

Unclassified**English - Or. English**

7 March 2023

**DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE****Summary Record of the 1118th DAC meeting held on 17 January (Session 1) and
18 January 2023 (Session 2)**

The Revised Draft Summary Record [DCD/DAC/M(2023)1/REV1] was approved under Item 1 of the Draft Annotated Agenda [DCD/DAC/A(2023)3] without modification at the 7 March 2023 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 1118th DAC meeting held on 17 January (Session 1) and 18 January 2023 (Session 2)

Session 1: Tuesday, 17 January 2023

Item 1. Adoption of the Agenda and Approval of Draft Summary Records

1. The Committee welcomed the new DCD Director who introduced herself and spelled out her priorities: addressing the implications of the 2023–24 PWB, ensuring an effective and collaborative working relationship with the DAC and its Chair, and strengthening collaboration within the Development Cluster and beyond.
2. The DAC then adopted the two-day draft agenda as proposed. The Committee considered the draft summary record from the 6–7 December 2022 meeting. Members approved the record without modification and agreed to its declassification.

Item 2. Briefing by the DCD Director and DAC Chair

3. The Secretariat and DAC Chair will provide delegates with an update on recent and upcoming activities within the Directorate and the Committee.
4. The DAC Chair spelled out her priorities for the time up to her departure in early March. These include: the food crisis roundtable, the launch of the Development Co-operation Report, the global development co-operation providers meeting, a visit to the United States to launch their peer review and to brief World Bank Executive Directors and UN ambassadors, and a trip to Saudi Arabia for the Third Riyadh International Humanitarian Forum. She urged delegates to attend the IMF presentation on macroeconomic developments and prospects in low-income countries, to be held virtually on 19 January.
5. The Director provided an update on non-DAC participants confirmed for the 15 February 2023 Global Meeting of Development Co-operation Providers and encouraged DAC members to attend at an appropriate level. The Committee requested that the Secretariat circulate an updated list of confirmed participants and key messages.
6. The Deputy Secretary-General informed delegates of upcoming discussions on development in Council: a progress status on the OECD Action Plan for the SDGs and a regular, annual dialogue on the SDGs (likely in the margins of the MCM). There will also be the Council meeting on Development in February.
7. The Deputy Director then updated the Committee on progress in Members' review of the provisional reporting methods for private sector instruments (PSI). The Secretariat will develop an information note for the DAC February meeting, sketching out the main elements of a possible agreement on the three review topics under the first batch (credit guarantees, loans to the private sector, and ODA-eligibility assessment). The next meeting of the PSI project team is scheduled for 1 February 2023. The DAC Chair encouraged members to raise this issue as high as possible in their administrations so that the Committee can come to a consensus decision.
8. The Deputy Director also drew Members' attention to a room document issued for this session that outlines progress in delivering on the action plan for the implementation of the DAC Climate Declaration. The previous week, the facilitators' group held a mini retreat to review progress in four identified areas: transparency of reporting, mobilisation, delivering net zero, and small island developing states. The process aims to deliver relevant messaging and/or products in advance of the COP28 at the end of this year.

9. One DAC Vice Chair announced the timing and location for the DAC retreat (2–3 March 2023 in Tain l’Hermitage, near Valence, France) which might allow the incoming and outgoing DAC Chairs to attend. Delegates were invited to share their views, through the DAC Vice Chairs, on the structure and content of the retreat. The DAC Chair suggested that some logistical information be circulated to facilitate delegates’ attendance and that the Vice Chairs co-ordinate the agenda.

Item 3. OECD–Africa Partnership

10. The DAC Chair introduced the item, welcoming the opportunity to hear more about this new OECD initiative and suggested that the DAC be closely involved in this process going forward. The DAC’s work on fragility and the humanitarian–peace–development nexus could be a specific addition to this work, given that sub-Saharan Africa still exhibits high levels of fragility, as could be the DAC’s work with civil society and the private sector. The DCD Director provided information on the directorate’s work with Africa, through various pilot studies and through triangular co-operation.

11. The Chair of the OECD External Relations Committee, Ambassador of Belgium, addressed the DAC to present the OECD–Africa Partnership. In response to the OECD Global Relations Strategy’s expressed need to enhance the engagement of the Organisation with Africa in a coherent and cohesive manner, this initiative’s objective is to build an impactful partnership based on trust, mutual understanding and enhanced co-operation on an equal footing, to address mutually agreed priorities. She asserted that the DAC is one of the key components of this Partnership and invited views on how it could best contribute to the effort, recognising the necessity to focus on comparative advantages.

12. The Chair of the Development Centre Governing Board, Ambassador of Spain, reminded the Committee that Africa will become one of the world’s most important players and yet no African country is currently an OECD member and OECD engagement with Africa is not at the level as with other regions. He asserted that the OECD could bring its multidisciplinary and broad expertise to this emerging Partnership and in this respect offered the Development Centre’s support to this process.

13. DAC Members welcomed the establishment of the Partnership and shared their feedback, including on how the DAC and DCD can bring its own African expertise to contribute to these efforts through the updated DAC Global Relations Strategic Directions. They noted that discussions on Africa are still ongoing in the OECD External Relations Committee as well as the DAC External Relations Group.

14. As potential entry points to collaboration with African partners, delegates identified, *inter alia*: development co-operation effectiveness, south–south and triangular co-operation, results-based management, development evaluation, locally led development, climate change mitigation and adaption, fragility, taxation and domestic resource mobilisation, private and blended finance, information sharing, and peer learning dialogues. Several members suggested that consultations not be limited to governments and rather be expanded to include, for example, CSOs and the private sector. They emphasised that the needs of African countries and their expressed demand for collaboration should remain guiding principles for the Partnership and that a focus on a limited number of areas will be necessary.

Item 4. Network Update: GENDERNET

15. In the April 2022 DAC meeting, Members agreed that the Committee would take stock on a quarterly basis of progress in arriving at consensus on the Guidance on Gender Equality and Empowerment of Women and Girls, as one member remains unable to approve it¹. In this January 2023 session, the dissenting member confirmed that its position had not changed and that it could not approve the Guidance in its present form, noting that internal governmental discussions on the possibility to abstain are still ongoing as announced earlier. The DAC Chair encouraged the one Member to pursue this possibility urgently, as Committee-wide approval of the Guidance is a priority for the DAC. Delegates also strongly encouraged the one Member to confirm either its approval or its abstention, with some wishing to proceed

¹ See <https://www.oecd.org/publications/gender-equality-and-the-empowerment-of-women-and-girls-0bddfa8f-en.htm>

with the development of a legal instrument on gender equality. The Committee will revisit this issue in three months' time.

16. This session also included an update on gender equality, development and diplomacy work, and the DAC Network on Gender Equality (GENDERNET). The Network Chair, Linda Baltuonis Buaquina (Canada), addressed the Committee to provide an update on findings from work on gender equality and women's empowerment in 2021–22. She also signalled that Members are calling for collective learning and action as women and girls face a worrying rollback in their rights and freedoms, also characteristic of declining democratic governance. GENDERNET's areas of work for 2023–24 include: i) co-ordinating peer learning and strategic exchange; ii) supporting implementation of the Guidance and developing further learning in selected focus areas of intersecting inequalities and transformational change; iii) improving systems to end sexual exploitation, abuse and harassment (SEAH) with the DAC Reference group; pursuing the integration of gender equality across development sectors, including climate change (with ENVIRONET); and iv) working to increase the quality and quantity of finance for gender equality.

17. Delegates expressed their full support for events and findings from the research, data analysis on financing and guidance developed throughout the 2021–22 work programme, and specifically highlighted their interest in the implementation and peer learning around the Guidance in their government systems, and deep dives on addressing inequalities that intersect with gender and climate change. They also expressed appreciation for progress on the Toolkit on the DAC Recommendation on Ending Sexual Exploitation, Abuse and Harassment, for release in 2023, and upcoming monitoring efforts and regular consultations with the DAC Reference Group on Ending SEAH. The DAC Chair reminded members that despite being a priority for the DAC, GENDERNET and other Policy Networks are almost fully funded by voluntary contributions and called on all to come forward about funding plans. The DAC Chair also requested a separate briefing on SEAH at a later time and mentioned that she would address the OECD Friends of Gender Equality (FOGE), which meets at Ambassadorial level, whose next meeting is to be held on 23 February for which she invited delegates to share any messages they would like her to convey.

Item 5. Summary of Conclusions

18. The Secretariat provided an informal overview of the decisions, action points, and next steps emerging from the meeting proceedings. The Secretariat will circulate this overview to the Committee in electronic form.

Session 2: Wednesday, 18 January 2023

Item 6. Impact of Council Decision on Assessed Contributions for 2023–24 and other PWB-related issues

19. Following the Council's December 2022 approval of the Part I Budget envelope, the Secretariat offered three scenarios for addressing the reduction of Assessed Contributions (ACs) in the 2023–24 DAC PWB. The resulting budget pressure is 640 KEUR for the biennium. The Secretariat clarified that aid for trade is not currently budgeted in the PWB nor is it accounted for in any of the three scenarios.

20. The Committee underscored the need to favour quality over quantity in the DAC's outputs, to find economies and efficiencies wherever possible, to consider lessons learned from the previous PWB, to develop a robust funding strategy, and to not consider Tidewater discussions as formal mandates. Several members gave indications of the voluntary contributions they are likely to allocate to the DAC PWB for the current biennium.

21. A strong majority of Members expressed a preference for scenario 2, with a number of members suggesting adjustments to the proposed breakdown within that scenario and expressing a particular concern over cuts to environment, TOSSD, and Poverty / Inequalities. Several members expressed that “aid for trade” needed to be somehow taken up in the PWB due to the Ministerial Commitment and requested once more an adapted proposal by Secretariat on this issue which takes into account what is already budgeted (e.g., in the usual statistical work) and what it needs to be delivered on this commitment while taking into account to work done by other stakeholders, mentioning also the possibility of incorporating it into an existing workstream. The Chair concluded that the Committee has opted today for a revised scenario 2 and that the Secretariat will circulate the revision (with a footnote on the potential incorporation of aid for trade, with a low-cost impact on the budget) so that the PWB “Blue Book” can be published for the entire Organisation, with the understanding that the DAC can adjust the PWB at a later time, according to the provisions agreed by Council.

22. The Secretariat will convene a technical meeting in February on the funding strategy and may revisit this in the February formal DAC meeting.

Item 7. Locally Led Development

23. The Secretariat presented a paper to respond to the growing interest of DAC members in locally led development. The Secretariat specified that this work is included in the PWB, subject to demand and resources. The proposed peer learning exercise would help develop a common perspective of the different models that can be used to support locally led development and progress in implementing such an agenda.

24. Members welcomed this discussion, noted the long history of DAC members in undertaking locally led development, expressed their willingness to share their experiences, highlighted the linkages with the effectiveness agenda, and provided feedback on the scope, ambition, and options to ensure the peer learning exercise encompasses the range of different perspectives. The Committee generally agreed with, while providing suggestions on, the four focus areas (1. systems and internal structural barriers; 2. channels and modalities; 3. partnership models, values, and ways of working; and 4. process and outcome measurement). Delegates felt the exercise could usefully clarify what locally led development entails, provide evidence on what members are doing, and ensure synergies with other DAC workstreams. A few members considered the provision of voluntary and in-kind contributions to support the exercise.

Item 8. Summary of Conclusions

25. The Secretariat provided an informal overview of the decisions, action points, and next steps emerging from the meeting proceedings. The Secretariat will circulate this overview to the Committee in electronic form.

Item 9. Any Other Business

26. The DAC delegate from Australia intervened as his capacity as co-facilitator of the DAC Working Party on Development Finance Statistics (WP-STAT) to report to the Committee on the discussions held in WP-STAT’s December 2022 meeting [see agenda under cote DCD/DAC/STAT/A(2022)4/REV3]. Participants had discussed, *inter alia*, the provisional reporting methods for private sector instruments, transparency measures of the DAC Declaration on Climate, and the valuation of COVID-19 vaccine donations. The next WP-STAT meeting will be held 21–23 March 2023.