

Understanding an ‘ecosystem’ approach to strengthening the effectiveness of international development cooperation

Summary of DCF regional consultationsⁱ

Building on the findings of the 2020 Development Cooperation Forum (DCF) Survey Study, recommendations of the 2021 DCF high-level meeting and DCF analytical work, DESA organized virtual regional workshops in [Asia-Pacific \(3 December 2021\)](#), [Africa \(6 December 2021\)](#) and [Latin America and the Caribbean \(9 December 2021\)](#) entitled "Understanding an ‘ecosystem’ approach to strengthening effectiveness of international development cooperation." The workshops welcomed development cooperation practitioners to engage in small group discussions on systems thinking, including policies, tools and partnerships that are supporting countries to advance the effectiveness of development cooperation, manage risk, and build resilience. Participants also candidly shared experiences on how dynamics in development cooperation had shifted during the COVID-19 pandemic.

Participants in all three workshops stressed that the COVID-19 crisis has heavily impacted on their countries’ and regions’ sustainable development. The pandemic has revealed and often exacerbated existing structural economic and financial challenges while reducing countries’ fiscal space. Development cooperation is an essential resource in the face of such challenges, and participants highlighted their work with development cooperation partners in effectively redeploying resources to respond to immediate pandemic-related needs. Given how rapidly COVID-19 had rolled back development efforts, participants urged for development cooperation to become more long term-oriented and risk-informed, especially considering the increasing challenges posed by climate change and other environmental degradation. Participants highlighted the opportunities to learn from the current crisis and called for more focus on systematic learning and the sharing of knowledge across the global, regional, national and local levels.

In light of the changed development cooperation landscape, participants welcomed an “ecosystem” approach to advancing effective development cooperation. Such an approach would reflect countries’ development cooperation systems, building on the enablers of effective development cooperation: (i) national development cooperation policies (NDCPs); (ii) country results frameworks (CRFs); (iii) development cooperation information systems (DCIS); (iv) national development cooperation forums (NDCFfs); and (v) capacity support. An ecosystem approach would also integrate more in-depth analysis and understanding of the dynamic linkages, relationships, feedback loops and interdependencies that characterize development cooperation with diverse partners and modalities.

Lessons learned for strengthening ecosystems for effective development cooperation:

- **To remain robust, resilient and effective during times of crises, development cooperation policies, practices and processes must become more risk-informed.** Some developing countries noted that they were already adjusting their policies and employing an ecosystem approach, building on their national priorities and working increasingly with partners from their region on shared risks and challenges. As developing countries adapt their development cooperation to be more risk-informed, development partners should align their support accordingly. Such alignment necessitates building on and reinforcing country systems, as well as exercising creativity and flexibility in their own goal setting, reporting and monitoring and evaluation frameworks. Joint National Action Plans (JNAPs) for climate change and disaster risk management were cited as an example of using integrated strategies to develop and implement more risk-informed policy and partnerships.

- **Development cooperation during COVID-19 must support countries' response and recovery plans but also remain aligned with long-term development objectives.** Participants emphasized that equality and environmental sustainability needed to be mainstreamed into pandemic recovery efforts with partners, given that some national development objectives – and related development cooperation resources – were temporarily de-prioritized to address the immediate impacts of the pandemic. Stepping up long-term investments in strengthening health and social protection systems, as well as in public infrastructure, would build resilience to future shocks while advancing sustainable development.
- **Development cooperation must strengthen fiscal space in developing countries in support of crisis response and recovery.** At present, the increased provision of grants rather than loans was imperative to help preserve and build fiscal space in developing countries and avoid further debt distress. Access to concessional resources, based on criteria and indicators beyond GNI, remained critical for middle-income countries' recovery.
- **Regional collaboration has been a potent modality to respond to the crisis but needs to be better aligned with national strategies.** Countries within regions are often innovating in response to shared development challenges, with the potential to scale up and systematize knowledge sharing. In this regard, South-South and Triangular cooperation have shown resilience during the pandemic and should be further strengthened. Additionally, enhanced financing and technical capacities of regional, sub-regional and national development banks could enable them to play an even bigger role in supporting developing countries, building on the agility and innovation they showed in response to COVID-19 and its consequences.
- **An ecosystem approach encompassing relevant actors and enablers of development cooperation and how they interact over time will make development cooperation more resilient and effective.** Participants outlined challenges associated with coordination within and between government ministries, especially during fast-moving, complex crises. Reducing silos was an important step towards a more coherent approach to national development cooperation priorities and long-term resilience. Financial and personnel constraints remained a challenge to coherence, especially in smaller developing countries. Equally, improved coordination among development cooperation partners can avoid overwhelming institutional arrangements in developing countries and would be especially beneficial in the face of rapidly materializing risks. Joint donor programming to reduce donor fragmentation and the use of sector wide working groups were cited as helpful practices in this regard. Transaction costs could be further reduced by aligning technical assistance, on-budget support and activities that take account of the local implementing capacities.
- **COVID-19 has made strong national statistical and monitoring and evaluation systems an even greater priority.** To this end, data generation and use of development cooperation information systems needed to become more systematic. Participants underscored the importance of timely and accurate data to ensure that key performance indicators (KPIs) can be developed and linked to national development cooperation plans to maximize impact and achievement of goals. Open and collaborative data generation tools could complement official data and statistics, but developing countries will require stronger data and information capacities at national and local levels to make most effective use of them. Many participants identified a lack of awareness of available resources to support monitoring and evaluation of development cooperation, and gaps in information systems and their management. The UN could provide more technical assistance in this regard.
- **Given the evolving risk landscape, stakeholder engagement with development cooperation must be scaled up and made more strategic.** Civil society and other local actors should be included at both the design and implementation stage of policies and projects. Given their

experience as front-line responders and actors during the COVID-19 pandemic, local governments needed greater capacity-building support. There was also a need for developing countries and their partners to set conditions for private sector engagement that enhanced their contributions in times of crises, as well as to sustainable industrialization, economic diversification and decent work.

- **Capacity support must better reflect local and national realities and changing risks to the achievement of sustainable development.** Participants emphasized the need to keep pace with strengthening capacities in developing countries, building on what exists through high-quality training as well as access to the latest knowledge, tools and data for addressing emerging challenges. In some contexts, such as smaller developing countries, capacities may be strong but would still require targeted, rapid support in the face of large-scale, complex challenges such as global pandemics or climate change.

The biennial DCF Survey exercise is valued by participants as an opportunity for structured reflection on the effectiveness of their development cooperation. It provides countries an opportunity to apply an ecosystem approach to reviewing and enhancing its quality, impact and contribution to achieving their national sustainable development strategies. The results of the 7th DCF Survey Study, to be released in 2022, will serve as an important source of data and analysis to feed into further work in advancing this “ecosystem” approach to strengthening the effectiveness of international development cooperation and reflecting on commonalities and differences across the regions.

ⁱRelevant further reading and mentioned resources

[UN/DESA Policy Brief](#) on Adapting international development cooperation to reduce risk, enable recovery and build resilience

[DCF Survey Study: Toward More Effective Development Cooperation in the COVID-19 Context](#), UNDESA

[The Economic and Social Survey of Asia and the Pacific 2021](#), UNESCAP

[Financing the SDGs to build back better from the COVID-19 pandemic in Asia and the Pacific](#), UNESCAP

[National SDG tracker](#), UNESCAP

[UN ECA Integrated Planning and Reporting Toolkit](#)

[An innovative financing for development agenda for the recovery in Latin America and the Caribbean](#), UNECLAC