

Unclassified**English - Or. English****15 June 2023****DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE****Summary Record of the 1124th DAC meeting held on 2 May (Session 1) and 3
May 2023 (Session 2)**

The Draft Summary Record [DCD/DAC/M(2023)5] was approved under Item 1 of the Draft Annotated Agenda [DCD/DAC/A(2023)8] without modification at the 15 June 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 1124th DAC meeting held on 2 May (Session 1) and 3 May 2023 (Session 2)

Session 1: Tuesday, 2 May 2023

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

1. The DAC adopted the two-day draft agenda as proposed. The Committee considered the revised draft summary record from the 7–8 February 2023 meeting, which they approved without further modification and agreed to its declassification. The Committee then considered the draft summary record from the 5 April 2023 DAC meeting, for which one member requested some minor modifications that the Secretariat will integrate into a revised version for the DAC's approval.

Item 2. Briefing by the DCD Director and DAC Chair

2. The Secretariat and DAC Chair provided delegates with an update on recent and upcoming activities within the Directorate and the Committee.

3. The Secretariat reported on a recent mission the Director conducted to the United Kingdom to discuss access to finance for small island developing states and to meet with UK authorities on issues relating to fragility, climate finance, and the upcoming UK mid-term review. The Secretariat also drew the Committee's attention to a new OECD Working Paper on Development Co-operation and the Provision of Global Public Goods¹.

4. The DAC Chair announced that on 17 May 2023 the French ambassador will address the Committee on preparations for the Summit for a New Global Financial Pact to be held on 22–23 June 2023 in Paris. More details will soon follow. He also alerted delegates that the DAC meeting in June will take place in the Boulogne Building conference centre. He then reported on recent missions he has conducted: to Washington, DC (to attend the Spring Meetings of the World Bank and IMF) and to New York (to attend the ECOSOC Financing for Development Forum). He previewed the themes to be discussed at the late June Tidewater (Ukraine, the SDG Summit, reform of the financial architecture, and China) and mentioned that documents will be released in early June to inform those discussions.

5. The Chair and delegates then commented on the preliminary 2022 ODA figures (released on 12 April), the trends they reveal, and risks to ODA integrity. The Chair suggested that the DAC take stock of the ODA modernisation agenda by next year, ten years after its 2014 launch.

Item 3. Private Sector Instruments

6. In the April DAC meeting, the Committee approved the first batch of the review of the provisional reporting methods for private sector instruments (PSI). In today's session, the Secretariat updated the Committee on the emerging agreement on batch 2 and an update on batch 3. Batch 2 relates to the treatment of equities, mezzanine/hybrid finance, reimbursable grants, and related guarantees. Delegates welcomed the update and asked some technical questions to the Secretariat.

7. In late May, WP-STAT aims to finalise its methodological work on batch 2. Provided that WP-STAT agrees on the reviewed methods, members will be invited to approve the proposal on batch 2 issues in the June DAC meeting. On that occasion, the Committee will also hear an update on the emerging agreement on batch 3, itself planned for approval in the July DAC meeting.

¹ See <https://doi.org/10.1787/aff8cba9-en>

Item 4. Network Update: INCAF

8. The Chair of the DAC International Network on Conflict and Fragility (INCAF) addressed the Committee to provide an update on the network's ongoing and upcoming work. He highlighted some overarching fragility trends to which the DAC should react rapidly. INCAF workstreams were detailed, including the upcoming *States of Fragility* report, the implementation of the DAC Recommendation on the Humanitarian–Development–Peace Nexus [[OECD/LEGAL/5019](#)] and related helpdesk, development–peace dialogue, and forced displacement. Two new workstreams were presented: on economies in conflict and on development co-operation in politically constrained environments. The latter issue will be raised at the INCAF Director Level Meeting on 6–7 July to help set a modernised narrative, possibly for the DAC High Level Meeting. Delegates were also informed that the World Bank will make a presentation, in the margins of the upcoming INCAF meetings, on the *World Development Report (WDR) 2023*² which focuses on migrants, refugees, and societies. That presentation will take place on 11 May 2023.

9. Delegates welcomed this update, expressed their support and appreciation for INCAF as a valuable forum for exchanging experiences and best practices, and shared their views to shape future INCAF work. Members encouraged INCAF to take full advantage of the DAC–UN dialogue in its work (not focusing solely on the financing strategies). Many welcomed INCAF's increased focus on the peace objective and recommended that it expand its partnerships with other networks and partners. While two members announced financial support, several delegates expressed their concern over the low level of voluntary contributions mobilised to date for INCAF's work programme³. In the second half of the year, the Committee will likely revisit the topics of forced displacement and ODA in politically constrained environments.

Item 5. Summary of Conclusions

10. 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, 3 May 2023

Item 6. DAC Enlargement

11. Following deliberations over the past months within a temporary DAC task force, the Committee considered proposals relating to DAC enlargement and accession, including criteria, conditions, and procedure for accession to the DAC, as well as obligations of DAC membership. Members also considered the incorporation of Associate conditions in the DAC's draft updated Global Relations Strategic Directions. The Secretariat noted two minor procedural points to be updated in the final version of the document, based on advice from the Directorate for Legal Affairs (LEG).

12. In discussion, members expressed their strong appreciation for the work of the task force, with most underscoring and welcoming the relevance and value of enlarging the DAC – not least to address the increasing divergence between the OECD constituency and the DAC membership. Delegates suggested some adjustments to the language and requested some clarifications, including on: the status of the 2018 Aide Memoire in light of changes, the rights of Associates, the time required to participate in DAC activities prior to expressing interest in joining the Committee, the development of expulsion or suspension

² Available at: <https://www.worldbank.org/en/publication/wdr2023>

³ The INCAF budget for the 2023–24 biennium is set at EUR 3,621,000, of which 68% or EUR 2,462,280 is to come from voluntary contributions (VCs). As of 1 March 2023, the level of VCs received stood at EUR 131,000 or 5.3% of the VC target.

criteria, the conduct of a mid-term review in the absence of a prior full review, the adherence to DAC legal instruments, and the inclusion of a presentation on the DAC in the overall OECD accession process.

13. In concluding the session, the Chair noted that, while many members could approve the document, some modifications and clarifications to the proposals were nevertheless required, in consultation with LEG. He therefore invited the Committee to approve a newly issued, revised proposal via the written procedure.

14. The DAC is also invited to agree to the declassification of the document, once approved. Several delegates suggested that the declassified version be supplemented by a concise summary that can be clearly communicated and disseminated outside of the DAC, to which the Secretariat agreed.

Item 7. Designation Procedures for DAC Bureau

15. In response to a request from members, expressed during the designation process for the DAC Chair in 2022, the Secretariat collaborated with the Directorate for Legal Affairs (LEG) to consolidate all existing, agreed procedures for the designation of the DAC Chair and Vice Chairs into a single document. The DAC Bureau proposed several amendments to that document, reflected in the version presented to the DAC today, relating *inter alia* to new provisions for the length and start date for the Chair's term.

16. The document also includes, at the request of several members, a reminder on the state of play in the financing of the DAC Chair's functions. The Chair recommended that the Committee convene a dedicated discussion on this matter, at a time closer to the end of the current Chair's mandate.

17. Members expressed general support for the paper and appreciated having the procedures all in a single, consolidated document. Some delegates suggested modifications, in particular on the Chair term limits, terms of reference, designation timelines, procedures for handling the absence of candidates, and transparency of preferences expressed. In concluding the session, the Chair invited members to submit their comments in writing, after which the Secretariat and LEG will issue a revision for approval via the written procedure.

Item 8. 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.

Item 9. Any Other Business

19. The delegate from Australia intervened on behalf of the Vice Chairs to confirm that follow-up to the DAC retreat is proceeding. The Vice Chairs will soon reach out to delegates to reinstate the Covid-era small groups of delegates to go on walks together and discuss issues.

20. The delegate from the United States suggested that the DAC conduct a review of progress in meeting ministerial mandates from DAC High Level Meetings, in particular on support to countries most in need. This review could be launched through a small group of members or a meeting of the Major Policy Issues group.