

2022 Development Cooperation Forum (DCF) Survey Study: Navigating COVID-19 recovery and long-term risks



United Nations

Department of
Economic and
Social Affairs



**Development
Cooperation** forum



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Abbreviations

AAAA	Addis Ababa Action Agenda
COVID-19	Corona Virus Disease 2019
CRF	Country results framework
DCF	Development Cooperation Forum
DCIS	Development cooperation information system
DESA	United Nations Department of Economic and Social Affairs
ECOSOC	United Nations Economic and Social Council
FSD	Financing for Sustainable Development
HIC	High-income country
LDCs	Least Developed Countries
LLDCs	Landlocked Developing Countries
LIC	Low-income country
MDBs	Multilateral Development Banks
MICs	Middle-income countries
NDCF	National development cooperation forum
NDCP	National development cooperation policy
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
SDGs	Sustainable Development Goals
SIDS	Small Island Developing States

Glossary

2030 Agenda for Sustainable Development (2030 Agenda)	The 2030 Agenda for Sustainable Development aims to tackle 17 Sustainable Development Goals, which include ending poverty and hunger, improving health and education, combating climate change, and achieving gender equality, as well as financing and other means of implementation. A successor to the Millennium Development Goals (MDGs), the agenda was formally adopted in 2015.
Addis Ababa Action Agenda	The Addis Ababa Action Agenda was adopted at the Third International Conference on Financing for Development (Addis Ababa, Ethiopia, 13-16 July 2015) and subsequently endorsed by the UN General Assembly in its resolution 69/313 of 27 July 2015. The Addis Agenda establishes a strong foundation to support the implementation of the 2030 Agenda for Sustainable Development. It provides a new global framework for financing sustainable development by aligning all financing flows and policies with economic, social and environmental priorities. It includes a comprehensive set of policy actions, with over 100 concrete measures that draw upon all sources of finance, technology, innovation, trade, debt and data, in order to support achievement of the Sustainable Development Goals. ¹
Concessionality	Degree to which loans are extended on terms more generous than market loans either through lower interest rates or longer-term periods, or a combination.
Country results framework (CRF)	CRFs are a tool used by countries to assess the contribution of international development cooperation to national sustainable development results. Countries can improve mutual accountability and transparency using CRFs. Results are typically defined through indicators, which are often, but not always, quantifiable and measurable and can include targets expected for the achievement of outputs, outcomes and impacts over different intervals of time. Some countries may have CRFs incorporated within their National Development Cooperation Policy or similar strategy document.
Development cooperation	The Development Cooperation Forum has adopted a working definition of development cooperation as “...an activity that explicitly aims to support national or international development priorities, not mainly driven by profit, discriminates in favour of developing countries and is based on cooperative relationships that seek to enhance developing country ownership.” This includes financial transfers, capacity support, technology development and transfer, cooperative action to drive policy change at the global, regional, national and local levels, and multi-stakeholder partnerships. ²
Development cooperation information systems (DCIS)	DCIS are systems that can be used to track information related to international development cooperation (e.g. Development Assistance Databases, Aid Information Management Platforms or other mechanisms). Effective development cooperation is supported by information that is accurate, comprehensive and timely in reflecting disbursement, allocation, use and monitoring and evaluation of international development cooperation.
International development cooperation partners	This term refers to all external/international development cooperation partners, both governmental and non-governmental, multilateral and bilateral, and may include OECD-DAC countries, Southern partners and other non-OECD-DAC countries, international organizations, development banks, private sector organizations, foundations, non-governmental and civil society organizations, philanthropies, representatives of academia, research and policy think tanks.

Integrated National Financing Frameworks	An INFF can be understood as a system of policies and institutional structures that can help governments to develop and deliver a strategic, holistic approach toward managing financing for nationally owned sustainable development strategies. Such frameworks were called for in the Addis Ababa Action Agenda. There are four main building blocks for the design and operationalization of INFFs: (i) assessment and diagnostics; (ii) financing strategy; (ii) monitoring, review and accountability; and (iv) governance and coordination.
Mutual accountability	Mutual accountability (MA) is defined as “...accountability between the providers and recipients of development cooperation, for the effectiveness of that cooperation in producing development results.” ³ It addresses imbalances in the relationship between developing countries and international development cooperation partners and serves as a driver for mutual learning and knowledge sharing.
National development cooperation forum (NDCF)	National Development Cooperation Forums (NDCFs) provide a government-led platform for international development cooperation actors and domestic stakeholders to discuss issues, review progress and engage in mutual learning for more effective development cooperation.
National development cooperation policy (NDCP)	The NDCP articulates a country’s vision, priorities and activities related to international development cooperation as well as the division of labour among all relevant actors. An NDCP can either be a stand-alone document or part of a national action or sustainable development strategy / plan or an integrated national financing framework (INFF). When it is a separate document, it is typically called “aid policy”, “development assistance policy”, “partnership strategy”, or similar. NDCPs define what effective development cooperation means in each country context, among all development cooperation actors.
National sustainable development strategy (NSDS)	A national sustainable development strategy, sometimes referred to as a national sustainable development plan, sets out the economic, social and environmental priorities of the country for the medium-to-long-term. It usually outlines the vision the country has set for itself, and the roles and responsibilities of the state and non-state actors in the implementation of the strategy. The national sustainable development strategy may also include the identification of resources and other means of implementation.
OECD-DAC partners	The OECD Development Assistance Committee currently has 30 members: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, European Union, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, The Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, United Kingdom and the United States.
Private sector	The private sector refers to for-profit domestic and international organizations. This can include small, medium and large enterprises, business associations, chamber of commerce and multinational corporations.
Resilience	The ability of individuals, households, communities, cities, institutions, systems and societies to prevent, resist, absorb, adapt, respond and recover positively, efficiently and effectively when faced with a wide range of risks, while maintaining an acceptable level of functioning and without compromising long-term prospects for sustainable development, peace and security, human rights and well-being for all.
Risk	The potential loss of life, injury or destroyed or damaged assets which could occur to a system, society or a community in a specific period of time, determined probabilistically as a function of hazard, exposure, vulnerability and capacity.

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Acknowledgments

The study was commissioned by UNDESA and produced by Angela Bester (consultant) as a contribution to the work of the Development Cooperation Forum. The views do not necessarily reflect those of the United Nations. UNDESA is very appreciative of the survey participants' engagement. The team also extends its thanks to the United Nations Development Coordination Office (UNDCO) and Resident Coordinators for their critical support to the survey implementation.

Executive summary

Development cooperation, as demonstrated in the previous *Sixth DCF survey* study, played an important role in early responses to the unprecedented challenges posed by the onset of the COVID-19 pandemic. This *Seventh DCF survey* study builds on that finding by presenting how developing countries have used development cooperation to scale up their response, as well as build resilience and preparedness for future anticipated and unanticipated risks. The 2021/2022 DCF survey also introduced a module on the COVID-19 pandemic to understand how the pandemic impacted on development cooperation, and how developing countries used development cooperation in their national response and recovery from the pandemic.

The COVID-19 pandemic clearly impacted development cooperation in all countries which participated in the survey. Development cooperation is a crucial resource during times of crisis and makes a positive difference in the responses of developing countries to the COVID-19 pandemic. The data tells a story of the resilience and creativity of developing countries in navigating pandemic recovery, the value of agile and trust-based development cooperation partnerships, and the impact of the enablers of effective development cooperation in supporting countries to weather emergencies, uncertainties and emerging risks on the horizon.

The case for risk-informed development cooperation has been strengthened as a result of COVID-19, but uncertainty about development cooperation flows remain. While the quantity of development cooperation resources had improved for many countries during the worst of the pandemic, those participating countries raised concerns as to how these quantities will remain consistent as recovery efforts continue. For a smaller but still significant number of countries, the quantity decreased, leading to painful redeployment of much needed resources from key sectors to bolster the crisis response. Many respondents also reported that no improvements in concessionality had been made during the pandemic, a concerning sign given deepening debt distress of many developing countries. Developing countries require a major scaling-up of development cooperation resources, with an

emphasis on grants over loans, more predictable future flows and improvement in the quality of development cooperation for long-term resilience building.

The pandemic underscored the human and financial costs of under-investment in risk mitigation and resilience-building and the need for a long-term outlook for risk-informed development cooperation.

Developing countries re-directed development cooperation resources from critical SDG sectors, including infrastructure, education, and within the health sector, to address the impact of COVID-19, focusing on short-term needs over long-term risks. Risk-informed development cooperation will require medium-to-long-term planning and predictable financing from development partners to ensure that the re-direction of today does not result in a crisis tomorrow. This includes more and better development cooperation, financial and non-financial, for **climate adaptation, food security and food systems, social protection, and digital transformations.**

The enablers of effective development cooperation proved crucial to the response. Countries underscored the need for a new generation of **national development cooperation policies (NDCPs)** that are risk-informed and agile enough to respond to uncertainties. Those countries that had already embedded risks in their NDCPs were best able to coordinate development partners around the COVID-19 response. Those with NDCPs that made provision for responses to disasters were able to rapidly mobilise resources and action for the COVID-19 response. Countries that intend to revise their NDCPs in the next 12 months have an opportunity to re-orientate their NDCPs to be more risk-informed including through specific targets in their **country results frameworks (CRFs)**. **Development cooperation information systems (DCIS)** were crucial for decisions on reprioritization and redirection of development cooperation, but gaps remain in timeliness and quality of data from development partners. **National development cooperation forums (NDCFf)** were also valuable vehicles for developing countries to bring all stakeholders together around development cooperation policies and practices especially during challenging times. To enhance the impact of NDCFf, they should be more inclusive and participatory.

There is a need for further support to strengthen capacities to better equip developing countries in responding effectively to large-scale, complex challenges. Survey respondents identified priority areas for strengthening capacities including data systems, monitoring and evaluation, coordination of development cooperation, and finance and negotiation. They emphasized the need to build on existing capacities through targeted, high-quality training programmes as well as access to the most current knowledge, data and tools.

Participation by the diversity of development cooperation actors remains critical to inclusive, and sustainable recovery. Local and regional governments and civil society organisations need more support as first responders to crises. These actors should be engaged as partners with expertise and capacity needs, as well as implementers, to strengthen

quality, impact and effectiveness of development cooperation. Youth also need to be engaged as a constituency in their own right. Developing countries could do more to **integrate youth and their expertise into enablers of effective development cooperation.**

Those countries with strong existing relationships with development partners, characterised by mutual trust and regular communication, were able to facilitate timely development cooperation responses to COVID-19. Risks are becoming increasingly complex, compounded, and difficult to manage. It is therefore essential that all development cooperation actors adopt risk-informed development cooperation in all its forms, to support developing countries to manage and reduce risk in the immediate term and build resilience for long-term sustainable development.



1.0 Introduction

1.1 Background

This study on the *Seventh Development Cooperation Forum (DCF) survey* takes place against the backdrop of uncertainty about the trajectory of the COVID-19 pandemic, which continues to have social, economic and environmental impacts globally. While countries have begun the task of rebuilding or resuscitating their economies and addressing the complex consequences of the pandemic, uncertainty persists about the next waves of the pandemic, including potential new variants; longer-term impacts; and more recently, the effects of the war in Ukraine, which is linked to, among other things, a sharp rise in the price of fuel and food.

Development cooperation, as demonstrated in the previous *Sixth DCF survey study*, played an important role in early responses to the unprecedented challenges posed by the onset of the COVID-19 pandemic. This *Seventh DCF survey study* builds on that finding by presenting how developing countries have used development cooperation to scale up their response, as well as build resilience and preparedness for future anticipated and unanticipated risks.

The biennial DCF surveys have been conducted since 2009. These voluntary surveys have helped governments to self-assess how effectively their development cooperation works by examining the state of play of key enablers, namely: i) national development

cooperation policies (NDCP); ii) country-driven results frameworks (CRF); iii) development cooperation information systems (DCIS); iv) national development cooperation forums (NDCF); and capacity support. The information and insights gained through the self-assessment process can be useful for developing countries and their partners to enhance the effectiveness of development cooperation by adapting policies, systems and processes and identifying capacity needs. The self-assessment process also creates opportunities for dialogue between governments of developing countries, international development cooperation partners and stakeholders. The DCF survey results are anonymous, leaving opportunity for frank and open feedback. The aggregate results inform the High-level meeting of the DCF, linking country-level realities to global policy dialogue on international development cooperation.

The key enablers of effective development cooperation are a toolbox of policies, structures, systems and processes that are non-prescriptive and give developing countries the flexibility to adapt their form and application to suit the country context. Their purpose is to facilitate mutually reinforcing changes in the behaviour of governments in developing countries and their international development cooperation partners as well as other international and domestic stakeholders, to improve the effectiveness of development cooperation.

Figure 1: Enablers of effective development cooperation

National development cooperation policy	Country results framework	Development cooperation information system	National development cooperation forum
<ul style="list-style-type: none">• Vision• Priorities• Targets	<ul style="list-style-type: none">• Monitoring targets• Long-term impact	<ul style="list-style-type: none">• Accurate comprehensive, quality and timely data	<ul style="list-style-type: none">• Multi-stakeholder dialogue• Review progress against targets
Capacity support			

The definition and understanding of these enablers have evolved and sharpened with successive DCF surveys, and these enablers are firmly entrenched in the discourse on development cooperation.

National development cooperation policy (NDCP) is the policy framework that governs international development cooperation at the country-level. It sets out the national vision and priorities for development cooperation, roles and responsibilities of the government, development cooperation partners and other stakeholders, and may include development cooperation targets. NDCPs may be standalone policy documents or form part of a national sustainable development plan or strategy.

Country results frameworks (CRF) establish how countries will monitor and assess progress made against the targets set out in the NDCP (or a similar document), and are used to evaluate the long-term impacts of development cooperation. CRFs may be standalone documents or form part of the NDCP.

Development cooperation information systems (DCIS) are country-level information systems that contain data on development cooperation that is crucial to assisting developing countries in making policy and budgetary decisions about development cooperation resources including on commitments, disbursements and allocations. DCIS can enable mutual accountability and transparency and can support monitoring and review of progress against development cooperation targets and decision-making.

National development cooperation forums (NDCF) enable dialogue between governments and all international development cooperation actors, at the national and regional levels. NDCFs provide a platform for development cooperation actors to review progress and engage in mutual learning and knowledge exchange for improving the quality and impact of development cooperation.

Capacity support is essential for developing countries to strengthen the enablers of effective development cooperation. Such support must be developing country-driven, building on existing capacities and tailored to country needs and contexts.

1.2 Methodology of the 2022 DCF Survey Study

The 2021/2022 DCF survey, launched at the end of September 2021, was the primary data source for the study. The study also collected data from a sample of 18 participating countries, using semi-structured interviews. Secondary data sources for the study include the sample of policy documents countries made available, and data and reports of United Nations entities and multilateral organizations. Except for the new module on the COVID-19 pandemic, the 2021/2022 DCF survey covered the same areas as the 2019/2020 survey. Further details of the methodology are set out in Annex.

A total of 53 countries participated in the 2021/2022 DCF survey and 49 countries submitted a complete survey response. Countries from all developing regions were represented (Table 1). Using the World Bank classification of countries by income, 10 countries are Low-Income Countries (LICs), 16 countries are Lower Middle-Income Countries (LMICs), 24 countries are Upper Middle-Income Countries (UMICs) and three countries are classified as High-Income Countries (HICs).

Table 1: 2021/2022 DCF survey participants by region

Region	Number of countries that participated in the survey	Number of countries participating in interviews
Africa	21	7
Asia-Pacific	11	3
Eastern Europe	4	2
Latin America and Caribbean	17	6
Total	53	18

2.0 COVID-19 recovery and resilience

The COVID-19 pandemic continues to have major economic, environmental and social implications globally, and at all levels of society. The United Nations, through its agencies at the national level, has documented the social and economic impacts of the pandemic on developing countries. These impact assessments⁴, as well as the many studies carried out by governments and research institutions, draw the inescapable conclusion that the COVID-19 pandemic has significantly set back progress on the Sustainable Development Goals.

The 2021/2022 DCF survey introduced a module on the COVID-19 pandemic to understand how the pandemic impacted on development cooperation, and how developing countries used development cooperation in their national response and recovery from the pandemic. This chapter discusses the results of the

new module, and also integrates key, related data from other sources.

2.1 Impact of COVID-19 on development cooperation

The responses of developing countries to the DCF survey, and in the interviews conducted as part of the study, clearly reflect the pervasive impact of the COVID-19 pandemic on development cooperation. The extent of the impact and the form it took varies as each country was faced with its own unique context and circumstances.

The COVID-19 pandemic impacted development cooperation in all countries which completed the 2021/2022 DCF survey. Nearly two-thirds of the survey respondents reported a major impact.

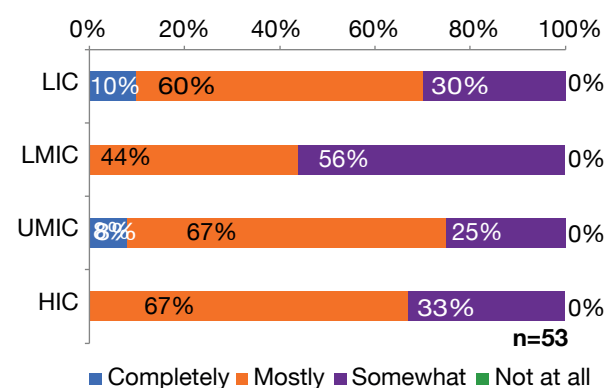


The 2021/2022 DCF survey found that all countries reported that the pandemic had impacted on development cooperation, albeit to varying degrees. Fifty-eight per cent (31 countries) reported that the pandemic had mostly impacted their development cooperation, 36 per cent (19 countries) indicated that this was the case somewhat, and 6 per cent (3 countries) responded that the pandemic had completely impacted on development cooperation in their countries. There were minor variations across the regions, with the Africa region having a higher percentage of countries (67 per cent) responding that their development cooperation had been ‘mostly’ impacted.

The 2021/2022 DCF survey found that there were differences in how developing countries perceived the impact of the COVID-19 pandemic on development cooperation. The COVID-19 pandemic had an impact on development cooperation in all LDCs which responded to the survey. Sixty-two per cent of LDCs reported that COVID-19 had a major impact on development cooperation, 5 per cent of LDCs responded that COVID-19 completely impacted on development cooperation, and 33 per cent reported that COVID-19 somewhat impacted on development cooperation.

Less than half of the countries classified as LMICs (44 per cent) reported that the COVID-19 pandemic had ‘mostly’ impacted on their development cooperation. By contrast, 75 per cent of countries classified as upper middle-income countries responded that the pandemic had ‘completely’ or ‘mostly’ impacted on their development cooperation. The pandemic also impacted development cooperation in 70 per cent of countries classified as low-income.

Figure 2: Extent of impact of COVID-19 on development cooperation



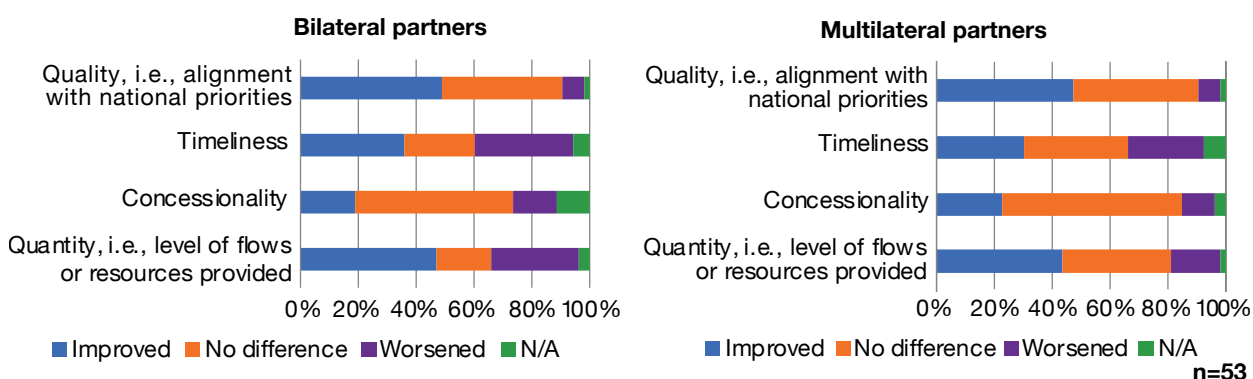
A common theme emerging from the interviews was that developing countries had to act, and act quickly, in an environment of many unknowns and great uncertainty as the COVID-19 pandemic unfolded. ‘Doing nothing’ was not an option that any of the countries entertained. Much of the uncertainty that existed in the early days of the COVID-19 pandemic is still evident today, a point that the DCF study explores further in Chapter 5 of the study report.

The atmosphere under which developing countries were responding to the pandemic is captured in the interview of an upper middle-income country from the Latin America and Caribbean region:

“First of all, the pandemic impacted a weak health system, and no government was prepared for that. To address the emergency, we needed to mobilize internal and external resources. All countries faced the same situation, all were focused on their own internal problems, and they had therefore limited availability to help countries. It was complex for our country with limited resources at that moment, having to support all necessities of the emergency, with the most urgent being biosecurity measures. We mobilized the private sector on an internal level and the partners that were already here. We redirected funds from projects, which was very effective as they were more immediate funds already assigned to the country, and that we could redirect to respond to the emergent risks.”

To understand the impact of the COVID-19 pandemic on development cooperation, the DCF survey assessed the quantity of development cooperation; if there were any changes in the quality of development cooperation; whether countries had more or less access to concessional finance; and if there were any changes in the timeliness of development cooperation given the urgencies imposed by the pandemic. Figure 3 shows country responses on the nature of the impact of COVID-19 on development cooperation. The specific results for each criterion are discussed in the ensuing sections.

Figure 3: Impact on quantity, quality, concessionality and timeliness of development cooperation from bilateral and multilateral partners



In the short-term crisis context, the quantity of development cooperation resources, bilateral and multilateral, improved for close to half the countries surveyed, yet worsened for one-third of them; participating countries raised concerns as to whether quantities will meet recovery needs.

According to the OECD-DAC, total ODA in 2021 increased by 4.4 per cent (in real terms) compared to 2020, with the total official ODA amounting to USD 178.9 billion.⁵ The increase in the volume of ODA is largely a reflection of the DAC Member contributions to the COVID-19 response, and when vaccine donations are excluded, ODA is reported to have increased by 0.6 per cent.⁶

Given these broader global ODA figures, the 2021/2022 DCF survey examined the extent to which these improvements in the quantity of development cooperation resources were felt at the country level. Forty-seven per cent of survey participants (25 countries) responded that the quantity of bilateral development cooperation had improved, and 43 per cent (23 countries) responded that the quantity of multilateral development cooperation had improved. The improvements in the quantity of development cooperation reflect a short-term response to deal with the immediate crisis that confronted developing countries. 30 per cent (16 countries) responded that the quantity of bilateral development cooperation had worsened, while 17 per cent (nine countries) responded that the quantity of multilateral development cooperation had worsened.

Some survey respondents highlighted that the pandemic response had resulted in improvements in alignment of development cooperation with national priorities. Questions remain as to whether such alignment will be maintained for long-term resilience building.

For development cooperation to be beneficial to developing countries, it needs to be aligned with national priorities. This was especially critical where developing countries had to rapidly reprioritise development cooperation resources in order to respond to the pandemic. Developing countries required a degree of flexibility on the part of international development cooperation partners to align their development cooperation to new and emerging priorities. Supporting stronger response measures through enhanced flexibility and alignment would also have an impact on how development partners themselves would be impacted by the spread of the virus.

In the 2021/2022 DCF survey, developing countries were asked to assess the quality of development cooperation, including alignment with national priorities. Forty-nine per cent (26 countries) of survey participants reported that the alignment of bilateral development cooperation with national priorities and country systems improved, and 47 per cent (25 countries) responded that this was the case for multilateral development cooperation. For 42 per cent (22 countries) the quality of bilateral development cooperation remained unchanged, and this was so for 43 per cent (23 countries) in the case of multilateral development cooperation.

Interviewees gave examples of how they utilised national development cooperation forums (NDCFs) not only to mobilise the urgently needed financial and technical resources for the response to the COVID-19 pandemic, but also to coordinate and harmonize actions of development partners and ensure alignment with national priorities.

While interviewees were satisfied that development cooperation partners were aligned with the national response to COVID-19, they expressed concerns about alignment in the medium-to-longer-term recovery.



The experience underlined how it may be easier for developing countries to mobilize development cooperation resources in reaction to an emergency than it is for preparing or preventing one.⁷ A great deal of uncertainty remains about the trajectory of the pandemic, and how development cooperation partners' interests rise and fall with waves of the pandemic. One country observed that one of their development cooperation partners suggested that "COVID is over" so development cooperation can go "back to normal". Another country reported that exceptions made by a multilateral partner during COVID-19 have now been rolled back.

Survey respondents reported no improvement in concessionality during the pandemic.

Concessional finance provides developing countries with loans on terms that are less onerous than finance raised in the open market. This form of finance is vital for developing countries, particularly LDCs and low-income countries, which are not easily able to access and service commercial loans. Concessional finance is also important for middle-income countries as they are less likely to qualify for substantial grants from international development cooperation partners compared to low-income countries. Access to concessional finance is particularly challenging for recently graduated countries that need to maintain their development gains given their newly graduated status, but with a small resource envelope due to reduced access

to concessional resources.

In the 2021/2022 DCF survey, countries were asked whether there had been any improvements in the concessionality of their development cooperation resources. 62 per cent of Survey participants (33 countries) saw no change in concessionality in multilateral development cooperation and 55 per cent (29 countries) reported no change in concessionality in bilateral development cooperation. This may reflect pre-existing terms and trends of concessionality, as well as the accessibility of concessional resource baskets in times of crisis. Concern was expressed in the interviews that a reduction in the availability of concessional finance could undermine recovery from the COVID-19 pandemic, posing a risk for both middle-income countries that need concessional resources to fill resource gaps, and countries that face debt distress that need concessional terms to avoid default. Conditionalities and processes involved in securing concessional finance were also identified as obstacles. SIDS reiterated the need to consider the unique vulnerabilities of SIDS when classifying them for purposes of development finance.

Those countries with strong existing relationships with development partners, characterised by mutual trust and regular communication, were able to facilitate timely development cooperation responses to COVID-19.

Timeliness is important for the effectiveness of

development cooperation. In an emergency such as the COVID-19 pandemic, timeliness involves a degree of flexibility to respond to the immediate need or crisis and to ensure that concessional finance is readily available to address urgent needs. As one country observed, processes for accessing concessional finance can be onerous and countries looking for urgent finance sometimes resort to commercial financing, which, if it is obtainable, is usually quicker to access but more expensive.

Thirty-five per cent of survey participants (19 countries) reported that timeliness of bilateral development cooperation had improved, while 34 per cent (18 countries) reported that timeliness of bilateral development cooperation had worsened. Similarly, 30 per cent (16 countries) reported that the timeliness of multilateral development cooperation had improved, while 26 per cent (14 countries) reported that it had worsened over the reporting period. For

some developing countries, development partners were highly responsive, and processes moved swiftly; whereas for other developing countries, responsiveness was slow.

Information from the interviews suggests that the timeliness of development cooperation in this period (and the responsiveness of development partners) was influenced by the quality of the partnerships and NDCFs that existed prior to the COVID-19 pandemic. Where there were good relations, and clear structures and lines of communication, decision-making during the period of crisis was less likely to be delayed. Interviewees suggested that the existence of a policy framework such as an NDCP also facilitated timely decisions on the allocation (or reallocation) of resources.

2.2 Redirecting resources

The 2020 DCF survey study, released in the initial stage of the global pandemic, found that developing country participants were already concerned about how and whether they might reallocate development cooperation resources from planned and existing development programmes to address the emergency response. Reallocation has an impact on the programmes from which resources are redirected, such as delayed implementation of essential programmes (e.g., child health programmes) and can contribute to negative impacts

in the medium-to-long term. The 2022 survey study directly followed up on this redirection issue, inquiring on the extent to which development cooperation resources were redirected from existing programmes to address COVID-19 and its related impacts.

Developing countries re-directed development cooperation resources from critical SDG sectors, including infrastructure, education, and within the health sector, to address the impact of COVID-19, focusing on short-term needs over long-term risks.

Overwhelmingly, developing countries had to redirect resources to respond to the pandemic. Fifty-one per cent of survey respondents (27 countries) indicated that this was mostly the case, while 45 per cent (24 countries) indicated that resources were redirected somewhat. Only 4 per cent (2 countries) indicated that resources were not at all redirected. Resources were redirected from infrastructure, health, public

administration and institutional strengthening, energy infrastructure, education, road and transport infrastructure, water and sanitation, social protection, and economic development. In interviews, countries raised concern about projects and programmes that had been halted, uncertain whether funding would be available for their completion. Redirection of resources

from within the health sector was not uncommon – for example, in some countries resources for non-communicable diseases or family planning were redirected.

Most developing countries are tracking the redirection of resources, though using different approaches. Some countries use the existing DCIS, with or without modification. The use of digital dashboards and new budget codes was also mentioned as means of tracking resources. Countries that have set up special COVID-19 funds have made provision for special audits of these funds. Although some countries are assessing the impact of COVID-19 on their national sustainable development priorities, it may be useful to integrate an assessment of the impact of the redirection of development cooperation resources as part of these or related efforts.

National priorities and sectors from which development cooperations resources were redirected to address COVID-19 and its impacts

Water Climate
Emergency Road Economy
Technology Learning Health Social
Infrastructure Data Development
Security Community Construction



3.0 How enablers have supported effective development cooperation

This chapter discusses how the key enablers support effective development cooperation in developing countries, within the context of the COVID-19 pandemic. It draws primarily on data from the DCF survey, complemented where relevant, with data from the interviews and policy documents provided by participating countries. The chapter focuses on the most salient results of the survey, and therefore does not cover all the elements or questions covered in previous DCF study reports.⁸

3.1 Extent to which key enablers are in place

Past DCF surveys have underscored the interrelated nature of the four key enablers. Effective development cooperation requires the four key enablers to be in place and function as a system. In practice, this means that the NDCP should ideally have clear, measurable targets for development cooperation, systems for col-

lecting and analysing development cooperation data should be in place, targets should be monitored, and progress evaluated and discussed with development cooperation partners and stakeholders. If one part of the system is not in place or is not functioning effectively, this affects the overall performance of the system. Capacity support for developing countries to strengthen those enablers that are not in place or not functioning optimally can contribute to improving the overall effectiveness of development cooperation, hence the importance of capacity support for developing countries.

Of the 49 countries that completed the 2021/2022 DCF survey, 82 per cent (40 countries) reported that they had NDCPs in place, 51 per cent (25 countries) indicated that they had CRFs, 73 per cent (36 countries) reported that they had a DCIS, and 65 per cent (32 countries) reported having a NDCF in place.

Figure 4 : Number of countries with each enabler in place

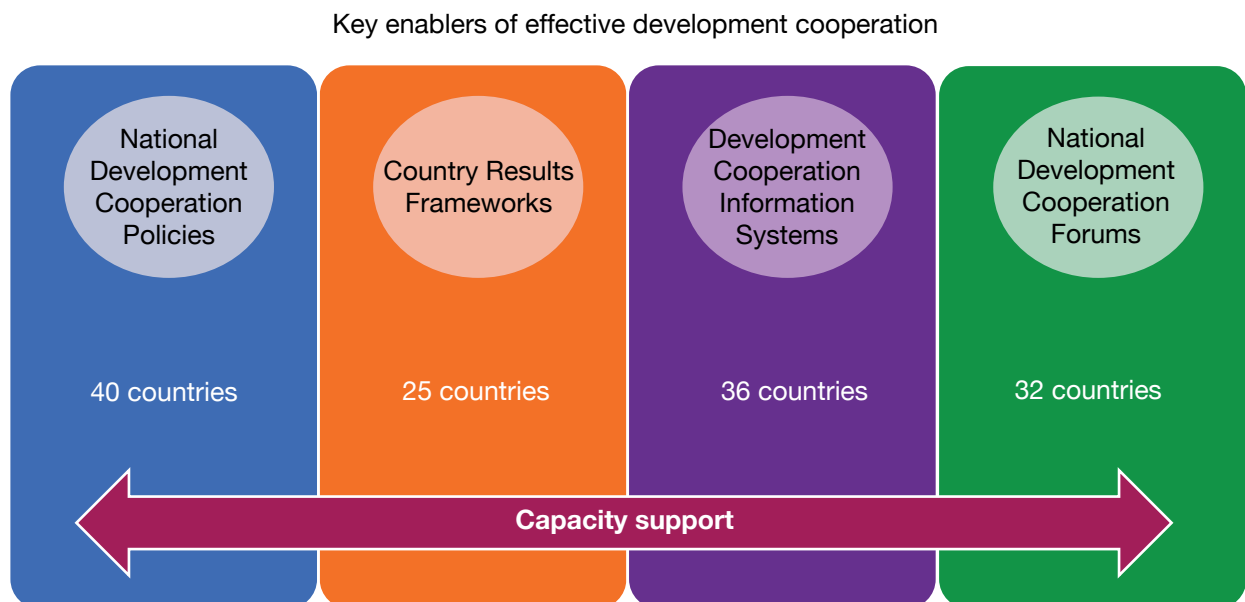
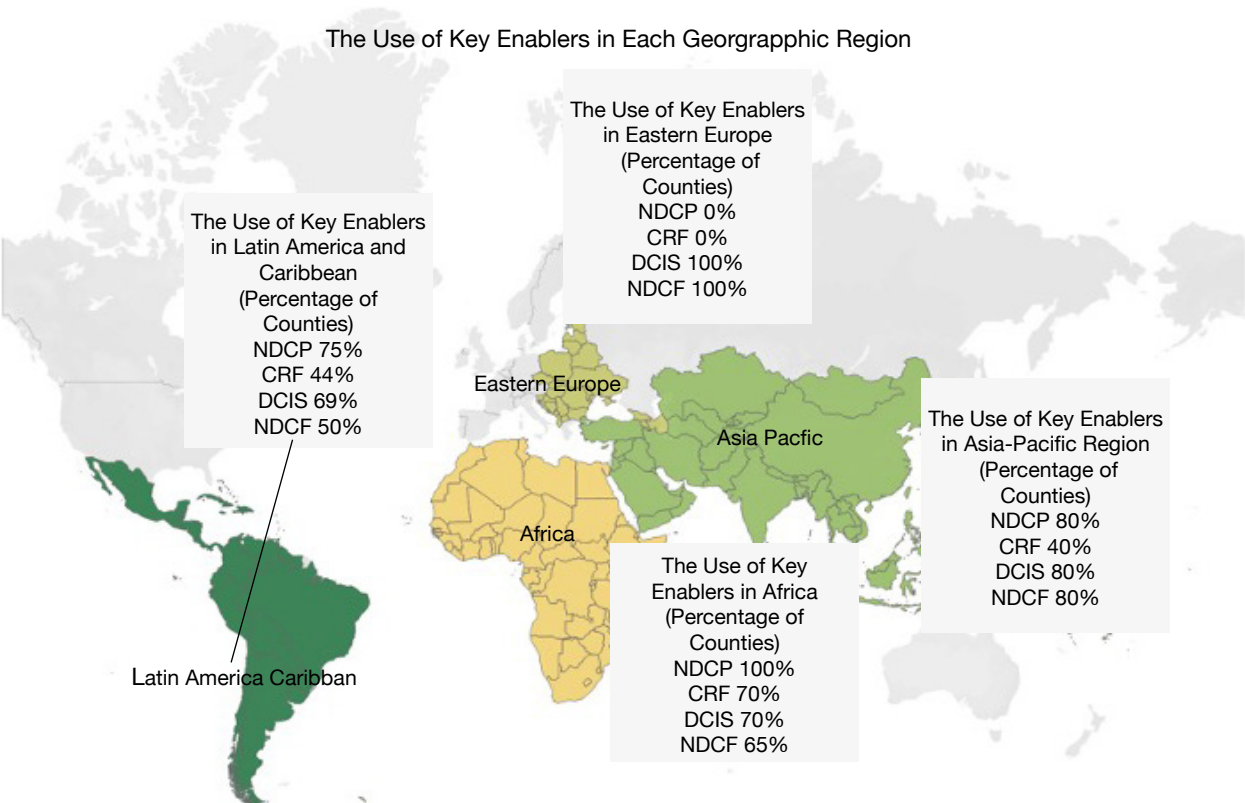


Figure 5: Distribution of key enablers across regions



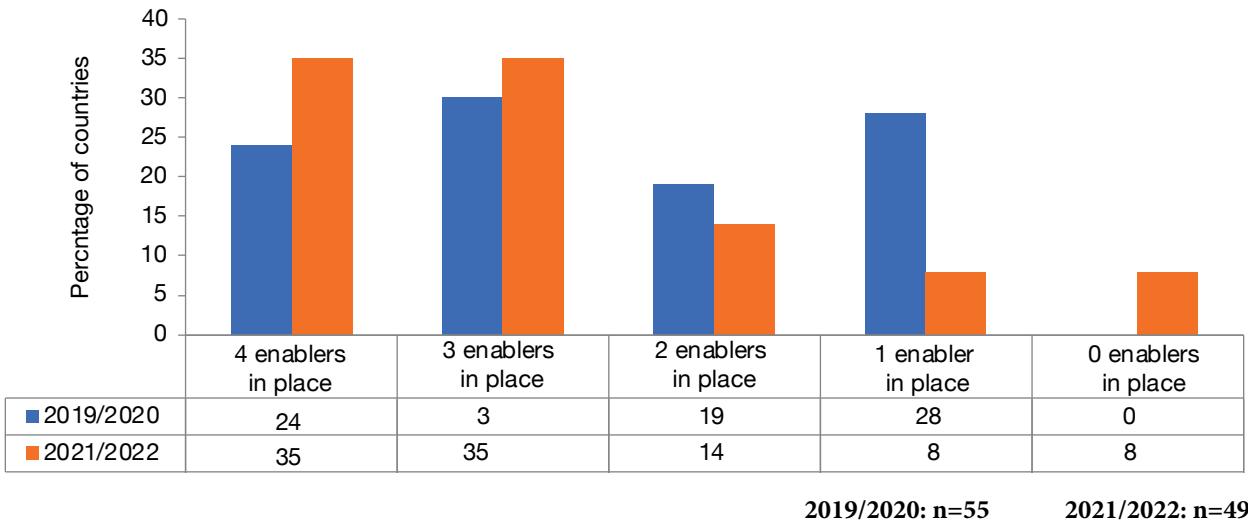
Most developing countries have at least three key enablers in place, illustrating the recognition of the enablers as crucial components of a system for effective development cooperation. Among survey respondents, National Development Cooperation Policies (NDCPs) were most likely to be in place compared to the other key enablers.

It is encouraging that 70 per cent of respondents (34 countries) in the 2021/2022 DCF survey have at

least three of the four enablers in place, and 35 per cent (17 countries) reported having all four key enablers in place.

Those few developing countries that do not have a single enabler in place provided a variety of reasons for this. Countries in conflict situations explained that the instability and security situation made it difficult to put the enablers in place. The lack of adequate capacity to develop NDCPs was also stated as a reason

Figure 6 : Number of countries with each enabler in place, 2019/2020 and 2021/2022



for the absence of NDCPs. Another reason given for not having enablers in place was that the country was undergoing a series of reforms and discussions were in progress about the location of the international development cooperation function within government. Some upper middle-income countries indicated that there was lack of demand for these enablers.

3.2 National Development Cooperation Policies

National Development Cooperation Policies (NDCPs) serve as the framework for developing countries to manage development cooperation and their partnerships with development cooperation actors and stakeholders. NDCPs vary in scope and content. They may include policy or strategic objectives and linkages with national sustainable development priorities, development cooperation targets, implementation modalities, and roles and responsibilities of government ministries and development partners. NDCPs set or clarify the “rules” for international development cooperation, facilitate alignment of development cooperation with national priorities, and assist governments in effective management of development cooperation. Without NDCPs, governments run the risk of fragmentation and ineffective use of development cooperation, which could slow progress on achievement of the 2030 Agenda.

NDCPs are inclusive of a range of financial and non-financial development cooperation modalities, predominantly ODA, South-South and Triangular cooperation, and technical cooperation. NDCPs are increasingly including private finance and domestic resource mobilization.

The 2021/2022 DCF survey results show that NDCPs reflect a diversity of development cooperation modalities, with both financial and non-financial forms of development cooperation included in NDCPs. ODA (grants and concessional loans) and ODA as a catalyst for other types of financing were included in 75 per cent and 73 per cent of NDCPs, respectively. This is indicative of the important role of ODA in development cooperation. Bilateral grants are still the most dominant form of development cooperation used (79 per cent of countries identified bilateral grants among the three top forms of development cooperation in use).

Technical cooperation and capacity building remain a significant form of development cooperation, included in as many as 88 per cent of NDCPs. South-South and/or triangular cooperation is included in the majority of NDCPs (78 per cent). The interviews of countries confirmed the importance of South-South cooperation for them during the COVID-19 pandemic.

A higher percentage of countries (63 per cent) compared to previous years indicated that their NDCPs

Box 1: How one upper middle-income country in the Latin America and Caribbean region uses its NDCP and enablers to ensure development cooperation is aligned with national priorities

First, the country has established a legal framework for development cooperation that is part of its law of national planning. This framework requires that development cooperation allocated to the country must be directed toward priorities defined in the NDCP. This ensures proper alignment of resources with priority sectors and serves as a guarantee for more effective development cooperation.

Second, the country conducts consultations to ensure that development cooperation resources are channelled efficiently and in an integrated way. For example, they look for linkages across sectors to build synergies, including with other sources of development finance, means of implementation and partnerships with the private sector and civil society.

Third, the country employs varied tools to formulate and review projects supported by development cooperation. Any such project must be able to show a clear link to the NDCP and/or any international agreements that the country has ratified. This linkage must be shown at the proposal phase, and if it is not sufficiently made, the project will not be approved.

Fourth, the country registers approved projects into their DCIS, specifying their links to the NDCP. Projects are evaluated after their conclusion, where the alignment of project implementation and results are analysed against the NDCP.

included private finance.⁹ Blended finance is included in 50 per cent of NDCPs, another indication of the emerging importance of private finance in development cooperation. Such changes may be indicative of developing countries aligning their NDCPs to the Addis Ababa Action Agenda which called for: better alignment between private sector investments and incentives and public goals; the adoption of sustainable practices by the private sector; and long-term quality investments.¹⁰ However, to some extent these findings may also be attributable to the increased representation of upper middle-income countries in the survey that tend to have less access to concessional finance than low-income or lower middle-income countries and place more emphasis on private finance to address funding gaps.

According to participant countries, the majority of NDCPs (74 per cent) included domestic resource mobilisation. This is consistent with their reporting that their NDCPs are aligned with the Addis Ababa Action Agenda, and is a considerable increase over the results in the 2017/2018 DCF survey where 56 per cent of NDCPs included domestic resource mobilisation.

Several countries interviewed indicated that they had increased the use of concessional and non-concessional loans for the national response and recovery from the COVID-19 pandemic. The survey data show that 65 per cent of countries identified multilateral concessional loans as one of the top three forms of development cooperation used, and 44 per cent of

countries indicated that bilateral loans were among the top three forms of development cooperation in use.

NDCPs are becoming more inclusive of the range of development actors and stakeholders in international development cooperation, underlining the important role that multi-stakeholder partnerships played in the national response to the COVID-19 pandemic.

Development cooperation involves a range of actors, government and non-government, national (domestic) actors and international actors. Each actor or partner has a particular role to play in development cooperation. It is essential that NDCPs clearly reflect the roles and responsibilities of the array of actors involved in development cooperation.

There are changes in the inclusion of stakeholders in NDCPs compared to the 2019/2020 DCF survey. The changes are most discernible for OECD-DAC partners, the private sector, multilateral organizations and multilateral development banks, with a higher percentage of NDCPs including these stakeholders in 2021/2022. As many as 80 per cent of NDCPs were reported to cover the private sector, compared to 2019/2020 when 67 per cent of NDCPs were reported to include the role of the private sector. There has been a slight increase in the percentage of NDCPs including national NGOs, but other non-state actors, namely, academia, trade unions, national development banks and philanthropic organizations are covered in fewer than 50 per cent of NDCPs.

Table 2: Financial and non-financial development cooperation modalities included in NDCPs

Financial and non-financial modalities included in NDCPs	Number (n=40 countries with NDCPs)	Percentage of NDCPs
Grants/concessional loans (part of ODA)	30	75%
ODA as a catalyst for other types of financing	29	73%
South-South and/or triangular cooperation	31	78%
Trilateral cooperation	19	48%
Technical cooperation and other capacity building	35	88%
Private finance	25	63%
Blended finance	20	50%
Domestic resource mobilisation	29	74%

Table 3: Comparison of stakeholders included in NDCPs: 2019/2020 and 2021/2022

Actors and stakeholders	2019/2020 (n=36)	2021/2022 (n=40)	Change 2020
National level government actors	94%	100%	↑
Local and regional governments	69%	73%	↑
Parliament	n.d	70%	—
OECD-DAC partners	33%	50%	↑
Non OECD-DAC partners	31%	33%	↑
Multilaterals excluding MDBs	56%	73%	↑
Multilateral Development Banks	58%	73%	↑
National Development Banks	n.d.	43%	—
Philanthropic organizations	36%	33%	↓
Private sector	67%	80%	↑
International NGOs	58%	60%	↑
National NGOs/CSOs	64%	70%	↑
Trade unions	28%	28%	→
Academia, research institutions	42%	48%	↑
Others		15%	

Countries interviewed reported positive as well as challenging experiences in engaging the private sector. The private sector played an important role in some countries in the national response to the COVID-19 pandemic by adding to the stretched resources of governments.

There is also recognition that the private sector has a critical role to play in the recovery from the pandemic.

The experience of countries in engaging the private

sector varied with the country context. For low-income countries, the domestic private sector is less developed than in middle-income countries and they may be beneficiaries of development cooperation rather than partners in development cooperation.

NDCPs give good coverage to the 2030 Agenda, the Addis Agenda, and the Paris Agreement on Climate Change, but are less likely to cover the Sendai Framework for Disaster Risk Reduction and

Box 2: Perspectives on private sector engagement and NDCPs

“We are adapting macro fiscal and government spending programming to make sure that the private sector is engaged and public-private dialogue is strengthened.” - Upper middle-income Country from the Africa region

“We have a directive which manages relationships with both international and national foundations. At the beginning of the pandemic, when we saw that international cooperation would be limited, we turned to these private foundations and companies with social responsibility funds. They helped with the investment in health equipment, which was the most urgent need. Thanks to these national private actors, we managed to have a more immediate response.” - Upper middle-income Country from the Latin America and the Caribbean region

“We mobilized resources under the NDCP with the view to directing at least 42 per cent of resources to the domestic private sector to form public-private partnerships. The private sector did not put forward good projects to which the government could direct resources, as the private sector lacked dynamism. The government however remains committed to working with the private sector”. - Least developed country from the Africa region

regional development agendas.

One of the key purposes of international development cooperation is to support developing countries in meeting their national commitments to global goals and agendas. NDCPs can therefore be expected to reflect these commitments to global goals and agendas. Responses in the 2021/2022 DCF survey reflect that these agendas are well covered in NDCPs: 88 per cent of countries' NDCPs fully or mostly cover the 2030 Agenda, and 75 per cent fully or mostly cover the Addis Agenda. Another very positive finding is that 80 per cent of countries indicated that their NDCPs covered commitments to the Paris Agreement on Climate Change, and the same proportion of SIDS indicated that this was the case with their NDCPs.

Coverage of the Sendai Framework on Disaster Risk Reduction is an area that needs improvement, given the on-going challenges of climate change and more recently, the global upheaval caused by the COVID-19 pandemic. Fewer than half the countries (46 per cent) indicated that their NDCPs mostly or entirely covered the Sendai Framework. The coverage is slightly better for the NDCPs of SIDS.

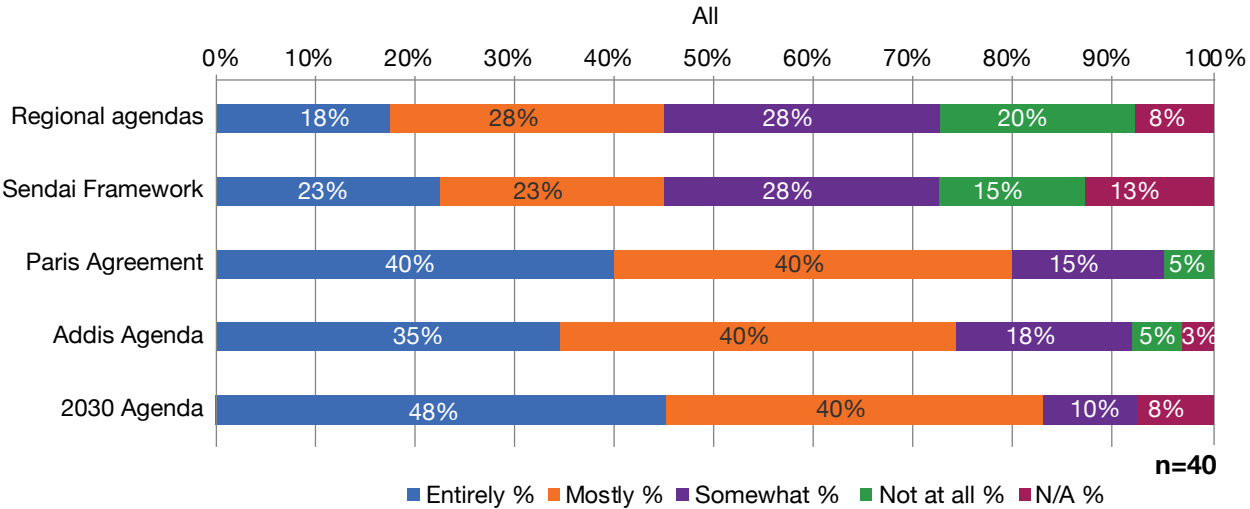
Regional bodies such as the Pacific Islands Forum and regional development agendas such as the African Union Agenda 2063 can play a valuable role in supporting countries to achieve their national commitments – by technical support through South-South cooperation, promoting knowledge sharing and mutual learning among countries in the region, and providing an environment for peer review of progress against global and regional commitments. Coverage of regional agendas in NDCPs among all participants is low (43 per cent of NDCPs fully or mostly

cover regional agendas), though slightly better than 2019/2020 where 33 per cent of countries indicated that their NDCPs gave good coverage to regional agendas. When analysed at a regional level, only countries from the Africa region reported that their NDCPs entirely covered regional agendas. Specifically, 35 per cent of African countries reported that their NDCPs covered regional agendas entirely and a further 40 per cent reported that their NDCPs mostly covered regional agendas. This is in contrast to countries from the Latin America and Caribbean region stating that their NDCPs somewhat addressed regional agendas (50 per cent of countries) or not at all.

Those countries that had already embedded risks in their NDCPs were best able to coordinate development partners around the COVID-19 response. Their NDCPs made provision for responses to disasters, and they were able to rapidly mobilise resources for the COVID-19 response.

Most countries that participated in the survey developed their NDCPs in the pre-COVID-19 period. For some of these countries, especially those that regularly experience climate and health disasters, their NDCPs cover humanitarian responses, and they already have structures in place to coordinate with development partners around humanitarian crises. These countries found their NDCPs to be sufficiently flexible to assist their response to the COVID-19 pandemic. Another example of how NDCPs supported countries in the crisis context is that they provided a framework for the government to prioritise the support required for recovery and direct international development cooperation partners to these priorities. The NDCP also assisted the government in focusing on the quality of

Figure 7 : Inclusion of global and regional development agendas in NDCPS



Box 3: How a Least Developed Country in the African region used its risk anticipation mechanism for fast and effective response to COVID-19

Prior to the COVID-19 crisis, the country already had risk anticipation mechanisms in place with a number of its development cooperation partners. This was informed by the country's experience with the avian flu and Ebola virus, which underlined the importance of the country anticipating diverse risks to its sustainable development. Initially, the country began working concertedly with one of its key partners, agreeing that for any new project being negotiated, they would identify potential risks and put in place contingencies in case they materialized. Consequently, if one or more of the risks manifests, there is no need to negotiate response measures as they have already been built into the project plan. In this instance, the relevant ministry would simply communicate to the development partner that the response measure had been triggered. Having such risk anticipation mechanisms and practices in place before the COVID-19 pandemic helped to facilitate a fast, effective response. Based on their positive experience, the country is working to extend this mechanism to other partners as one of its good practices. "Since crises will most likely increase," the country stated, "it will be needed more often".

international development cooperation. One country was able to leverage the existing NDCP that made provision for budget support, to secure increased budget support to respond to COVID-19.

For other countries, however, the pandemic tested the robustness of their NDCPs that were not already adequately revise their policies and plans for the response and the recovery from the COVID-19 pandemic. One country, for example, reported that the pandemic had put a spotlight on gaps in the existing NDCP and intended to revise the NDCP to address these gaps. Another country conducted a mid-term review of the NDCP monitoring indicators to determine what changes, if any, were needed in view of the COVID-19 pandemic.

Survey respondents take systemic risks into account in their NDCPs to some extent, but need to be more deliberate in adopting a risk-informed approach to their NDCPs. Countries that intend to revise their NDCPs in the next 12 months have an opportunity to re-orientate their NDCPs to be more risk-informed.

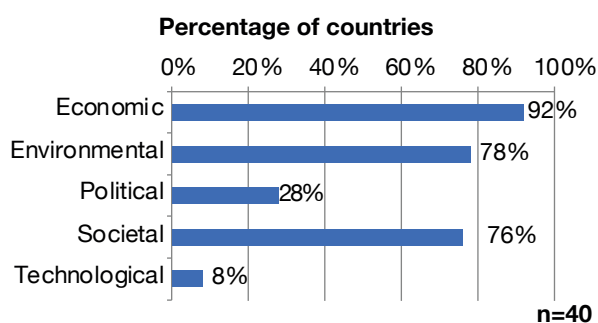
Developing countries face a variety of risks that they hope to address with support of international development cooperation. These risks include economic risks, environmental (climate-related) risks, social inequality, political risk, conflict, etc. There are also risks to implementing the NDCPs, for example, institutional risks (public administration capacity, including public financial management and procurement systems). Ideally, these risks should be taken into consideration in the development of NDCPs and other enablers. It is also necessary to regularly review risks and the effectiveness

of the risk mitigation measures taken (preferably annually) and to identify new and emerging risks.

Close to half of participant countries (49 per cent) mostly/fully factored risks – such as pandemic risks, disaster and climate-related risks, and/or other types of risk to progress on sustainable development, in their NDCPs or other enablers. These risks were factored in somewhat by 45 per cent of the countries.

Economic risks, for example, uneven growth, financial systems, unsustainable debt were identified most frequently as one of the three top risks that the country has prioritised (92 per cent of countries). This was followed by environmental risks, for example, climate change, environmental degradation, and natural disasters (78 per cent of countries). Societal risks such as health and inequality were identified as priority by most countries (76 per cent), not surprisingly given the COVID-19 context. Fewer countries identified political risks such as conflict (28 per cent) or technological risk, for example, digital access and cyber security (8 per cent) as one of three top priorities.

Figure 8: Categories of risk prioritised by countries



The study reviewed a sample of 16 NDCPs or similar strategy documents that were provided by countries as part of their survey participation. The NDCPs of four of these countries identified risks and mitigation measures to varying degrees. One NDCP from an African upper middle-income country merely stated that it had considered a range of risks when developing the NDCP, while another lower middle-income country in Africa provided a detailed explanation of each risk (political, economic, institutional and operational, and fiduciary risks) and the measures proposed to mitigate these risks.

Of those countries with NDCPs, 63 per cent (25 countries) indicated their intention to revise or update their NDCPs within the next 12 months, and 37 per cent (15 countries) indicated that this would not be the case. Nine of the 16 NDCPs reviewed are five years old or less and might not be ready for revision or update. However, countries need not wait for the NDCP to expire before reviewing and revising them.

Survey participants emphasized that their NDCPs in most instances do not contain targets for individual partners due to the time, technical expertise and capacity required to agree on targets with development partners.

Performance targets for international development cooperation are necessary for monitoring progress made on implementing the NDCP. In the 2021/2022 DCF survey, NDCPs tended to have targets for international development partners collectively (70 per cent of NDCPs) and were less likely to have targets for individual development cooperation partners. NDCPs are

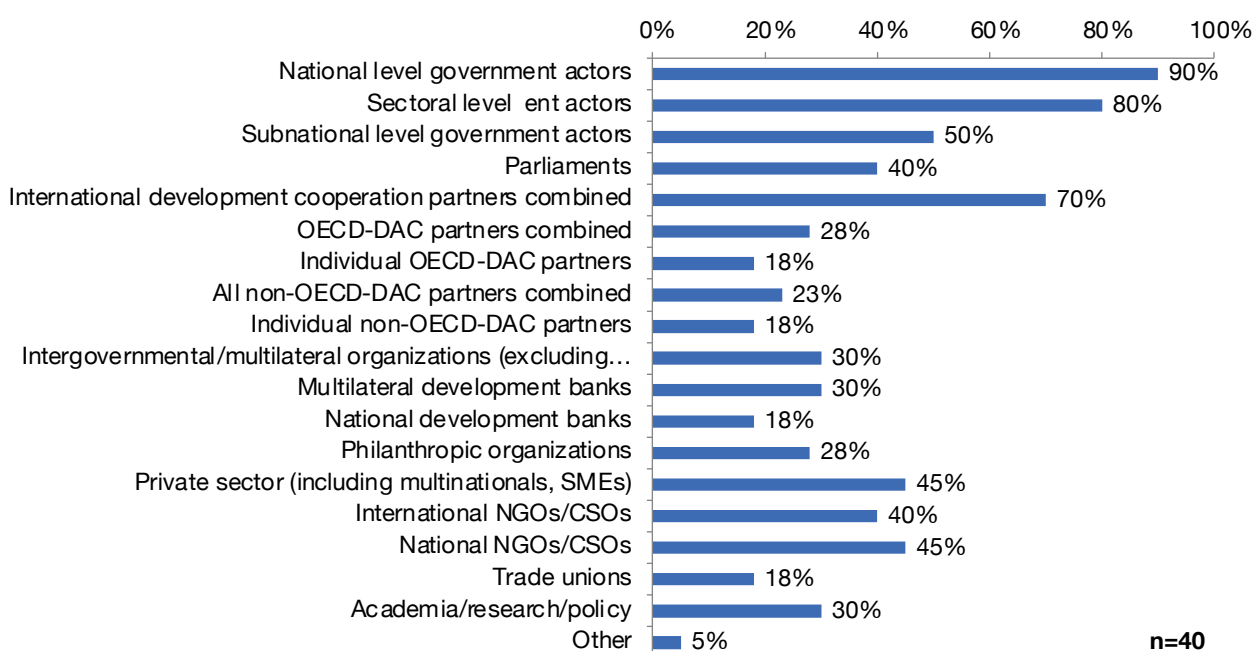
high-level frameworks, and targets for individual development cooperation partners might be contained in bilateral agreements or other planning documents (for example, the United Nations Sustainable Development Cooperation Framework/UNSDCF in the case of targets for multilateral partners) and not in NDCPs.

Countries interviewed were asked their views on setting of targets for partners. Their responses suggest that setting of targets is a negotiating process that requires time, technical expertise and capacity. Often, development partners use terms that have different meanings in a particular country context, and these different understandings (and misunderstandings) need to be traversed. This sentiment is captured in an interview with one of the SIDS countries.

“We set targets and if they don’t match the thinking of some of our partners, it becomes difficult...there are different ways that people see targets...even in terms of outcomes it is not a short-term thing, you have to look medium to long-term...some people see targets as a measure of implemented activities...there’s always a struggle finding a balance. We want to see target setting as contributing to our evaluation framework... we are trying to work through how we improve our evaluation capabilities.”

- SIDS from the Asia-Pacific region

Figure 9 : Targets for development actors and stakeholders



As was the case in previous DCF surveys, most countries indicated that their NDCPs contained targets for national level government actors and sectoral level government actors. Countries include targets for subnational level governments to a lesser extent – 50 per cent of countries with NDCPs had targets for subnational level governments. Countries are aware of the critical role of subnational governments (local and regional) in development, and are also aware of the challenges in working with subnational governments that tend to have severe capacity constraints.

“One of the strategies is to strengthen capacities of local government. There is a big gap between the capital and the regions, with very different challenges. Our main challenge is to articulate our work with local actors and local governments, and work with them”.
- Lower middle-income country in the Latin America and Caribbean region

Countries responding to the 2021/2022 DCF survey were positive about the quality of targets in their CRFs or NDCPs. Nearly all countries assessed the targets in their CRFs or NDCPs to be entirely or mostly relevant – 98 per cent (39 countries), and 78 per cent assessed their targets as sufficiently comprehensive in the coverage of all relevant sectors (31 countries). Countries were also positive that the targets were quantifiable and measurable (68 per cent – 27 countries).

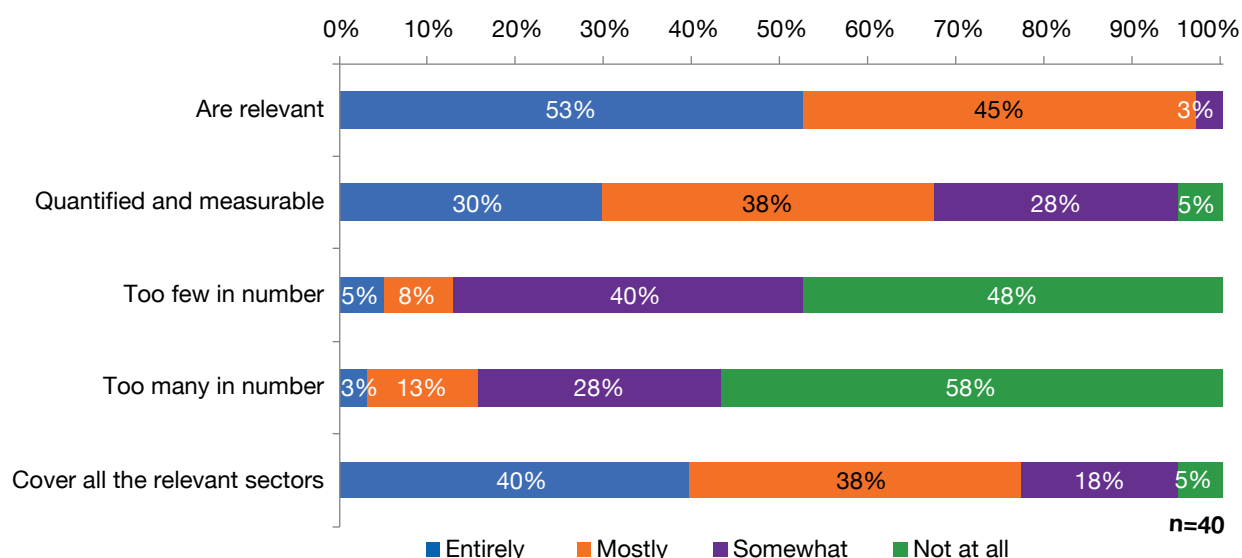
3.3 Country Results Frameworks and Targets

Country results frameworks (CRFs) set out the performance targets on international development cooperation in terms its quantity and quality, and performance targets on other strategies such as joint assistance strategies, and targets for harmonization, etc. CRFs communicate to government actors, development partners and stakeholders the NDCP results and targets to be achieved. As national monitoring frameworks, these CRFs enable developing countries to lead and manage the development cooperation and ensure its alignment to national priorities. Effective CRFs can serve as an incentive for international development cooperation partners to reduce the use of parallel results frameworks, alleviating what can otherwise be a high transaction cost on developing countries.

While most survey participants reported having CRFs, others noted that there were continued challenges in putting them in place. There appears to be commitment by some countries to develop CRFs in the immediate future.

More than half of survey participants (25 countries) reported that they had a results framework, and in most instances, these formed part of their NDCPs. For countries without CRFs, some intended to develop CRFs as part of the process of revising their NDCPs. Respondents also noted that CRFs are integral to DCIS as they set out the information that the DCIS should collect and report on. Without a clearly articulated CRF, the DCIS runs the risk of not collecting critical information or collecting information that is not useful.

Figure 10: Countries' description of targets in NDCPs



Some respondent countries provided varying reasons for not having a CRF in place. There were countries that do not see the necessity for a CRF as they have results frameworks at the sectoral level, or they believe that their national sustainable development plans and strategies adequately include results frameworks. There were also countries that have not been able to develop CRFs because of difficulties in coordinating line and sectoral ministries or simply a lack of capacity.

3.4 Development Cooperation Information Systems

Developing countries require robust Development Cooperation Information Systems (DCIS) to monitor progress toward targets and evaluate the effectiveness of development cooperation. The DCIS acts as the “nerve centre” of development cooperation – collecting, analysing and reporting information, identifying gaps, duplication of efforts and blockages to progress, and feeding analysis, evaluation and learning into decision-making on development cooperation. In turn, this information on development cooperation is useful for budget preparations and macroeconomic planning, as well as feeding into Integrated National Financing Frameworks (INFFs), regional and global monitoring mechanisms. An effective DCIS requires credible and timely information. Information on development

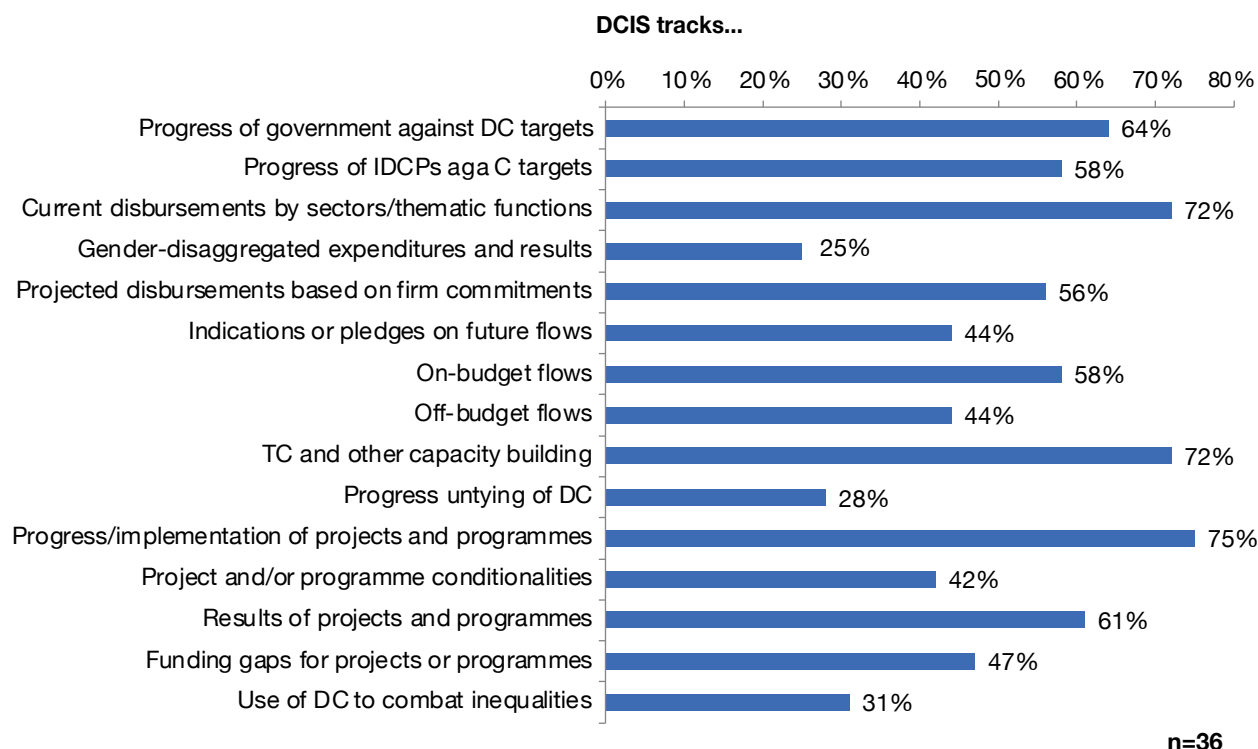
cooperation should be accessible to all stakeholders, in the interests of transparency and accountability.

In the 2021/2022 DCF survey, 73 per cent (36 countries) reported that they had a system in place to track information on international development cooperation at the country level. However, 31 per cent reported that international development cooperation partners reported directly into their DCIS. Close to half of the countries with a DCIS (17 countries) also use other systems to collect information from development partners. So, even though the majority of survey respondents had a country-owned and country-operated DCIS in place, a number of countries were not able to rely entirely on their DCIS for information on development cooperation.

Countries that had no DCIS at all most frequently cited the lack of technical, financial and human resources capacity as the main reasons. Other countries indicated that they were either in the process of developing the DCIS, or used the system provided by development partners. Other constraints cited include the difficulty in coordinating ministries/sectors.

The DCIS of survey respondents mainly track project/programme implementation (75 per cent - 27 countries with DCIS), current disbursements by sectors/thematic functions (72 per cent - 26 countries), and technical cooperation and capacity building (72 per cent - 26 countries). The DCIS also

Figure 11: Data and information tracked by DCIS



tracks progress of government against development cooperation targets (64 per cent – 23 countries) and progress of international development cooperation partners, against development cooperation targets (58 per cent – 21 countries). Only 28 per cent (10 countries) have DCIS that track progress in the untying of development cooperation.

Very few countries use the DCIS to track the use of development cooperation to combat inequalities (31 per cent – 11 countries) and gender-disaggregated expenditures and results (25 per cent – 9 countries). This lack of data could make addressing inequalities through development cooperation challenging.

Survey respondents underscored that the effectiveness of the DCIS was being hampered by a lack of complete and timely data from development partners.

Apart from national ministries, international development cooperation partners are the main source of information for the DCIS. The quality of the information they provide has an impact on the quality of planning, implementation and monitoring and evaluation of development cooperation (assuming national officials have good capacity for analysis of information). The timeliness of information is especially important under conditions of crises and emergencies to enable rapid, yet informed decision-making.

Responses in the 2021/2022 DCF survey indicate that there is room for improving the completeness and

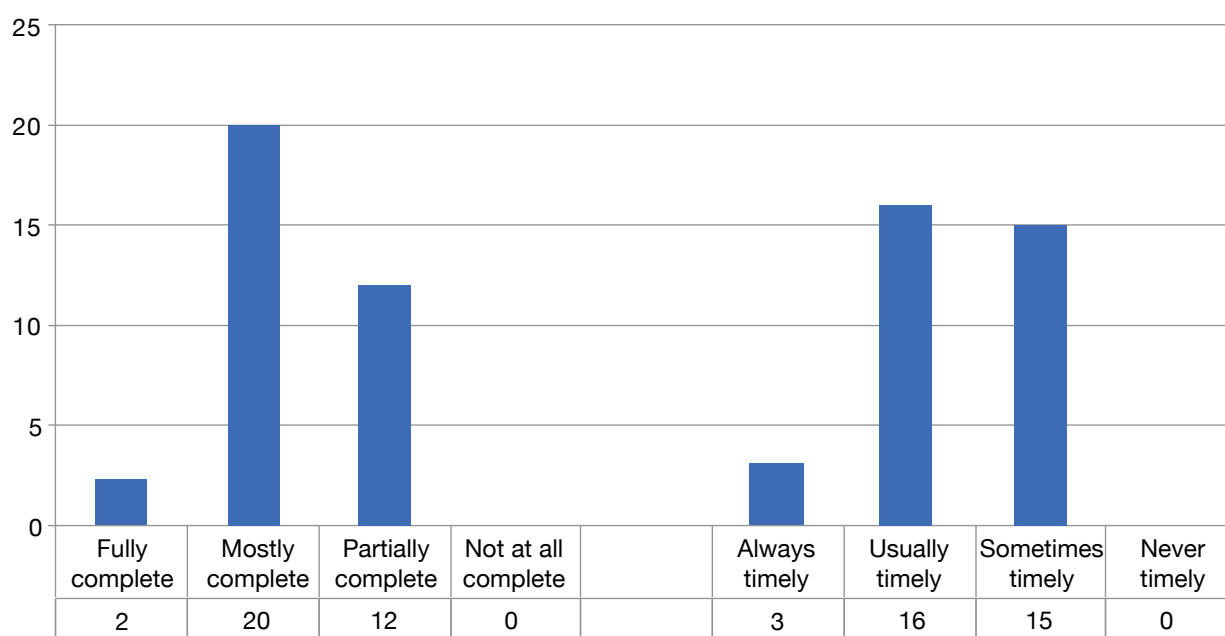
timeliness of information. Of the survey respondents that had a DCIS in place, 57 per cent (20 countries) reported that the information from international development cooperation partners were mostly complete, and only 6 per cent (2 countries) indicated that the information was fully complete. Survey respondents identified the lack of off-budget information, development cooperation provided to non-state organisations, and the reluctance of development partners to use national systems for reporting as some of the challenges in obtaining complete information on development cooperation for the DCIS.

From the perspective of survey respondents, the information from international development cooperation partners is not sufficiently timely. Forty-six per cent of countries with DCIS (16 countries) reported that the information was mostly timely, and only 9 per cent (three countries) reported that the information was always timely.

Survey respondents offered suggestions for improving the timeliness of information. These include:

- Development partners should be mindful of the reporting requirements set out in regulations and policies and adhere to these. There is an expectation that development partners should provide information more frequently than annually, for example, quarterly or monthly.
- Development partners and governments should harmonize (to the extent possible), their

Figure 12: Completeness and timeliness of data from international development cooperation partners



n=36

programming schedules so that timelines for reporting are also harmonized.

- Better coordination between developing country and development partner focal points to facilitate consistent data entry and use of DCIS.
- Improving the technical platforms and connectivity of the DCIS for easy and timely data entry.

Use of and access to the DCIS is highest among national level government actors, but remains lower among other development actors and stakeholders. This has implications for the quality of data in the DCIS and for transparency in development cooperation.

DCIS should be accessible to a broad range of development partners and stakeholders to encourage use of the system and incentivize development partners and government ministries to provide quality data for the DCIS. Access and use of the DCIS are also necessary for fostering transparency and accountability for development cooperation. The COVID-19 pandemic saw redirection of resources and additional inflows, making transparency of decisions on the allocation and use of development cooperation even more imperative.

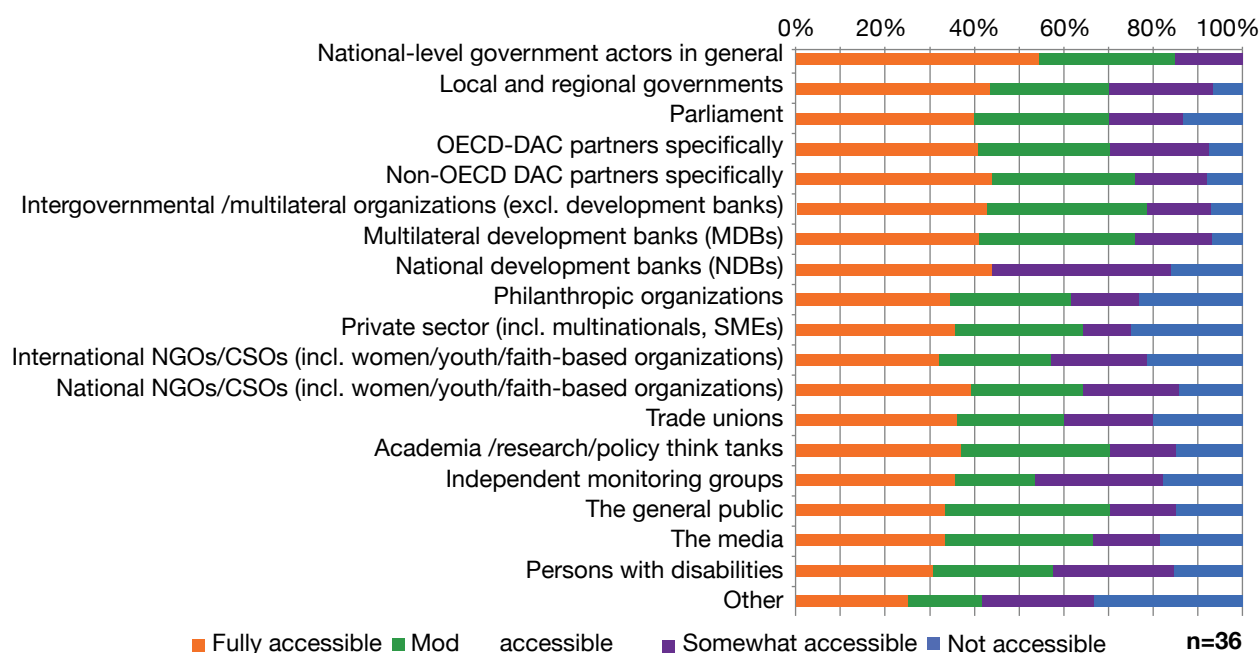
The 2021/2022 DCF survey responses indicate that the majority of countries that have a DCIS have made the DCIS fully/moderately accessible to national government actors, local and regional governments, parliament, and development cooperation partners including multilateral organizations and multilateral

banks. The DCIS is fully/moderately accessible to non-state actors, namely, the private sector, philanthropic organizations, international and national NGOs/CSOs, trade unions, academia, independent monitoring groups and the general public in more than half of the countries with a DCIS. Thus overall, the DCIS is accessible to a diverse range of development actors and stakeholders.

Accessibility of the DCIS bodes well for effective management, transparency and accountability for development cooperation, provided the DCIS is used. The 2021/2022 DCF survey results show that national-level government ministries are the main regular users of the DCIS, and also are more likely than other users to have full access to the DCIS. Of those countries with DCIS, 97 per cent (35 countries) responded that the national-level government entities were the regular users of the DCIS, followed by local and regional governments (56 per cent – 20 countries), parliaments (53 per cent – 19 countries) and multilateral development banks (53 per cent – 19 countries).

Fewer than half of survey respondents identified development cooperation partners and multilateral organizations as regular users of the DCIS. Specifically, 47 per cent (17 countries) of survey respondents identified OECD-DAC partners as regular users, and 42 per cent (15 countries) identified multilateral organizations as regular users. This is juxtaposed against the survey responses showing that these development cooperation partners tend to have full/moderate access to the DCIS. The 2021/2022 DCF survey found that

Figure 13: Accessibility of DCIS to development cooperation actors



non-state stakeholders were identified as regular users of the DCIS in less than half of the countries that have a DCIS, even though the DCIS is fully/moderately accessible to these stakeholders in at least 50 per cent of countries with a DCIS. The reasons for the DCIS not being used regularly by development cooperation partners and non-state actors may be inferred from the barriers to an effective DCIS that participant countries identified in their survey responses. These include data gaps, the quality of data, technological challenges in collecting and managing large volumes of data, and systems that are not user-friendly. It may also be that the DCIS does not contain information that is relevant to the information needs of these development actors and stakeholders.

Survey respondents highlighted the importance of DCIS in decisions on reprioritization and redirection of development cooperation during COVID-19. While some noted their DCIS was ready for the task, others emphasized that the COVID-19 pandemic had also revealed gaps in their DCIS and a further need for capacity support. Examples of areas identified for improvement include introducing ICT tools that facilitate data exchange between governments and development cooperation partners; applying ICT tools for greater efficiency and accuracy of data entry; organizing the data more systematically; and improving accessibility of the DCIS to stakeholders.

DCIS of survey respondents contributed to improvements in development cooperation including informed decision-making, more effective consultation

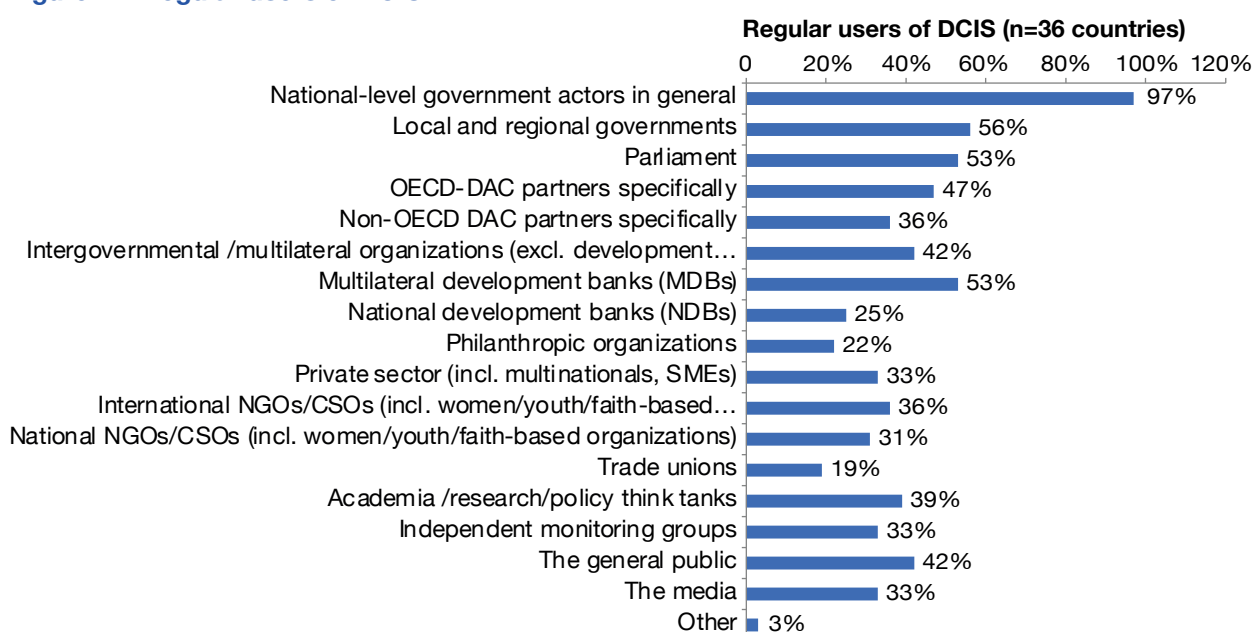
processes, and enhanced transparency.

Ownership of the DCIS and having responsibility for the information in the DCIS has given survey respondents a greater sense of control over development cooperation. The DCIS has enabled them to engage more effectively in consultation processes with development partners, as they are able to draw on statistics and other information from the DCIS. For some countries, the DCIS goes beyond the mechanistic information input and reporting, to be an enabler of dialogue between the government and development cooperation partners on policies and management of joint results.

The DCIS is seen to have contributed to informed decision-making on development cooperation. As the DCIS improves, governments are able to monitor medium-to-longer term trends in development cooperation that can assist in policy decisions on development cooperation and financing of the SDGs.

The DCIS has been a catalyst for harmonization of development cooperation information of government and development cooperation partners. Regular publishing of development cooperation information is said by survey respondents to have served as an incentive for development cooperation partners to improve the quality of the information they provided for the DCIS. Similarly, the DCIS has also encouraged higher quality information inputted by developing countries' own government ministries. Development coordination ministries have used the reports generated by the DCIS to demonstrate the benefits of the DCIS to line minis-

Figure 14: Regular users of DCIS



tries and encourage them to improve the quality of the information that line ministries feed into the DCIS.

The DCIS has contributed to transparency of development cooperation where the system is available online, providing information on the efforts of governments and development cooperation partners. As an upper middle-income country in the Africa region observed:

“The DCIS has enhanced information sharing for transparency and accountability such as the Finance Minister’s report on the use of the Covid-19 emergency funds. It has also enhanced quality of information on development cooperation for decision-making, e.g. World Bank Business Tracker Survey. It serves as a foundation for advocacy for civil society organizations.”

3.5 National Development Cooperation Forums

National Development Cooperation Forums (NDCFs) are the primary platform for developing country governments, international development cooperation partners and stakeholders to discuss development cooperation matters, review progress and identify solutions to challenges. NDCFs are platforms for mutual accountability, knowledge sharing and learning. The membership of NDCFs and their operation are determined by the country context and preferences. NDCFs typically take the form of an annual meeting attended by senior representatives from government and development cooperation partners. They may be preceded by a series of preparatory technical working group meetings of government officials and programme staff of development cooperation partners. During the COVID-19 period, NDCF meetings have moved online. Over the years, successive DCF surveys have found that in most countries, senior level government officials (e.g., ministerial level), chair the NDCF. The DCF surveys also found that the secretariat support for the NDCF is provided by the government. This reflects positively on the level of national ownership of NDCFs.

NDCFs remain valuable vehicles for developing countries to bring all stakeholders together around development cooperation policies and practices.

The 2021/2022 DCF survey results reflect positive perceptions that respondent countries have of the contribution that NDCFs make to effective develop-

ment cooperation. Sixty-nine per cent (22 countries) see NDCFs as highly supportive in aligning development cooperation with national policy-making, and a further 28 per cent (nine countries) indicated that NDCFs moderately supported alignment. The NDCF provides the space for governments and development cooperation partners to hold a dialogue on national development priorities and develop a shared vision and framework for addressing these priorities through development cooperation. The NDCF also provides the space for review of progress and for realignment of development cooperation.

Forums such as the NDCF were particularly useful in aligning development cooperation with the priorities that emerged during the COVID-19 pandemic. Countries interviewed shared experiences of how they used the NDCF to mobilize and coordinate development cooperation and ensure that finance was directed to priorities identified by the government. Countries interviewed explained that their NDCFs, which had enhanced relationships and trust with partners, supported effective negotiations on the redirection of resources for the pandemic response. Countries that had good ICT infrastructure were able to make the transition relatively easily, while countries with weak ICT infrastructure experienced interruptions in their engagement with development cooperation partners and were not able to convene the NDCF during the hard lockdowns.

Survey respondents perceive NDCFs as valuable vehicles for building trust between governments, development partners and other stakeholders: 63 per cent (20 countries) of survey respondents indicated that NDCFs highly support trust building, and a further 31 per cent (10 countries) responded that NDCFs moderately supported trust building. As NDCFs help to build trust, they also help to advance negotiations on development cooperation: 53 per cent (17 countries) perceived NDCFs to be highly supportive of advancing negotiations and 34 per cent (11 countries) responded that NDCFs moderately supported advancing negotiations.

Similar results were found for NDCFs supporting knowledge sharing and mutual learning: 59 per cent (19 countries) perceived NDCFs to be highly supportive of knowledge sharing and 34 per cent (11 countries) perceived NDCFs to be moderately supportive of knowledge sharing. The annual (or bi-annual) reviews of progress present an opportunity for reflecting on what has worked and what needs to be improved. This of course depends on the quality of

Box 3: Survey respondents' views of benefits and challenges of NDCFs

"The NDCF helps to sensitize development actors and change behaviour towards development effectiveness, especially in terms of country ownership, alignment with country policy and reaching out to target groups. In fact, working within the NDCF mechanism instigates the behaviour change." - Least developed country in the Asia-Pacific region

"The forum has improved partnership arrangement, planning and budgeting, jointly addressing development impact, and setting a mutual accountability framework through the review and identification of new joint monitoring indicators." - Lower middle-income country in the Asia-Pacific region

"These spaces have allowed the country to show the development community its support and responsibility for development cooperation resources. It has also allowed a greater rapprochement and articulation between donors and the government, making processes more efficient and identifying better collaboration mechanisms." - SIDS in the Latin America and Caribbean region

"It has helped in engaging in an open discussion with all stakeholders and hence improving the impact of development cooperation" - Least developed country in the Africa region

information available to the NDCFs and the level of trust among NDCF members to share information and learn. It also depends on the extent to which various development actors and stakeholders are involved in the NDCF.

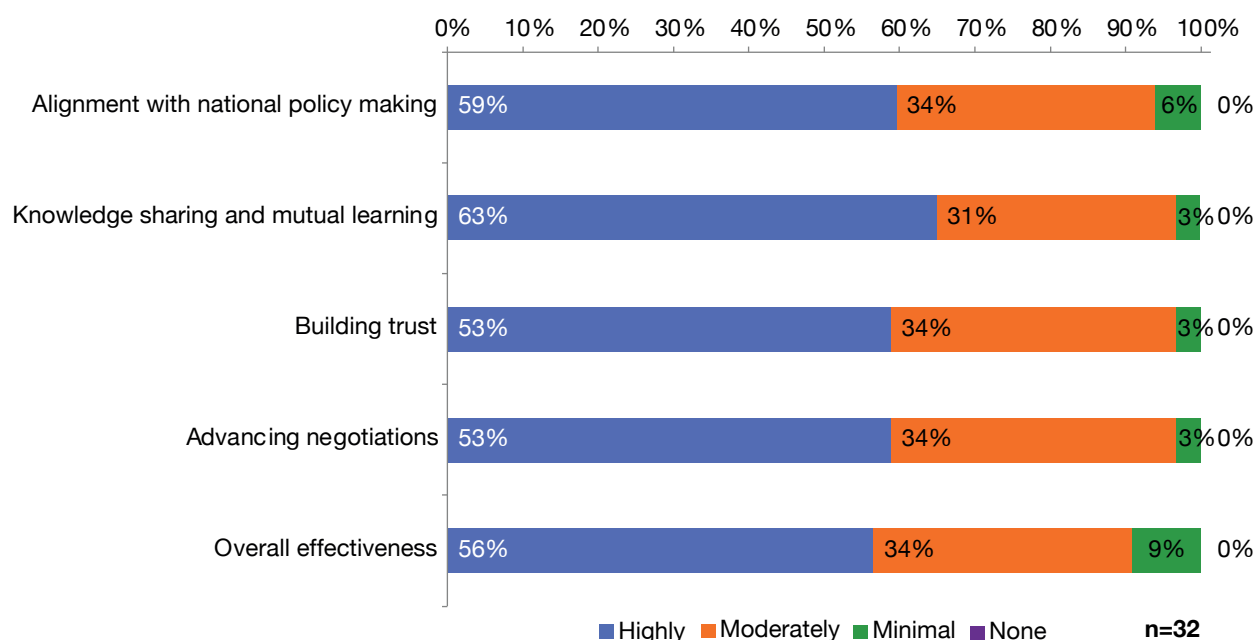
Participant countries are positive in their assessment of the overall effectiveness of NDCFs. Fifty-six per cent (18 countries) rated their NDCF as highly effective and 34 per cent (11 countries) rated their NDCF as moderately effective in 2021/2022 in achiev-

ing their overall primary purpose.

The diversity of partners and stakeholders in NDCFs can be improved.

National level government ministries and international development cooperation partners are more involved in NDCFs compared to other actors and stakeholders, particularly non-state actors. Survey respondents reported that the majority of national level government actors were highly involved (69 per cent) or moderately involved (25 per cent) in the NDCF.

Figure 15: Impacts of NDCF on development cooperation



International development cooperation partners (multilateral and bilateral) are highly or moderately involved in NDCFs, though to a slightly lesser extent than national level government actors. More than half of the survey respondents indicated that international and national NGOs were highly/moderately involved in NDCFs.

Local and regional level governments are less likely to be involved in the NDCF compared to their national-level counterparts, international development cooperation partners, and international and national NGOs. Only 13 per cent of survey respondents reported a high level of involvement of sub-national government actors in NDCFs and only 22 per cent reported a moderate level of involvement of these government actors. This is a concern as sub-national governments are usually the first line of response in cases of disasters, and play a critical role in development and building local level resilience.

Only 38 per cent of survey respondents reported that academia were highly/moderately involved in the NDCF, 25 per cent reported that trade unions are highly/moderately involved, and 12 per cent reported that independent monitoring groups were highly/

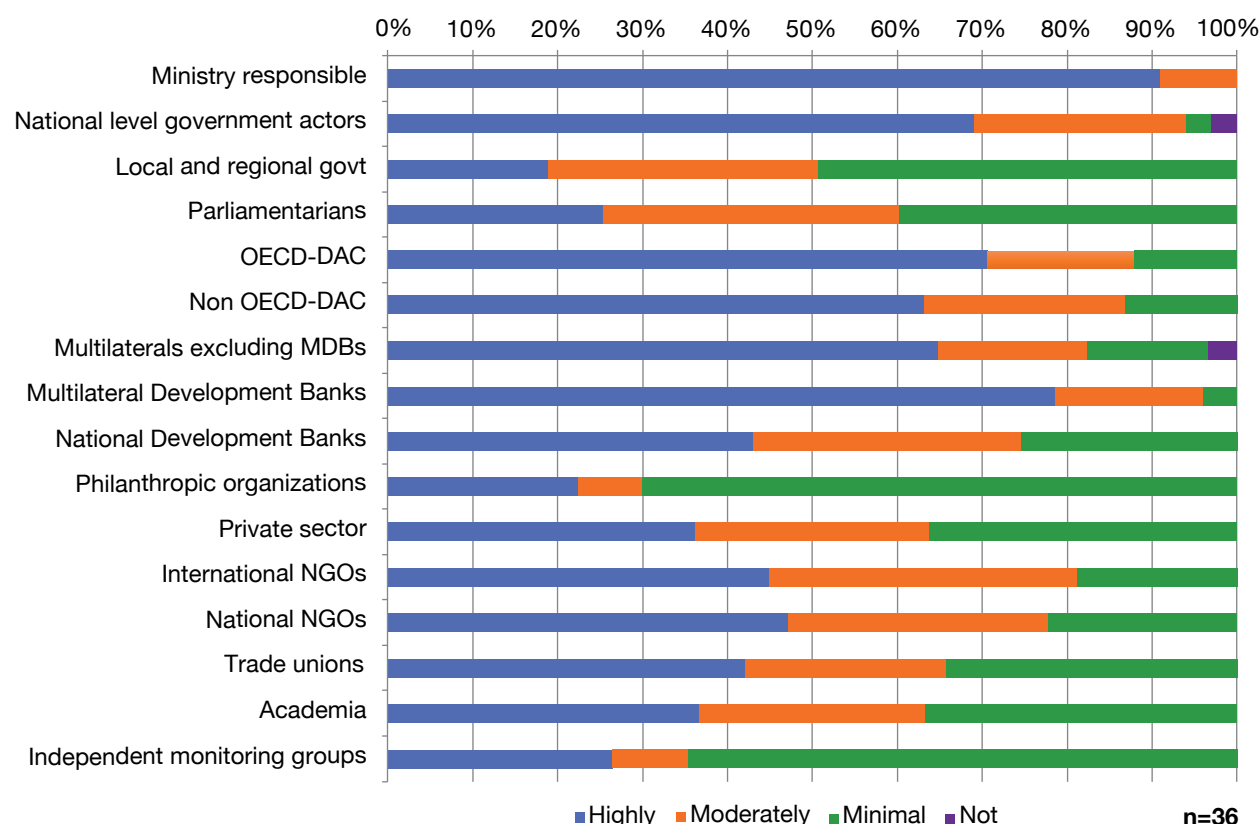
moderately involved in NDCFs. Yet these stakeholders could potentially make a valuable contribution to dialogue on matters covered by NDCFs by bringing in external perspectives and expert knowledge, and improve the overall impact and effectiveness of NDCFs.

There is scope to improve the overall impact and effectiveness of NDCFs by addressing existing barriers to effective use of NDCFs.

Survey respondents identified a number of barriers that hinder the effective use of NDCFs. Addressing these barriers can contribute to improving the overall impact of NDCFs, and in turn, contribute to the effectiveness of development cooperation.

Political buy-in: Lack of buy-in at the political level, including by sector ministries, is a significant barrier to the effectiveness of NDCFs, as the latter require support from political leaders to secure the participation of key decision-makers of international development cooperation partners and mobilize other sector/line ministers. Political leaders also set the tone for the inclusiveness or exclusiveness of NDCFs, e.g. if political leaders emphasize the role of civil society or local governments, NDCFs will be more inclined to

Figure 16: Extent of involvement of development cooperation actors in NDCFs



ensure the participation of these development actors in the NDCF.

Clarity of roles: Policy or legislation governing development cooperation is not always clear about the roles of government ministries in international cooperation. This lack of clarity can undermine the leadership and effective functioning of the coordinating ministry. The lack of clarity on how other international development cooperation structures managed by sector ministries and institutions should relate to the NDCF creates difficulty for the coordination of development cooperation. It is necessary to ensure that policies and legislative frameworks clearly delineate roles in development cooperation, and that the roles are clearly and regularly communicated to the relevant actors.

Systems and procedures: Survey respondents identified systems and procedures of NDCFs that act as barriers to the effective use of NDCFs. NDCFs chaired by ministers are reported to be well-attended by ambassadors and senior level stakeholders. As meetings are annual and usually face time constraints, there is insufficient attention to granular details. NDCF meetings, according to survey respondents, tend to focus on reporting and review, with insufficient time to discuss solutions to issues or problems identified. A related barrier, which survey respondents identified, is the absence of an effective system for tracking and follow-up of decisions taken at NDCFs. In a bid to be inclusive, NDCF processes can become unwieldy as noted by a survey respondent: “...meetings become too large, too many people have to be consulted, and things get bogged down.” Developing countries still require

support for strengthening the procedures and systems of NDCFs. (See also Chapter 5)

3.6 Progress and barriers to effective development cooperation

The majority of countries reported positive changes in political will and national ownership and national coordination mechanisms. Countries do however still face barriers to change, including the lack of quality data and the limited resources to manage mutual accountability processes.

Political will and national ownership of development cooperation continue on a positive trajectory, with 77 per cent (41 out of 53 countries) reporting this as one of three major positive changes in their development cooperation. National ownership is essential if developing countries want to ensure that development cooperation is aligned to national goals and priorities. Results-based approaches were reported by 64 per cent (34 countries) as an improvement in their development cooperation. This too is a positive change as results-based approaches can foster greater clarity on results and targets for development cooperation, and how these should be measured and monitored. Sixty-eight per cent (36 countries) reported positive changes in the form of new or improved national coordination mechanisms, compared to 47 per cent of countries that did so in the 2019/2020 DCF survey. Countries interviewed expressed positive sentiments about improvements in political will and national coordination.

Box 4: How a lower middle-income country in the African region strengthens partnerships through its NDCF

Through the adoption of a multi-stakeholder framework in 2020, this country convened multistakeholder platforms which have proven to be very successful, promoting transparency, country ownership and inclusive partnerships.

National entities, development partners, private sector, civil society, research centres and other stakeholders are convened on a regular basis. High-level meetings are conducted at sectorial level regularly.

A multistakeholder conference is conducted on a yearly basis and planned in advance. It showcases latest reforms and achievements within the sectors. It provides an overview of current trends and available opportunities for cooperation with different stakeholders. It provides a platform to openly discuss challenges, opportunities and value-added solutions.

The country follows up with partners to collect feedback regarding these meetings and, if needed, specialised task forces or action committees are created to engage in discussions, develop detailed action plans and set forth concrete deliverables.

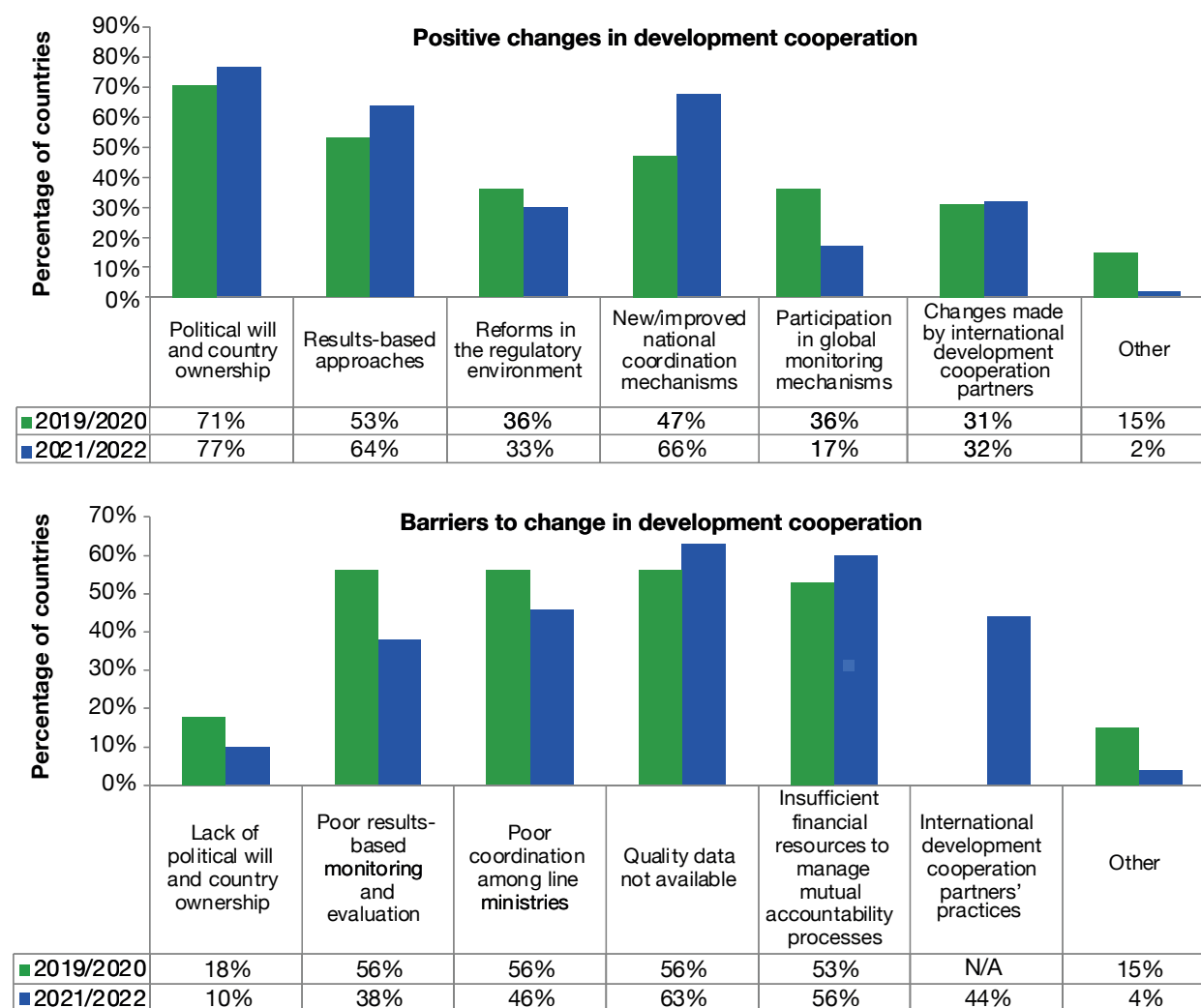
“Our platforms for engagement are working very well. Political will exists and supports partner engagement. The re-establishment of our Ministry was also important. Before that, there was a lack of proper coordination. In 2018, the Ministry was re-established, and development cooperation was separated from the Ministry of Finance. We now see a strengthened platform for development cooperation.”
- Least Developed Country in the Africa region

The unavailability of quality data and insufficient resources to manage mutual accountability processes are the two most frequently cited barriers to further positive change in development cooperation. In the

2021/2022 DCF survey, 63 per cent of countries cited data quality as a major barrier to improving their development cooperation. In the absence of quality data, monitoring progress in development cooperation and related planning and decision-making becomes difficult, as discussed in greater detail in the sub-section on DCIS. The issue of quality data for monitoring and decision-making is a recurring theme in the DCF survey studies.

Managing mutual accountability processes entails engagement with international development cooperation partners and other development actors, monitoring and reporting progress, and tools for data collection and analysis. All of these require financial

Figure 17: Positive changes and barriers to change in development cooperation, 2019/2020 and 2021/2022



(2019/2020, n=55; 2021/2022, n=49)

and human resources. As in previous DCF surveys, developing countries identified the lack of financial resources to manage mutual accountability process as a significant barrier to changing or improving development cooperation.

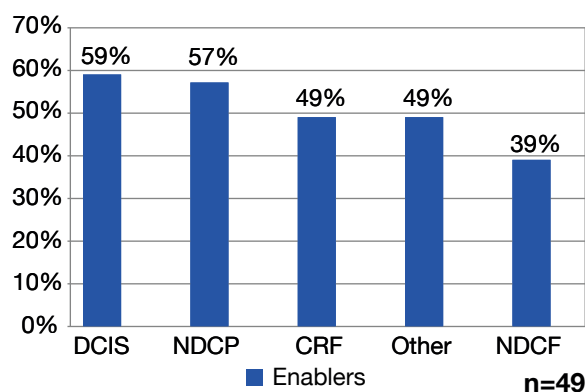
The interviews identified challenges that national coordination ministries face. In some countries there is tension about which ministry is best placed to coordinate development cooperation. Development cooperation coordination units need to be able to secure cooperation and inputs (data, reports, participation in platforms, etc.) from line ministries. Insufficient human resource capacity for coordination was also identified as a challenge.

4.0 Support for capacity development

The results of the 2021/2022 DCF survey and past surveys underscore the importance of supporting developing countries to strengthen their national systems and enablers of effective development cooperation. Developing or enhancing national capacities entails investing in human resources and skills development, as well as investing in the development or improvement of policy frameworks, coordination structures and processes, and information systems. Capacity development ideally should be inclusive of all national actors so that they have the necessary capacity to perform their roles effectively, as set out in the NDCP.

Participant countries received support for strengthening key enablers of development cooperation. While national ministries are the main targets for capacity support, more attention is being paid to strengthening capacities of local and regional governments and NGOs than has been the case in previous years.

Figure 18: Support received by survey participants to develop/upgrade enablers



Fifty-nine per cent of surveyed countries (29 countries) reported that they had received support to develop or upgrade their DCIS, 57 per cent (28 countries) reported receiving support to develop or update their NDCPs, 49 per cent (24 countries) reported receiving support to develop or update their CRF, and 39 per cent (19 countries) received capacity support

to develop or strengthen their NDCF. Almost half of countries (49 per cent) reported that they had received other support related to development cooperation.

Most capacity support was targeted at national ministries responsible for coordinating development cooperation. This is consistent with the nature of the capacity support provided,

namely, developing the policies, frameworks and systems for managing international development cooperation.

Previous DCF survey studies raised concern about the limited targeting of subnational (local and regional) government bodies, as they play an important role in the 2030 Agenda, not only as implementers, but also as policymakers in their own right. There has been some improvement in 2021/2022: 57 per cent of countries reported that local government received major/moderate support compared to 32 per cent of countries in 2019/2020.

National NGOs/CSOs also received greater attention in strengthening their capacities compared to previous years. Among the 2021/2022 survey respondents, 59 per cent indicated that national NGOs/CSOs received major/moderate support compared to 36 per cent in 2019/2020.

Participants in the study identified the need for further support to strengthen capacities to better

Priority areas for capacity support.



equip them in responding effectively to large-scale, complex challenges. They identified support for strengthening capacities in data systems, monitoring and evaluation, coordination of development cooperation, and finance and negotiation. Participants emphasized the need to build on existing capacities through targeted, high-quality training programmes as well as access to the most current knowledge, data and tools.

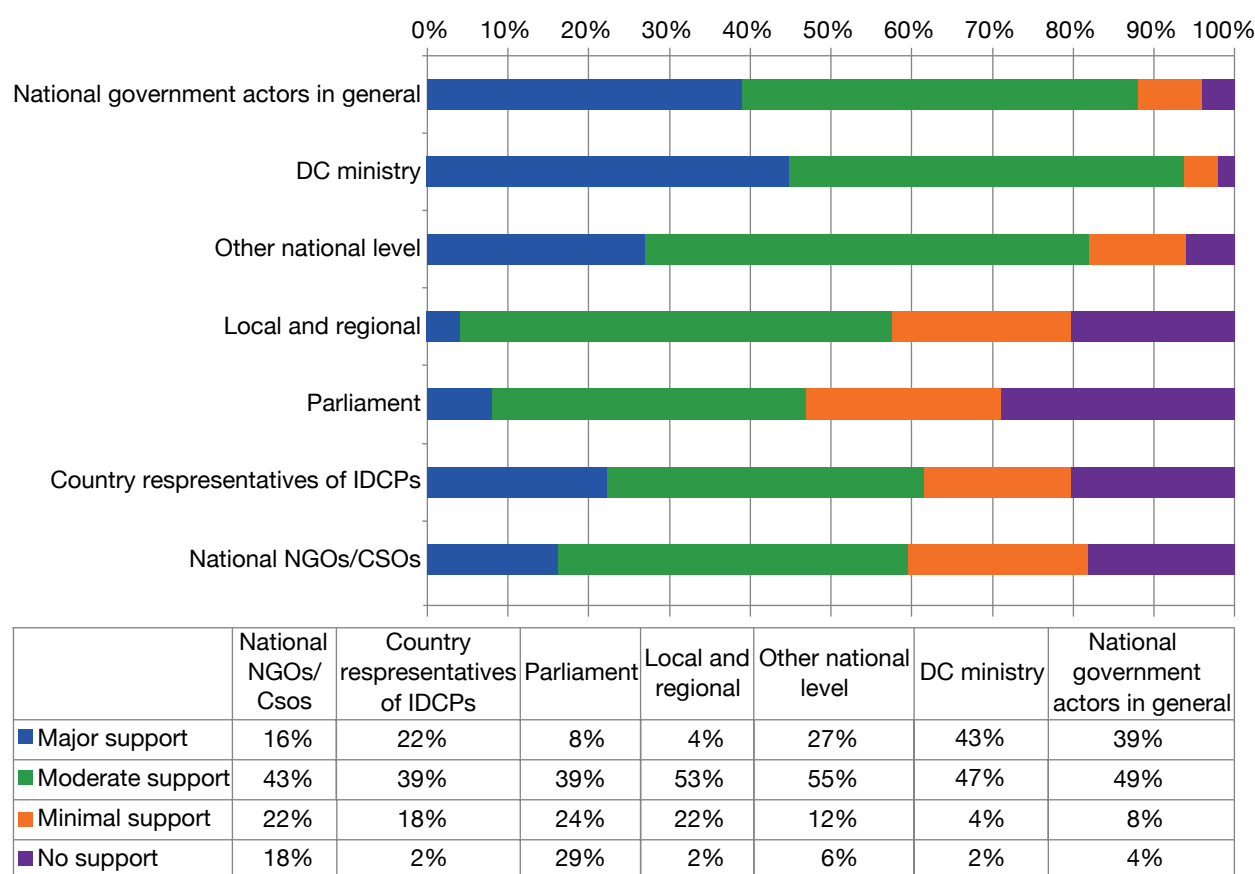
Data and monitoring and evaluation systems

COVID-19 has demonstrated the necessity for strong national statistical and monitoring and evaluation systems. Participants in the DCF survey and interviews, as well as participants in the DCF regional consultations¹¹ identified the need to strengthen data systems and data analytical capacities for development cooperation. While participant countries called for access to data generation tools and technology, they stressed the necessity for these to be accompanied by the strengthening of capacities at national and local levels to use these tools effectively. Obtaining accurate and timely information from line ministries and local level gov-

ernments is a challenge for ministries responsible for the coordination of development cooperation, and so capacities of line ministries and local governments to generate quality data need to be strengthened. Participants also identified the need to strengthen capacities of development cooperation coordination units to analyse data and ably communicate the implications to policy-makers, development cooperation partners and other stakeholders. They also emphasised that such support measures should be complemented by improvements in policy and practice by development partners on the provision of timely and complete data, and the use of DCIS.

Support to strengthen monitoring and evaluation of development cooperation was the most frequently identified need expressed by survey participants. The overwhelming majority of participant countries with NDCPs (85 per cent) have not yet evaluated the effectiveness of their NDCPs or the contribution of the totality of development cooperation towards progress on the SDGs. There are several global and regional institutions, including United Nations entities and voluntary professional organizations that support the

Figure 19: Development cooperation actors receiving capacity support



n=49

development of national monitoring and evaluation capacities. The gaps in data also pose a challenge to evaluating development cooperation.

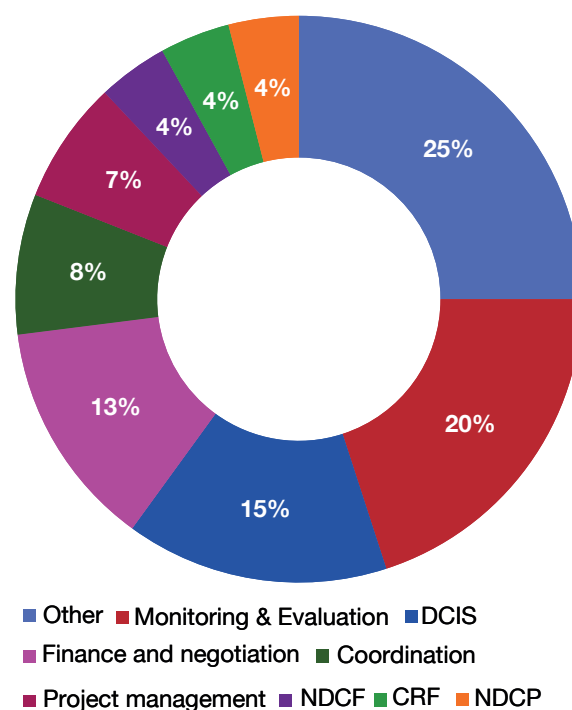
Capacities to negotiate with existing and prospective development partners, including to enhance access to finance

Participants interviewed recalled the immense pressure they experienced in the first year of the COVID-19 pandemic to quickly mobilise resources, and in instances found themselves at a disadvantage in negotiations. Mindful of the enormity and complexity of challenges in navigating the recovery from COVID-19 and the need to build resilience to future shocks and crises, participants expressed the need for support in accessing finance on terms that are beneficial to the country. This includes support to negotiate increased grants and more favourable terms and conditions for loans with existing and prospective development partners. They also expressed the need for support in identifying and using more innovative financing mechanisms.

Capacities for coordination of development cooperation

National coordinating ministries are central to effective development cooperation. They need to have clear mandates that are understood and respected by all development actors and stakeholders, as well as suitably skilled and resourced staff to carry out the coordination function. The 2021/2022 DCF survey results show that national coordination ministries in the majority of countries received substantial support to strengthen their capacities. The survey also found that these coordination ministries still require support to coordinate development cooperation and for strengthening the functioning of NDCFs.

Figure 20: Capacity support needs identified by survey respondents



n=92 (Respondents could select more than one option)

This need for support to strengthen coordination was also expressed in interviews of participant countries. For them, the coordination of development cooperation in the COVID-19 era has become increasingly challenging – coordinating development cooperation from new sources and new partners, tracking redirected resources, and engaging line ministries online during protracted lockdowns made more difficult by the lack of adequate ICT infrastructure. In fact, survey respondents specifically identified the need for capacity support in strengthening coordination mechanisms for development cooperation, for instance, among policies, actors and activities.



5.0 Addressing risks and uncertainties through more agile, reliable and risk-informed development cooperation

The interviews with survey participants revealed a pervasive sense of uncertainty about addressing evolving medium and long-term risks (some of which had been exacerbated by the pandemic) and the support of development partners to do so.

The case for risk-informed development cooperation has been strengthened as a result of COVID-19, but uncertainty about development cooperation flows remain. Interviews revealed that while some countries still required assistance for COVID-19-related programmes, some development partners considered COVID-19 to be “over”, raising uncertainty about whether needed development cooperation resources for recovery would be forthcoming. Further concerns were raised about whether some countries will receive development cooperation resources for important projects that had been deferred as a result of redirecting resources to COVID-19 recovery. These concerns are not unfounded, as current volumes of ODA are insufficient to address the impacts of COVID-19.¹²

Interviewees noted that the pandemic underscored the human and financial costs of under-investment in national and local capacities to reduce and manage risks and build resilience, as well as the need for a long-term outlook for risk-informed development cooperation. Economic and social recovery from the COVID-19 pandemic requires a long-term view, and countries will need to revise their plans and secure finance accordingly. These long-term plans are critical for countries to address the systemic challenges that hinder development pre- and post-COVID-19. Uncertainty about future development cooperation flows creates a challenge for long-term planning of developing countries. Developing countries should be supported to access affordable finance to address the social and economic infrastructure backlogs that have been worsened by the redirection of resources to fight the COVID-19 pandemic.

Developing countries require a major scaling up of development cooperation resources and improvement in the quality of development cooperation.

From the perspective of the countries that participated in the 2021/2022 DCF survey, there is a need for more grant finance, better terms for concessional finance, and more timely development finance. Increasing the proportion of unearmarked grant funding can give developing countries greater flexibility in developing programmes that respond to urgent national priorities. Multiyear funding provides predictability and can assist developing countries in moving away from short-term projects to medium-term programmatic approaches that offer better prospects for the sustainability of development results. Developing countries need access to better loan conditions and innovative finance mechanisms. Alignment of development cooperation resources with developing country priorities remains imperative. Developing countries should be supported to strengthen the enablers of effective development cooperation for more effective coordination, data generation and analysis, monitoring and evaluation.

Interviewed countries underscored the need for a new generation of NDCPs that are risk-informed and agile enough to respond to uncertainties. The COVID-19 pandemic, and more recently the war in Ukraine, have demonstrated the importance of having in place an NDCP that reflects a comprehensive assessment of known risks while building in sufficient flexibility and agility to be able to swiftly respond to potential future crises and emergencies. Such risk assessments should be reviewed and revised on a regular basis. Additionally, more specific attention should be placed on how NDCPs are being operationalized, with mutual understanding between government actors and development partners about the assumptions or conditions that must be in place to achieve the goals and targets of the NDCPs. The identification of assumptions can also serve as part of the risk analysis and planning.



Climate change remains a significant risk for survey participants, requiring medium-to- long-term planning and predictable adaptation financing from development partners. The 2021 Adaptation Gap Report notes that climate change adaptation is increasingly embedded in national policies and planning, showing positive trends in terms of the adequacy and effectiveness of planning, but implementation is slow and needs to be more ambitious in scale.¹³ At the same time, adaptation initiatives tend to be fragmented, small-scale, incremental, focused on current impact or near-term risks to the detriment of medium and longer-term issues.¹⁴ Interviewed countries noted that although climate change was firmly on their agenda, it was challenging to give the requisite attention to climate change adaptation while responding to the urgency of the pandemic. Medium to long term predictability of climate finance would assist during times of crises to ensure that climate priorities can remain on the table while addressing short-term emergencies. Small numbers of trained staff were cited as a challenge, raising the issue of development cooperation to support human resources in developing countries.

The enablers of effective development cooperation can further support the achievement of national climate priorities. Developing countries should ensure that their NDCPs adequately integrate climate change policies (Nationally Determined Contributions) and national disaster risk reduction plans. This integration includes the identification of specific development cooperation targets for climate change adaptation and disaster risk reduction into NDCPs. Particular attention should also be placed on strengthening systems for monitoring climate finance flows, including through CRFs and DCIS, and spending to enable informed planning and effective implementation, to ensure that climate finance is fully aligned to national priorities for climate change adaptation.

Risk-informed development cooperation can support developing countries to address the looming food crises by investing in food systems to encourage local food production and ensuring that investments are made in climate adaptation. It is projected that 660 million people will still face hunger in 2030, in part due to the lasting impacts of the COVID-19 pandemic.¹⁵ SIDS, which rely on food imports are extremely vulnerable to disruptions in supply chains.

As one SIDS country commented, a major lesson from the COVID-19 pandemic was how the country's food security was placed at risk and the need to encourage local food production to reduce reliance on food imports. However, local food production is closely linked to climate adaptation, necessitating integration of these issues into NDCPs to ensure that climate finance is aligned to national priorities for food security and climate change adaptation. Food security challenges will only become more complex. The war in Ukraine has serious implications for food security globally and countries that are net importers of fertilisers and food (wheat) from the region will be impacted. Many of these countries are classified as LDCs or Low-Income Food Deficit Countries and will need to look for alternative sources of supply.¹⁶ Interviewed countries anticipated that the most severe impacts would be felt in the coming months.

Development partners should respond to the needs of developing countries to narrow the digital divide and expand access of developing countries to digital infrastructure and technology. One country interviewed received assistance from a development cooperation partner to install ICT equipment to enable the ministry to continue its work online during the pandemic. This was the exception and not the rule.

Prior surveys have noted that the lack of good ICT was one of the main barriers that countries faced in managing development cooperation, and specifically, having an efficient and effective DCIS. Technology transfer and capacity building should be scaled up to best support developing countries to participate in an increasingly digital economy, while also enabling them to strengthen country data collection and systems. South-South Cooperation could play a significant role through enhanced technology transfer and technical cooperation.

Development partners can better support developing countries to build effective social protection systems to recover sustainably from the impacts of the COVID-19 pandemic, respond more effectively to future shocks, and build resilient societies. One of the issues emerging from the interviews of developing countries is the importance of social protection in their response to the COVID-19 pandemic. Countries intensified existing social protection measures, and in some instances introduced new social protection measures including the expansion of food distribution programmes, cash transfers, and establishment of solidarity funds for the recently unemployed. However, the pandemic also put a spotlight on the gaps in countries' social protection systems (e.g. in their coverage





of the most vulnerable; weak legislative and policy frameworks; and insufficient institutional and human resource capacities). The challenge for governments, then, is how they will fund the continuation of social protection measures introduced in response to the COVID-19 pandemic while also responding to the identified gaps. As part of developing risk-informed and agile NDCPs, developing countries should ensure that their NDCPs address the role of development cooperation in the financial sustainability of social protection. Developing countries should also use their NDCFs to strengthen the partnerships they developed during COVID-19 and align development cooperation with national social protection priorities.

The expertise of young people in development cooperation, as development actors, needs greater attention. One of the key risks mentioned by countries in the interviews is the rise of youth unemployment as a result of the economic downturn in their countries. According to the ILO, globally 22.5 per cent of young people were classified as NEET (not in employment, education or training) in 2021.¹⁷ Most countries with a NEET rate of 30 per cent or more are found in the Africa region.¹⁹ Young females are more likely to have

a NEET status than their male counterparts, worsening existing gender inequalities. Youth need to be engaged as a constituency in their own right. They have the potential to be effective change agents for climate action, entrepreneurs and drivers of innovation. They are also critical actors in conflict prevention and peace building at the local level. More can be done across the enablers of effective development cooperation to integrate youth expertise including engaging youth organizations in the development and review of NDCPs, developing measurable youth targets in NDCPs, ensuring that the DCIS tracks youth indicators, engaging youth organizations in NDCFs and prioritizing youth-focused capacity development activities.

Development partners can better support civil society organisations, especially those in developing countries, to strengthen their institutional capacities to respond effectively to current challenges and future crises. COVID-19 has clearly demonstrated that governments alone cannot address the enormous challenges in recovering from the pandemic and need the support of resilient civil society organisations to address these challenges and emerging risks.²⁰ While they have been innovative and agile during the pan-

demic, civil society organisations were also impacted negatively by the pandemic, e.g. by loss of staff and reduced funding streams. Development partners can better support civil society organisations by scaling up financial support for strengthening their functioning as independent organisations, and not solely implementers of programmes.²¹ Development partners should also consider more flexible modalities to enable civil society organisations to respond rapidly in times of crisis. COVID-19 has shown that civil society organi-

sations in developing countries, including less formal community-based organisations, were essential in the frontline response to the pandemic. However, civil society organisations in developing countries receive a significantly smaller share of ODA compared to international civil society organisations and those based in DAC countries.²² Development partners should address regulatory and other barriers to scaling up funding to civil society organisations in developing countries.





6.0 Conclusion

Development cooperation and its enablers have played a critical role in the responses of developing countries to the pandemic.

Development cooperation and the key enablers of effective development cooperation have played a critical role in the responses of developing countries to the pandemic. The increased scale and scope of development cooperation and the flexibility of development partners in the redirection of resources enabled countries to mitigate the impacts of the pandemic to varying degrees. While development cooperation remains crucial to recovery efforts, concerns remain as to whether its quantity and quality are sufficient to address the impacts of the pandemic and other risks.

The enablers have demonstrated their relevance for effective development cooperation but need to be strengthened. Countries used the enablers of development cooperation to mobilize resources, leverage existing partnerships and develop new partnerships to respond to COVID-19. The pandemic also highlighted gaps or shortcomings in these enablers, which must urgently be addressed to ensure these national tools

and systems are agile and responsive to the changing risk landscape.

The continued presence of COVID-19 and emerging risks and uncertainties present a major challenge to countries in moving from the crisis mode that characterised pandemic response, to more risk-informed development cooperation aligned with long-term sustainable development. Despite the best efforts of developing countries and their partners, the pandemic has undoubtedly set back many countries in their progress on achieving the SDGs. There is significant global uncertainty about the future trajectory of the pandemic and the resulting economic and social fallout. This uncertainty is compounded by the war in Ukraine that has sparked, among other things, spiralling increases in fuel and food prices. Risks are becoming increasingly complex and compounded, and difficult to manage. This requires all development cooperation actors to adopt risk-informed development cooperation in all its forms to support developing countries to manage and reduce risks in the immediate term and build resilience for the future.



Annex: Details of the 2021/2022 DCF Survey

The 2021/2022 DCF survey was launched at the end of September 2021. The questionnaire was available online through Survey Monkey. Developing countries were invited to participate in the online survey over a four-month period. As in previous years, the DCF survey was available in English, French and Spanish and for the first time informally translated to Russian. Countries also received hard copies of the questionnaire to use in preparation for the online submission.

Countries participating in the survey were guaranteed anonymity and confidentiality of their responses to encourage countries' robust self-assessment. Participating countries were also encouraged to consult international development cooperation partners as well as domestic actors and stakeholders when completing the survey. Two-thirds of the questionnaire used closed questions requiring yes or no responses, rating scales and multiple-choice questions. The open-ended questions were designed for respondents to elaborate on their responses.

Except for the new module on the COVID-19 pandemic, the 2021/2022 survey covered the same areas as the 2019/2020 survey. The new COVID-19 module included questions on the impact of COVID-19 on development cooperation, the extent to which countries redirected development cooperation to respond to COVID-19, and the extent to which countries were factoring in systemic risks to progress on sustainable

development. The module was designed to respond to the changing development landscape and priorities identified by Member States in 2021 DCF policy dialogue.

Among the 53 survey participants, twenty-one countries (25 per cent) are classified as Small Island Developing States. Using the World Bank classification of countries by income, 10 countries (19 per cent) are Low-Income Countries (LICs), 16 countries (30 per cent) are Lower Middle-Income Countries (LMICs), 24 countries (45 per cent) are Upper Middle-Income Countries (UMICs) and three countries (6 per cent) are classified as High-Income Countries (HICs).

The profile of participating countries is broadly similar to the profile of countries in the 2019/2020 DCF survey, though there is a slightly higher percentage of middle-income countries and a lower percentage of high-income countries that participated in the current survey.

Although African countries are the largest regional grouping participating in the 2021/2022 DCF survey, they constitute a much smaller percentage (41 per cent) than in previous years, declining from 57 per cent in 2015/2016. In contrast, representation from the Latin America and Caribbean region continues to increase. A total of 31 countries (59 per cent) in the 2021/2022 DCF survey had participated in the 2019/2020 DCF survey.

Semi-structured interviews

In addition to the survey, 18 countries were interviewed to explore areas of the survey in more detail. These interviews were voluntary, and countries were

Table 4: Classification of participant countries

Classification	LDC	SIDS	HIC	UMIC	LMIC	LIC
2019/2020 (n=55)	38%	22%	11%	38%	29%	22%
2021/2022 (n=53)	40%	24%	4%	43%	33%	20%

Table 5: Participation by region by years

Region	2015/2016	2017/2018	2019/2020	2021/2022
Africa	57%	43%	42%	41%
Asia-Pacific	29%	29%	22%	20%
Eastern Europe/Europe	7%	9%	9%	6%
Latin America and the Caribbean	7%	19%	27%	33%

only approached for interviews if they gave consent in the survey. Countries from all regions were included in the interview sample. The interviews were conducted in the language of choice of participants (English, French and Spanish). The interviews were semi-structured and covered topics pertaining to the impact of the COVID-19 pandemic on development cooperation and issues of risk, exploring how key enablers were deployed in the response and recovery from the COVID-19 pandemic, and use of development cooperation modalities such as South-South and Triangular Cooperation.

A note on interpreting the survey results

Countries participating in the DCF survey are encouraged to consult stakeholders when conducting the self-assessment, and 17 countries (35 per cent) did so, mainly consulting domestic/national government partners. The survey responses therefore reflect predominantly government views on development cooperation. It should also be borne in mind that the DCF survey represents the status of key enablers at the time of the survey, and circumstances in some countries may have changed since then.

End Notes

1. United Nations, *Addis Ababa Action Agenda of the Third International Conference on Financing for Development*, Addis Ababa, Ethiopia, 13-16 July 2015.
2. UNDESA, *What is Development Cooperation?*, 2016 DCF Policy Brief, New York, 2015.
3. UNDESA, *Mutual Accountability: A Guidance Note for national policy-makers and practitioners*. New York, 2014.
4. UNDP has published a series of socio-economic impact assessment reports. These assessments were conducted by United Nations Country Teams in collaboration with UN Regional Economic Commissions and IFIs.
5. OECD. *ODA levels in 2021- preliminary data, detailed summary notes*, OECD Publishing, Paris.
6. Ibid.
7. United Nations, *2022 Financing for Sustainable Development Report*, New York, 2022.
8. Additional collected data not reflected in the study is used for preparation of country profiles and other policy and analytical work conducted by DESA.
9. 2017/2018 DCF survey: 49 per cent of NDCPs included private finance; 2019/2020: 58 per cent of NDCPs included private finance.
10. United Nations, *Addis Ababa Action Agenda of the Third International Conference on Financing for Development*, Addis Ababa, Ethiopia, 13-16 July 2015.
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17. ILO, *Global Trends for Youth 2020: Technology and the future of jobs*, 2020.
18. ILO, *Youth Labour Estimates*, January 2022.
19. CIVICUS Global Alliance. *Solidarity in the time of COVID-19: Civil society responses to the pandemic*, 2020.
20. OECD, *Development Assistance Committee Members and Civil Society*, The Development Dimension, 2020, OECD Publishing, Paris. OECD statistics report that in 2019, of the USD 21 billion ODA for civil society, USD 18 billion was through CSOs for project/programme implementation, while USD 3 million was to CSOs.
21. Ibid. In 2019, civil society organizations based in developing countries received the smallest share of ODA to CSOs (6.1 per cent) compared to international CSOs (27.5 per cent) and CSOs based in the country providing ODA (65.7 per cent). This pattern of distribution has remained relatively constant since 2009.

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