.

14. During 2017 the DAC has strengthened horizontal collaboration with other parts of the OECD to ensure coherence and increase effectiveness. The DAC has for instance invited other parts of the OECD to present their work to the committee to find synergies and avoid duplication of efforts. The DAC Chair has also met with other bodies within the Organisation to ensure coherence, and will continue meeting with the Chairs of relevant committees.

15. By actively engaging with the United Nations Development System the DAC is supporting the UN reform. This is done both through technical co-operation and by taking part in the UN annual meetings (for instance UNGA week, HLPF, UN Global Humanitarian Policy Forum and FfD conference), the DAC is working to support coherent implementation of the 2030 Agenda and to contribute to follow up and monitoring of progress towards the SDGs. The DAC Chair is also engaging on a personal level with key individuals in the global development system to ensure effectiveness and make sure the DAC reform is aligned with UN reform.

16. At the HLM members reiterated their strong commitment to the principles of effective development co-operation and support for the Global Partnership for Effective Development Co-operation (GPEDC). The DAC supports the implementation of the principles and GPEDC remains a priority of the DAC, including engaging development partners' participation.

17. DAC has been engaged for a long time in dialogue with non-DAC donors on a regular basis. Policy dialogues are of utmost importance. The annual Arab-DAC dialogue is one of the most important ones and will help develop new approaches for the LAC-DAC Dialogue and engagement with China and Brazil. The DAC Chair is working with DCD to advance DAC outreach, and the DAC Global Relations Strategy is currently being revised. In 2017 Kuwait expressed an interest to become a Participant of the DAC (joining the United Arab Emirates and Qatar) and members agreed in consensus.

18. The DAC remains open to like-minded and open-minded providers of development co-operation who meet the DAC standards and are willing to assume the responsibilities of DAC membership. The DAC also encourages participation by development stakeholders in its work, with a special focus on engaging partner country governments, civil society organisations, foundations and the private sector.

19. To support current work streams, the reform process and increase outreach to the development stakeholder community, the DAC will host a series of roundtables on topics of great importance for the DAC going forward. These roundtables will increase input to the DAC, build momentum and expectations in the development community, and enable the DAC to explore new approaches in development co-operation.

HLP RECOMMENDATION 3: the DAC should reform its working methods to respond more effectively to the new consensus development agenda.

20. To streamline its meeting infrastructure, improve its efficiency and create new opportunities for sharing of experiences, the DAC has increased clustering of meetings, for example by organising regular Committee meetings back-to-back with peer review meetings. No decision has been taken on changing the amount of formal meetings. However, informal meetings and other dialogue-based working procedures have served as an effective way to facilitate decision making and support peer learning. The roadmap for the 2018 work will help provide a good overview of this.

21. Members will engage in discussions around the financing structure for the DAC Chair functions in order for the Chair to continue to serve as an outreach ambassador and representative for the Committee.

22. The DAC has agreed that its substructure of subsidiary bodies and networks are well adapted to its achieve its objectives and will build on work already undertaken to reform the bodies to increase their relevance, for example through enhanced links to other OECD committees and Directorates and the systematic participation and collaboration with other development co-operation partners in their work. The DAC has invited its subsidiary bodies to review, and if necessary propose revisions to, their respective mandates to align with the DAC's new mandate.

23. The DAC is, through DCD, increasing its horizontal collaboration within the OECD. In particular these efforts target entities whose work is linked to development co-operation and relations with developing countries, for instance the Development Centre, the Policy Coherence for Development Unit and the Global Relations Secretariat. The OECD Development Cluster communications team is liaising on a regular basis with the DCD Director's Office and with the DAC Chair's Office. DAC communications efforts are integrated and coherent with the overall communication strategy of the OECD development cluster. Part of this integration means using the DAC as a community of development providers and the role of the Chair as a representative of this community, its purpose and policies.

24. All summary records of the DAC meetings are declassified and made public as standard practice, unless there are formal objections. Documents that are the basis for decisions leading to changes in policy, reporting and measuring are also made public, once approved by consensus.