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Summary of the eighth high-level meeting of the Development Cooperation Forum

Note by the Secretariat

In accordance with General Assembly resolutions 67/290, and 70/299, the President of the Economic and Social Council has prepared the enclosed summary of the eighth high-level meeting of the Development Cooperation Forum for submission to the high-level political forum on sustainable development, convened under the auspices of the Council. The summary is also intended to inform and strengthen the financing for development follow-up process, as mandated by the Assembly in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development. The high-level meeting of the DCF was convened at United Nations Headquarters on 14 and 15 March 2023, entailing focused discussions based on the trends, progress and challenges identified in the report of the Secretary-General on trends and progress in international development cooperation (E/2023/48). The summary presents the messages and recommendations from the meeting. On the basis of the strong engagement by high-level policymakers and practitioners from all regions and diverse areas of action, it is recommended in the summary that the 2023 high-level political forum should take forward the key messages and policy recommendations made by the Development Cooperation Forum in five areas: a) Address vulnerability in its multiple dimensions through more risk-informed development cooperation; (b) Scale-up development cooperation for climate resilience; (c) Strengthen development cooperation to boost social protection to reduce risk and vulnerability; (d) Enhance capacities to overcome the digital divide; and (e) Shift the development cooperation paradigm to better respond to the trends and challenges in the sprint to achieve the 2030 Agenda for Sustainable Development.

I. Introduction

1. The Development Cooperation Forum (DCF) plays a critical role in adapting international development cooperation to the new and changing global environment and evolving country needs and priorities. Originating from the 2005 World Summit and reinforced by the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda, and, most recently, the 2022 Doha Programme of Action for the Least Developed Countries for the Decade 2022-2031 (DPoA), the DCF has a distinctive mandate: It serves to enhance coherence, effectiveness, and coordination across the wide range of diverse actors and activities in development cooperation, in all its forms – financing, capacity support, collective action for policy change, and multi-stakeholder partnerships.

2. The 2023 DCF emphasized the human dimension of development cooperation, with a focus on the experiences of people that development cooperation policies and practices are meant to serve, especially the most vulnerable. It put in place a firm foundation for collective policy actions in 2023 at the ECOSOC Forum on Financing for Development Follow-up and the High-level Political Forum (HLPF), as well as the SDG Summit and the High-level Dialogue on Financing for Development under the auspices of the General Assembly. Discussions also built on the outcomes of LDC-V and the DPoA, which acknowledges the role of the DCF in conducting regular reviews of trends and progress in international development cooperation.

3. Developing countries and their partners called for a paradigm shift in international development cooperation that is better aligned with current challenges and opportunities. There was a convergence of views that development cooperation is currently not fit for purpose and must evolve rapidly to rescue the SDGs, by better responding to current global crises, while putting a laser focus on challenges of the most vulnerable. Risk-informed development cooperation is seen as a more suitable and strategic approach in the current context, with broad support across constituencies. Enhanced coordination among development cooperation actors was also called for, especially in the context of increasingly complex crises that demand more coherent efforts among development partners. The United Nations Secretary-General's SDG Stimulus to Deliver. Agenda 2030 was highlighted as an opportunity to take immediate action, especially in: (i) tackling the high cost of debt and rising risks of debt distress; (ii) massively scaling up affordable long-term financing for development; and (iii) expanding contingency financing to countries in need. Member States and other stakeholders called for expanded and deepened discussions to forge consensus and momentum on the essential components of the needed paradigm shift. Strengthening and fully utilizing the DCF and its follow-up process, including related policy dialogue, research and analysis, and capacity development, was highlighted as an inclusive space to do so.

4. The present summary outlines the key messages and policy recommendations of the Development Cooperation Forum in five areas: a) Address vulnerability in its multiple dimensions through more risk-informed development cooperation; (b) Scale-up development cooperation for climate resilience; (c) Strengthen development cooperation to boost social protection to reduce risk and vulnerability; (d) Enhance capacities to overcome the digital divide; and (e) Shift the development cooperation paradigm to better respond to the trends and challenges in the sprint to achieve the 2030 Agenda.

II. Address vulnerability in its multiple dimensions through development cooperation

5. International development cooperation can help developing countries navigate the current global context, which is characterized by interconnected and converging crises such as epidemics, food and fuel price shocks, financial volatility and climate change that interact and reinforce one another. Such crises expose and exacerbate specific systemic vulnerabilities of and structural gaps faced by countries, especially those that are already constrained by resource and capacity gaps as well as historical marginalization from development progress. Development cooperation actors increasingly must focus their efforts on the disproportionate impact of crises and shocks on the most vulnerable countries and people, to leave no one behind in accelerated pursuit of the Addis Ababa Action Agenda, 2030 Agenda for Sustainable Development, Sendai Framework on Disaster Risk Reduction and the Paris Agreement on Climate Change.

6. More risk-informed development cooperation helps target vulnerabilities and build resilience across multiple dimensions, in line with the vision of the global sustainable development agenda. Risk results from the interaction of vulnerability, exposure, and hazard. Risk-informed development cooperation must thus begin with an assessment of potential hazards and their impact on national sustainable development priorities. It then identifies existing exposure and capacities to adapt to these hazards. High exposure and/or low adaptive capacities translate into significant vulnerabilities to potentially adverse events. Where vulnerabilities are high and adverse events are all but certain to occur, such as harmful weather patterns owing to climate change, risk is especially high. Risk-informed development cooperation, financial and non-financial, should therefore help reduce and mitigate those risks by increasing adaptive capacities, limiting exposure and, where possible, helping to reduce the likelihood of adverse events occurring.

7. Risk-informed development cooperation is crucial as it supports developing countries in addressing structural weaknesses specific to their domestic economic, social and environmental contexts to build resilience to future challenges. Such cooperation should also be directed towards the poorest, most vulnerable people historically excluded from economic and social opportunities. More risk-informed development cooperation in support of vulnerable countries and groups requires a shift in allocation of financial and non-financial resources – including concessional financing, technical assistance, capacity-building, technology transfer and skills-sharing, among others - towards resilience-building measures for the most vulnerable. Another important component of risk-informed development cooperation is predictability and reliability of resources, as sudden sectoral shifts in aid allocation can undermine long-term planning needed for resilience-building measures.

8. Development cooperation actors should strengthen access to reliable, predictable concessional finance in support of developing countries' long-term resilience and their ability to buffer exogenous shocks. This is especially important for countries facing structural vulnerabilities in economic and environmental dimensions. Official development assistance (ODA) is the most stable source of external financing when developing countries face crises, so it has a distinctive function in addressing vulnerability, and its particular strengths have been recognized in the 2030 and Addis Agendas, as well as the Paris Agreement. ODA and other financial forms of development cooperation, including blended and innovative forms of development financing stemming from the global South, must be aligned with developing countries' specific priorities and contexts. Special attention must be paid to financial assistance that does not exacerbate the heavy debt burdens already held by many developing countries.

9. Philanthropies have a pivotal role to play as development cooperation partners in pursuit of the SDGs and can help to target specific risks and vulnerabilities. In terms of volume, a few global philanthropies spend on par with the largest donors in certain sectors (e.g., health, education). Beyond the quantity of resources, some special characteristics of philanthropic resources as a complement to other sources of development finance are their ability to support innovation and take more calculated risks on new ideas and solutions in support of sustainable development; the degree of relative independence and streamlined planning and decision-making within organizations; and the potential to partner closely with community-based organizations and movements as civil society peers. The philanthropic sector is developing new platforms for collaboration, responding to the gaps in the international financial architecture.

10. Least developed countries (LDCs), landlocked developing countries (LLDCs) and small island developing States (SIDS) each face certain shared vulnerabilities and are often on the frontlines of many global crises, despite not having been key contributors to them (e.g., climate change, the 2008-09 global financial crisis). Their specific, systemic vulnerabilities, therefore, require much stronger focus of development cooperation partners. Participants noted that that, despite record overall increase in ODA mostly due to the war in Ukraine, bilateral ODA to LDCs and Africa declined significantly in 2022. This underlines the timeliness and urgency of focusing on vulnerable countries. Enhanced access to reliable, predictable concessional finance would support developing countries' long-term resilience and help them buffer exogenous shocks. These countries could also benefit from strengthened South-South and triangular cooperation.

11. Middle-income countries (MICs) with high levels of vulnerability – including many small island developing States – pointed out that GNI per capita as a measure for development support, including concessional finance, fails to consider the impact of shocks on their economies and societies. Data indicators that go beyond gross domestic product (GDP) could help to better inform policymaking and align development cooperation with sustainable development needs. The majority of the world's poor people live in middle-income countries, where the incidence of poverty can be quite high; further, structural factors and middle-income "trap"-related challenges underline the importance of support for MICs in times of crisis and to mitigate and manage risks of such crisis. Much of the pandemic-related assistance to MICs was provided in the form of loans, which may prove challenging for climate- and debt-vulnerable countries.

12. At the same time, many MICs are building their own international development cooperation institutions and infrastructure for working with other developing country partners, with distinctive lessons from these initiatives and their experience in varied roles within development cooperation partnerships. Participants highlighted that these country and regional efforts could be further bolstered by increasing access to concessional finance and technical assistance through a reformed international financial architecture.

13. Considering vulnerability as an additional criterion for enhanced access to development cooperation, as well as in guiding allocation, could contribute to the equity and effectiveness of development cooperation. Strengthened political consensus and support for an agreed multidimensional vulnerability index (MVI), as initially proposed by the Samoa Pathway and in line with the ongoing work of the High-level Panel on the MVI, could become a complementary criterion to income per capita. Such an index would thus contribute to development cooperation that is better attuned to multidimensional vulnerabilities. Use of an internationally agreed index would also provide an opportunity for countries to better communicate their vulnerabilities using standardized metrics, although concerns remain about the availability of supporting data and the inherent challenge of indexing diverse data and metrics.

14. Revamping development cooperation for greater effectiveness in the face of current challenges should start with developing countries' identified priorities – as well as risks and vulnerabilities – as articulated in national development plans and strategies and existing capacities and institutions. This more risk-informed, effective development cooperation can be enabled by developing countries designing and implementing development cooperation policies and tools (e.g., national development cooperation policies, country results frameworks, development cooperation data and information systems and national multi-stakeholder and partnership fora). Integrated national financing frameworks (INFFs) and national investment strategies can also play an important role in linking development cooperation resources to overall financing needs.

15. To fully account for specific needs and priorities of diverse vulnerable groups, development cooperation should reflect the full, equal and meaningful participation of multiple stakeholders. In so doing, developing countries and their development partners can more fully harness the potential of a whole-of-society approach by enhancing the inputs, participation and implementation of, among others, women, youth, indigenous peoples, persons living with disabilities, as well as representatives from civil society, academia and research and the private sector. Their meaningful inclusion in development processes can also strengthen data and information about groups that are marginalized from policy- and decision-making.

16. Gender inequality and the lack of full and meaningful inclusion of women in development cooperation planning and implementation are driving ineffective and unsustainable development outcomes. Women are usually among the most vulnerable to and severely affected by economic and environmental shocks and yet are often first responders when a disaster strikes. Development cooperation must be better targeted to better support women and girls by closing gender gaps; removing existing structural barriers; and strengthening women's access to education, knowledge, universal social protection, finance, technology, mobility and other assets.

III. Scale up effective development cooperation for climate resilience

17. Development cooperation for climate resilience is not keeping pace with growing needs. The huge insufficiency in financing for climate mitigation and adaptation, along with the current geographically unbalanced climate financing, calls for an increase of improved financing for climate resilience which could yield four times of its investment and generate further side benefits.[1] Over the past decade, climate change has cost the world more than $1.3 trillion due to direct damages, and this number is expected to further increase over the next 20 years.[2]

18. Imbalances in the provision of climate finance are creating challenges for developing countries in navigating the climate crisis. Discussions highlighted that most of the current climate finance was characterized by being "domestically raised and spent" and, across the globe, climate financing was unevenly distributed between regions and sectors. Over 75% of global climate finance flows were raised and spent domestically in advanced economies, presenting a challenge for developing economies that had limited access to finance.[3] Geographically, while East Asia and the Pacific, Western Europe and North America received 75% of the total financing, regions contributing the least to greenhouse gas

[1] World Bank, "$4.2 Trillion Can Be Saved by Investing in More Resilient Infrastructure, New World Bank Report Finds", 19 June 2019.
[2] IMF, "Equity Investors Must Pay More Attention to Climate Change Physical Risk", 29 May 2020.
[3] Climate Policy Initiative, *Global Landscape of Climate Finance 2021,* December 2021.

emissions were most vulnerable to climate change, such as Africa, received less than 5% of climate finance. Moreover, globally, investments in adaptation and resilience were well below that for mitigation.[4]

19. Climate finance commitments must be met, scaled up and more effectively channeled in line with country needs. Goals for climate finance and climate adaptation in particular have been established during the COP, however, such goals remain to be met. More effective innovative approaches are needed with practical steps that can be taken by countries and multilateral financial institutions alike to improve access to concessional finance for countries most vulnerable to climate change. The Bridgetown Initiative for the Reform of the Global Financial Architecture offers a concrete approach to ensuring that the right type of finance is matched with different portfolios for climate resilience. The Initiative proposes that for mitigation the private sector could be crowded in to fight emissions, while concessional loans could be concentrated on adaptation efforts and grants targeted for loss and damage. The plan also focuses on ensuring that MDBs are doing their part to enhance access to climate finance and accounting for debt distress of countries most vulnerable to climate disasters, including middle income countries. Participants underscored the importance of ensuring that concrete initiatives such as this be considered in conjunction with discussions on reforming the international financial architecture to ensure that they were mutually supportive.

20. Public international finance is central for building climate resilience. Resources from ODA and concessional finance from MDBs are central to long-term climate-focused investments. The short-term profit focus of the private sector is not typically aligned with the long-term perspectives needed for climate adaptation initiatives. While private finance can serve as a complement to public finance, mobilizing new and additional public finance for climate resilience must remain a focus. Close collaboration with MDBs, IFIs, and the private sector is required to maintain commitment to support public climate resources. As an example, to finance country reforms against climate change, the IMF has newly established a Resilience and Sustainability Facility (RSF): this is its first long-term financial instrument with 20 years of maturity and a 10-year grace period with a very low interest rate. The IMF is targeting USD 100 billion of SDR for this facility. Commitments for the facility are currently at USD 40 billion.[5]

21. Conditionalities and categorizations imposed by MDBs and funds remain a significant barrier for developing countries to access needed and available resources for climate resilience. Some participants noted that the governance of IMF and World Bank reflect outdated geopolitics. Decision making was skewed toward developed country preferences, with insufficient space for developing country voices. Some participants underscored that, with conditionalities and criteria being misaligned with the capacities and priorities of developing countries, further burdens were being placed on developing countries to manage and recover from disasters. IMF conditionalities regarding governance posed a significant hurdle. As the World Bank scaled up its finance to climate adaptation, the conditions under which these loans were granted were very hard to meet. At the same time, other participants highlighted that these institutions were created originally to address a very different set of challenges than those faced today and that further discussion was required to reform the international financial architecture to ensure these institutions can be more agile in responding to complex risks.

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[4] Ibid.

[5] IMF, The Resilience and Sustainability Facility (RSF). Available at: https://www.imf.org/en/About/Factsheets/Sheets/2023/Resilience-Sustainability-Facility-RSF .

22. The Loss and Damage Fund is a critical achievement for developing countries. Operationalizing the fund will require deepening trust and solidarity among countries. COP27 underscored the importance of Loss and Damage finance through the establishment of a fund to support recovery from the impacts of climate change and its resulting disasters. The work of the Transitional Committee is underway to structure and operationalize the fund to address the gaps in the current climate finance architecture and ensure that the most vulnerable countries will get timely access to needed resources. Several participants noted that the purpose of the Fund was to generate new resources for Loss and Damage, not repurpose existing funds allocated to adaptation and mitigation needs. Some countries have already committed new resources for Loss and Damage, but as the Fund is operationalized, concerns remain over whether new and additional commitments will be forthcoming.

23. Climate finance must reach the local level to engage all stakeholders and realize the full impact of development cooperation for climate resilience. Much emphasis was placed on the importance of engaging and mobilizing all stakeholders in climate resilience programs to reach the most vulnerable such as women, youth and indigenous peoples. Local governments, civil society and the private sector could help to ensure risk management and that adaptation of climate change is internalized in planning and policy implementation. However, discussions also noted that while, in principle, stakeholder engagement was crucial, in practice, it means that more climate finance must directly reach vulnerable communities. Representatives from indigenous peoples noted an example of donor funding for forest protection that amounted to $1.7 million, of which only 7% of the overall commitment had been directed to indigenous people who had specific knowledge and practices that could support project objectives.[6] Instead, financing had been provided to other organizations who were unaware of the realities of the challenges facing indigenous communities, resulting in programs not suited to the needs of indigenous groups. Consequently, direct financing would be critical, especially for indigenous women and youth, and in line with the principles of financing of indigenous people as established by the forum of indigenous people during the COP27. Transparency of funds deployment and financing mechanisms through in-depth data (including the number of projects led by indigenous people) was also recommended.

24. Investment in climate-resilient infrastructure was highlighted as necessary for building preparedness and disaster recovery. Some participants emphasized that natural disasters cost more than 18 billion USD per year in infrastructure damage in low-income countries.[7] Several participants called for a minimum of 1 trillion USD of investment per year in sustainable infrastructure, including by meeting ODA commitments and redirecting SDRs to offer a lower cost of borrowing for developing countries for long-term infrastructure investment. Some speakers suggested the UN system, including through UN country teams, should offer support to project preparation for sustainable infrastructure investment.

25. Participants emphasized that given the scale of the climate crisis, an apparent inertia in climate finance discussions was a serious concern. They called for renewed enthusiasm and strengthened multilateralism to find innovative climate finance solutions. Effective communication of development cooperation for climate resilience, including through actionable policies, transparent data and forums for discussion, were also highlighted as important ways to open the space to include all stakeholders, generate innovative thinking and gain political support for climate resilience initiatives.

[6] Ford Foundation, Indigenous Peoples and Local Communities Forest Tenure Pledge, November 2022.
[7] World Bank, "$4.2 Trillion Can Be Saved by Investing in More Resilient Infrastructure, New World Bank Report Finds", 19 June 2019.

IV. Strengthen development cooperation to boost social protection to reduce risk and vulnerability

26. Strengthening social protection systems should be a priority for risk-informed development cooperation, given their critical role in helping people cope with uncertainty and crises. Socio-economic vulnerabilities linked to age, gender, residence, ethnicity, disability and citizenship status, can shape an individual's exposure to risk. Universal social protection systems act as automatic stabilizers where these are in place before crises begin. Therefore, robust systems of social protection should provide adequate, comprehensive and gender-responsive protection for all people.

27. With support from development cooperation in its diverse forms, innovations in social protection programmes developed during the pandemic can be sustained, built on and learned from. This is especially important in the face of continued, elevated demand stemming from the cost-of-living crisis in many countries, which has complicated pandemic recovery efforts. Innovations in developing country social protection systems featured remote mechanisms for benefits transfers, increasing use of digitalization, new forms of partnership to deliver services, new forms of protection, such as assistance in support of household energy costs, and updated regulatory frameworks to improve inclusivity (e.g., extension of social protection to informal workers), among others. Many such approaches were boosted by a collaborative, integrative approach (among Government Ministries, public sector institutions, as well as development partners), leveraging available tools and resources to support effective social security systems.

28. Social protection systems require committed financing to be effective, inclusive and resilience-building for beneficiaries. Complementary fiscal and monetary policies are critical to ensure the requisite domestic resources are mobilized to support social protection systems. Countries with multi-dimensional vulnerabilities may face difficulties sustaining adequate social protection systems through domestic finance alone. Further, many developing countries struggle to protect social protection programmes during challenging economic periods, in the face of unexpected shocks, inflation and austerity pressures. Several participants highlighted that retrenching current, essential social spending and delaying investments in people for the future was not only short-sighted and detrimental to people's health and well-being – it would likely exacerbate people's vulnerabilities further and prove more costly in the long run.

29. Developing countries will need international support to strengthen the allocation of resources to essential social spending and social protection systems. The global social protection financing gap has only widened since the COVID-19 pandemic and remains particularly wide in Africa and some Asian countries. Increasing grant-based ODA allocated directly to social protection programmes is one priority. A longer-term objective would be to focus on building more resilient institutions for future crises and corresponding "risk-aware" social protection programmes. These programmes would support just transitions to economies with greater labor formality, sustainability, gender-sensitivity and inclusiveness. Development partners could support developing countries by bolstering national social security funds. They could also promote the implementation of the Global Accelerator on Jobs and Social Protection for Just Transitions at country level. With much of current ODA to social protection flowing through multilateral channels, multilateral organizations, including MDBs, have a critical role to play in addressing the financing gap and supporting longer-term objectives for resilient social protection systems.

30. In support of effective and inclusive social protection systems, developing countries require both financial and technical assistance to develop stronger data and statistical systems and the skills necessary for their administration. Data, information and innovative approaches – including through opportunities provided by digitalization – help to deliver social protection coverage efficiently and effectively. Without access to reliable data on the population's needs and available resources, governments cannot make informed decisions about how best to allocate social protection resources. This can result in inefficiencies and inequalities in coverage, leaving vulnerable populations without the support they need. Digitalization can enable more targeted, transparent, efficient and cost-effective implementation of social protection programmes, with numerous developing countries providing examples of digital innovation in this sector. It can also improve transparency in the distribution of benefits, reducing the likelihood of corruption and fraud.

31. Strengthening social protection systems to withstand current and future crises is complex and requires diverse financial, technical and human resources. Consequently, no country can do this alone and collaboration is fundamental. Multilateral fora, such as the DCF, and development cooperation partnerships are important in advancing dialogue, understanding and the facilitation or allocation of financial resources, technical assistance and capacity-building in this sector. Peer learning and knowledge exchange, especially through South-South and triangular cooperation, as well as "circular" cooperation and learning – have been particularly helpful for developing countries' progress. The role of development cooperation and support from its diverse modalities to strengthening social protection systems would be important inputs for discussions on the renewal of our social contract, adapted to the challenges of this century, and at the proposed World Social Summit in 2025.

V. Strengthen capacities to overcome the digital divide

32. As the digital economy grows, connectivity has become essential. Participants underscored concerns over a lack of connectivity in developing countries which undermines their ability to fully engage in the digital economy. The global Internet user base has surpassed 5.3 billion people[8], and the digital economy now accounts for over 15% of the global GDP[9], serving as a crucial driving force for economic development and industrial innovation worldwide. However, the lack of Internet access persists for nearly 3 billion people, predominantly from developing countries: this magnifies the digital divide and necessitating its prompt bridging to foster integrated economies in developing regions.[10]

33. Development cooperation should support developing countries to expand their access to digital infrastructure and technology. The unprecedented speed and extent of digitalization poses a threat to exacerbating socioeconomic inequalities, as individuals with limited or no access to digital technologies struggle to participate fully in an increasingly digitalized economies and societies. Moreover, the digital divide disproportionately impacts vulnerable populations and exacerbates inequalities, with exclusion from digital economies having significant economic. costs, particularly for women. At the country level, significant digital divides persist across all stages of development, compounded by multiple factors of vulnerability, notably gender, youth, and indigenous populations.

[8] International Telecommunications Union, Statistics, 2022. https://www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx
[9] Wilson Center, "Closing the Digital Divide", 21 April 2023.
[10] World Economic Forum, "Nearly 3 billion people are offline: Here's a step towards bridging the digital divide", 23 May 2022

34. Development cooperation actors must prioritize investment in bridging the digital divide. Research shows that the world only needs around $430 billion to bring those who are left behind to a level of connectivity to boost their digital capacities and agency.[11] Investments are needed to build digital skills for individuals to be active digital citizens, which is defined as those who can use technology safely and for full engagement in digital society. However, the current level of investment falls short of achieving universal connectivity. Therefore, additional support from international financial institutions is needed to leverage resources through public funding for private capital and reduce debt, allowing for the financing of digital energy infrastructure at the national, regional, and continental levels, as well as to support digitization efforts.

35. Technology should be a tool for inclusion, not exclusion. Digital inclusion unlocks numerous development benefits and opportunities, including the creation of new communication channels, digitized access to information, education, and health services, increased productivity, employment opportunities, innovation, and civil participation. Participants emphasized that every country should have the capacity to invest in digital infrastructure and that development cooperation should respond to the existing needs in this area. Specific reference was made to increasing investments in digital infrastructure deployment to facilitate e-governance, commerce, and other service delivery platforms. Additionally, participants noted that the environmental impact of digital transformations must be considered, and measures taken to ensure its sustainability.

36. Digital inclusion should be made safe and secure for all users to protect the most vulnerable. As significant progress is made towards an inclusive, responsible, and sustainable digital transformation, it is imperative that digital inclusion is safe and secure for all users, which may require strengthening of regulations and increasing awareness of online harms. Cybersecurity, cybercrime and security related to critical information infrastructure remained concerns for participants, who encouraged further investment and capacity building in this regard. Some called for a thorough assessment of the wide-ranging impacts of technology on society, environment, and individuals. The ecological and energy implications, as well as resource requirements for Bitcoin mining, supercomputers, AI, and cloud storage, must be taken into account, along with their actual costs to society and the environment. Moreover, many participants saw it as crucial to regulate and restrain the growing power and wealth of big tech and ensure that human rights are respected. Representatives of civil society called for the UN to establish a transparent and participatory member-state-led process to evaluate new technologies and address their adverse consequences on society, the environment, and individuals.

37. Persistent gender gaps in financial and digital technology sectors require urgent action. Women and girls are regularly excluded from the financial and digital technology sectors. It is estimated that excluding women from the digital development agenda has cost $1 trillion in the last decade and this will only increase by 2025 if the current trajectory continues. Investment also includes building digital skills to become active digital citizens to use technology in an active and safe way and engage in digital societies. Digital literacy, including digital financial literacy and safety, is also essential. Therefore, participants urged development cooperation actors to implement measures that increase digital and financial literacy, including numeracy, among marginalized groups.

[11] International Telecommunication Union: Connecting Humanity, August 2020.

38. South-South and Triangular cooperation are central to advancing technology transfer and training for developing countries. Redoubling efforts through development cooperation, including South-South and Triangular Cooperation, is necessary to achieve universal, meaningful, and accessible connectivity with an approach that is sensitive to multiple and intersecting gaps of inequality. South-South cooperation and triangular cooperation can promote technology transfer and investment in human resources which can help bridge the digital divide. Peer learning and knowledge exchange are also imperative, sharing experience and expertise throughout each country's digital development journey. Reinforcement of digital capacities, especially for youth, is also a priority.

39. Digitalization should be an accelerator for the SDGs. Bridging the digital divide must be a priority for the ongoing discussions on a Global Digital Compact for potential agreement at the Summit of the Future in 2024. Participants called for discussions to improve upon existing progress and not spur competition for scarce resources that are indispensable for achieving the SDGs. They called for clear and concrete outcomes which can support countries toward inclusive digital transitions. Several member states and stakeholders called for the establishment of an international mechanism for technology development to ensure that developing countries can also take advantage of the benefits offered by advances in science and technology.

VI. Shift the paradigm to better respond to the trends and challenges in the sprint to 2030

40. Building on Our Common Agenda, the discussions at the 2023 DCF emphasized that we are at an inflection point in history that requires a strengthening and acceleration of high impact and high-quality development cooperation better aligned to current challenged and opportunities. Taking advantage of this inflection point will require renewed solidarity and thinking between peoples, Governments and relevant stakeholders. Several participants from MICs noted that the concept of "circular development cooperation," better reflected their experiences of mutual learning and sharing of expertise between developing and developed countries as they collectively address common challenges for the most vulnerable.

41. The United Nations provides the global platform where challenges to and opportunities in international development cooperation should be discussed and dealt with in a collective manner, with all UN Member States at the table as equal partners joined by relevant stakeholders. The DCF is a space where Member States have agreed to carry out the relevant mandates, and many participants called for the Forum's role to be not only sustained but enhanced. Developed and developing countries from all regions expressed their appreciation of the DCF as an invaluable (non-negotiating) space for inclusive discussions and shaping of norms and policies on high-quality and high-impact development cooperation. The DCF can support the paradigm shift needed in development thinking and progress, linking global policy dialogue and innovative action in development cooperation at all levels. As an inclusive global platform, it will enhance its role in collecting and refining ideas for scaling up high-quality and high-impact development cooperation in support of the most vulnerable countries and peoples toward both short- and long-term objectives. The next round of the DCF survey exercise, conducted by UNDESA as the DCF Secretariat, to begin in the second half of 2023, will help to generate evidence, insights and ideas on making development cooperation more aligned with the needs of the most vulnerable given the current risk landscape and growing demands for resilience-building.

42. Unprecedented levels of finance, both public and private, and other forms of development cooperation are required if developing countries and the global community as a whole are going to successfully navigate the current crises. Yet, elevated debt vulnerabilities and very limited fiscal space put significant constraints on developing countries' ability to invest in sustainable development. The current challenges demand a transformative SDG stimulus package, as recently proposed by UN Secretary-General. The plan calls for a number of achievable actions, including an increase in $500 billion per year to achieve the 2030 Agenda.[12] This would help offset deteriorating financing conditions and allow developing countries to scale up investment in sustainable development. The package addresses both short-term urgencies and long-term sustainable development finance needs, calling for a massive increase in financing for sustainable development, including humanitarian support and climate actions, through concessional and non-concessional funding.

43. The 2023 high-level political forum on sustainable development, convened under the auspices of the Economic and Social Council, should give new momentum to risk-informed development cooperation that helps to strengthen the resilience of the most vulnerable countries and peoples. Development cooperation in all of its forms, both financial and non-financial, needs to be urgently scaled up. Global agreements such as the 2030 and Addis Agendas and Paris Agreement provide a solid foundation for the necessary action but strengthened global solidarity and commitment to building on and reinforcing country systems, policy frameworks and national and local capacities will be critical.

[12] United Nations, "United Nations Secretary-General's SDG Stimulus to Deliver Agenda 2030", February 2023.