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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 present 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 Forum, which was convened at United Nations Headquarters on 14 and 15 March 2023, entailed 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 emanating 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 following 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 for Sustainable Development.

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I. Introduction

1. The Development Cooperation Forum 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 of the Third International Conference on Financing for Development and, most recently, the Doha Programme of Action for the Least Developed Countries for the decade 2022–2031, adopted by the Fifth United Nations Conference on the Least Developed Countries on 17 March 2022, the Forum has a distinctive mandate. Under that mandate, the Forum serves to enhance the coherence, effectiveness and coordination of development cooperation in all its forms – financing, capacity support, collective action for policy change and multi-stakeholder partnerships – and across a wide range of diverse actors and activities.

2. The 2023 Development Cooperation Forum emphasized the human dimension of development cooperation, with a focus on the experiences of the people that development cooperation policies and practices are meant to serve, especially the most vulnerable. The Forum put in place a firm foundation for collective policy actions in 2023 at the Economic and Social Council forum on financing for development follow-up and the high-level political forum on sustainable development, as well as the Sustainable Development Goals Summit and the High-level Dialogue on Financing for Development convened under the auspices of the General Assembly. Discussions also built on the outcomes of the Fifth United Nations Conference on the Least Developed Countries, including the Doha Programme of Action for the Least Developed Countries, in which the role of the Forum in conducting regular reviews of trends and progress in international development cooperation was acknowledged.

3. Developing countries and their partners called for a paradigm shift in international development cooperation to enable a better alignment 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 Sustainable Development Goals by better responding to current global crises, while directing a laser focus on challenges faced by 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 which demand efforts among development partners that are more coherent. The issuance of the "United Nations Secretary-General's SDG Stimulus to Deliver Agenda 2030" was highlighted as offering an opportunity to take immediate action, especially in (a) tackling the high cost of debt and rising risks of debt distress, (b) massively scaling up affordable long-term financing for development and (c) 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. The strengthening and full utilization of the Development Cooperation Forum – together with its follow-up process, including related policy dialogue, research and analysis, and capacity development – as an inclusive space for taking such action were highlighted.

4. The present summary outlines the following 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 for Sustainable Development.

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, including epidemics, food and fuel price shocks, financial volatility and climate change, which 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 must increasingly focus their efforts on the disproportionate impact of crises and shocks on the most vulnerable countries and people, in order to leave no one behind in accelerated pursuit of achieving the goals set out in the Addis Ababa Action Agenda, the 2030 Agenda for Sustainable Development, the Sendai Framework for Disaster Risk Reduction 2015–2030 and the Paris Agreement adopted under the United Nations Framework Convention 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. As risk results from the interaction of vulnerability, exposure and hazard, risk-informed development cooperation must therefore begin with an assessment of potential hazards and their impact on national sustainable development priorities, facilitating identification of existing exposure and capacities to adapt to those hazards. High exposure and/or low adaptive capacities translate into significant vulnerabilities to potentially adverse events. Where vulnerabilities are high and the occurrence of adverse events, such as harmful weather patterns owing to climate change, is all but certain, risk is especially high. Risk-informed development cooperation, both 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 that adverse events will occur.

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 so as to build resilience to future challenges. Such cooperation should also be directed towards the poorest and most vulnerable people who are 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 the long-term planning needed for resilience-building measures.

8. Development cooperation actors should strengthen access to reliable, predictable concessional finance in support of the long-term resilience of developing countries and their ability to buffer exogenous shocks. This is especially important for countries facing structural vulnerabilities in economic and environmental dimensions. As official development assistance (ODA) is the most stable source of external financing for developing countries when they face crises, it has a distinctive function in addressing vulnerability. Indeed, its particular strengths have been

recognized in both the 2030 Agenda for Development and the Addis Ababa Action Agenda, as well as the Paris Agreement. ODA and other financial forms of development cooperation, including blended and innovative forms of development financing emerging 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 borne by many developing countries.

9. Philanthropies have a pivotal role to play as development cooperation partners in the pursuit of the Sustainable Development Goals and can help to target specific risks and vulnerabilities. In terms of volume, the spending of a few global philanthropies is on par with that of the largest donors in certain sectors such as health and education. Some of the special characteristics of philanthropic organizations as a complement to other sources of development finance are, apart from the quantity of their resources, their ability to support innovation and take more calculated risks on behalf of new ideas and solutions in support of sustainable development; the degree of relative independence and streamlined planning and decision-making within those organizations; and their potential for partnering closely with community-based organizations and movements as civil society peers. The philanthropic sector is developing new platforms for collaboration in response to the gaps in the international financial architecture.

10. Least developed countries, landlocked developing countries and small island developing States face certain shared vulnerabilities. They are often on the front lines of many global crises (for example, climate change and the 2008–2009 global financial crisis), despite the fact that they have not been key contributors to those crises. It is therefore required that development cooperation partners focus much more strongly on those countries' specific systemic vulnerabilities. Participants noted that that, despite a record overall increase in ODA due mostly to the war in Ukraine, bilateral ODA to least developed countries and Africa had 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. Those countries could also benefit from strengthened South-South and triangular cooperation.

11. Middle-income countries with high levels of vulnerability, including many small island developing States, pointed out that use of gross national income 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 middle-income countries in times of crisis and in mitigating and managing the risks of such crises. Much of the pandemic-related assistance to middle-income countries was provided in the form of loans, which may prove challenging for climate- and debt-vulnerable countries.

12. At the same time, many middle-income countries are building their own international development cooperation institutions and infrastructure for working with other developing country partners, with distinctive lessons being derived 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. Consideration of 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. The development of a multidimensional vulnerability index, as initially proposed in the SIDS Accelerated Modalities of Action (Samoa) Pathway and in line with the ongoing work of the High-level Panel on the Development of a Multidimensional Vulnerability Index for Small Island Developing States, could result in application of the index by donors as 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 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 through the design and implementation by developing countries of development cooperation policies and tools (for example, national development cooperation policies, country results frameworks, development cooperation data and information systems and national multi-stakeholder and partnership forums). Further, integrated national financing frameworks and national investment strategies can 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. Based on this, developing countries and their development partners can harness more fully the potential of a whole-of-society approach by enhancing the inputs, participation and involvement in implementation of, among others, women, youth, Indigenous Peoples and persons living with disabilities, as well as representatives of civil society, academia and research and the private sector. Their meaningful inclusion in development processes can 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. While women are usually among those most vulnerable to and most severely affected by economic and environmental shocks, they 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 its investment and generate further side benefits.[1] Over the past decade, climate change has cost the world more than $1.3 trillion owing to direct damages, with this figure 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 as being "domestically raised and spent" and that, across the globe, climate financing was unevenly distributed among regions and sectors. Over 75 per cent 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] While, geographically, East Asia and the Pacific, Western Europe and Northern America received 75 per cent of the total financing, the regions that were contributing the least to greenhouse gas emissions yet were most vulnerable to climate change, such as Africa, received less than 5 per cent of climate finance. Moreover, globally, investments in adaptation and resilience were well below investments for mitigation.[4]

19. Climate finance commitments must be met, scaled up and channelled more effectively in line with country needs. Goals for climate finance and climate adaptation in particular have been established during the sessions of the Conference of the Parties to the United Nations Framework Convention on Climate Change; however, such goals remain to be met. More effective innovative approaches are needed, together with practical steps that can be taken by countries and multilateral financial institutions alike to improve access to concessional finance for the 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. Under the initiative, it is proposed that with respect to 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 multilateral development banks are doing their part to enhance access to climate finance and accounting for the debt distress of countries most vulnerable to climate disasters, including middle-income countries. Participants underscored the importance of ensuring that concrete initiatives such as the Bridgetown plan are considered in conjunction with discussions on reforming the international financial architecture to ensure that they are mutually supportive.

20. Public international finance is central for building climate resilience. Resources from ODA and concessional finance from multilateral development banks are central to long-term climate-focused investments. The short-term profit focus of the private sector is typically not 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 multilateral development banks, international financial institutions and the private sector is required to maintain commitment to supporting public climate resources. An example in this regard is the newly created Resilience and Sustainability Facility of the International Monetary Fund (IMF), which has been established to finance country reforms aimed at confronting climate change. The Resilience and Sustainability Facility, which is the

[1] See UNDRR Prevention Web, "$4.2 trillion can be saved by investing in more resilient infrastructure, new World Bank report finds", update, 19 June 2019.
[2] See Felix Suntheim and Jérôme Vandenbussche, "Equity investors must pay more attention to climate change physical risk", IMFBlog (International Monetary Fund, Washington, D.C., 29 May 2020).
[3] See Climate Policy Initiative, "Global Landscape of Climate Finance 2021", December 2021.
[4] Ibid.

first long-term financial instrument produced by IMF, has a 20-year maturity and a 10 l/2-year grace period with a very low interest rate. IMF is targeting 100 billion United States dollars of special drawing rights (SDRs) for this facility. Commitments for the facility are currently at US$ 40 billion.[5]

21. Conditionalities and categorizations imposed by multilateral development banks and funds remain a significant barrier to the accessing by developing countries of needed and available resources for achieving climate resilience. Some participants noted that the governance of IMF and the World Bank reflect outdated geopolitics. Decision-making was skewed towards preferences of developed countries, with insufficient space to accommodate the voices of developing countries. 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 with respect to managing and recovering from disasters. IMF conditionalities regarding governance posed a significant hurdle. As the World Bank scaled up its finance for climate adaptation, the conditions under which loans were granted were very hard to meet. At the same time, other participants highlighted that these institutions had been originally created to address a very different set of challenges than those faced today and that further discussion was required to reform the international financial architecture so to ensure that those institutions can be more agile in responding to complex risks.

22. The loss and damage fund is a critical achievement for developing countries. Operationalizing the fund will require deepening trust and solidarity among countries. The importance of loss and damage finance was underscored at the twenty-seventh session of the Conference of the Parties to the United Nations Framework Convention on Climate Change 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 under way to structure and operationalize the fund so as to address the gaps in the current climate finance architecture and ensure that the most vulnerable countries will secure timely access to needed resources. Several participants noted that the purpose of the fund was to generate new resources for loss and damage, rather than to repurpose existing funds allocated to adaptation and mitigation needs. While some countries have already committed new resources for loss and damage, concerns remain as the fund is operationalized 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 programmes in order 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 ensure that adaptation to climate change is internalized in planning and policy implementation. In discussions, however, it was noted that while, in principle, stakeholder engagement was crucial, in practice, it means that more climate finance must reach vulnerable communities directly. Representatives of Indigenous Peoples offered in this regard the example of donor funding for forest protection. The funding had amounted to $1.7 million, of which only 7 per cent of the overall commitment was directed to Indigenous people. While they had specific knowledge and practices that could support project objectives,[6] financing had been provided instead to organizations that were unaware of the realities of the challenges facing Indigenous communities, resulting in programmes

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

[6] See Forest Tenure Funders Group, *Indigenous Peoples and Local Communities Forest Tenure Pledge*, Annual Report 2021–2022, November 2022.

that were not suited to the needs of Indigenous groups. Direct financing would consequently be critical, especially for Indigenous women and youth, and in line with the principles of financing for Indigenous people as established by the International Indigenous Peoples Forum during the twenty-seventh session of the Conference of the Parties. Transparency of deployment of funds and financing mechanisms through utilization of in-depth data (including on the number of projects led by Indigenous people) was 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 US$ 18 billion per year in infrastructure damage in low-income countries.[7] Several participants called for a minimum of US$ 1 trillion of investment per year in sustainable infrastructure, including through meeting ODA commitments and redirecting SDRs, in order to offer a lower cost of borrowing for developing countries for long-term infrastructure investment. Some speakers suggested the United Nations system, including through the United Nations 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 the context of climate finance discussions was a serious concern. They called for renewed enthusiasm and strengthened multilateralism in the context of finding innovative climate finance solutions. Effective communication regarding development cooperation for climate resilience, including through actionable policies, transparent data and forums for discussion, was highlighted as an important means of opening up space needed to include all stakeholders, generate innovative thinking and gain political support for climate resilience initiatives.

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. Socioeconomic 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 when they are in place before crises begin. Robust systems of social protection should therefore be in place to 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 upon 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 social protection systems of developing countries have featured, inter alia, remote mechanisms for benefits transfers; increasing use of digitalization; new forms of partnership for delivering services; new forms of protection, such as assistance in support of addressing household energy costs; and updated regulatory frameworks to improve inclusivity (as evidenced, for example, by extension of social protection to informal workers). Many such initiatives were boosted by a collaborative integrative approach among

[7] See UNDRR Prevention Web, "$4.2 trillion can be saved by investing in more resilient infrastructure, new World Bank report finds", update, 19 June 2019.

government ministries and 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 and inclusive and foster resilience building for beneficiaries. Complementary fiscal and monetary policies are critical to ensuring that the requisite domestic resources are mobilized to support social protection systems. Countries with multidimensional vulnerabilities may face difficulties in 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 not only were retrenching current essential social spending and delaying investments in people for the future short-sighted and detrimental to people's health and well-being but such measures would likely also further exacerbate people's vulnerabilities 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 outbreak of the coronavirus disease (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. Those programmes would support just transitions to the establishment of economies with greater labour 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 multilateral development banks, 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, and can also improve transparency in the distribution of benefits, thereby reducing the likelihood of corruption and fraud.

31. Strengthening social protection systems to enable them to withstand current and future crises is a complex undertaking which requires diverse financial, technical and human resources. Consequently, no country can carry this out alone, which makes collaboration fundamental. Multilateral forums, such as the Development Cooperation Forum, 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 the progress of developing countries. The subject of the role of development cooperation

and support from its diverse modalities for strengthening social protection systems would provide important inputs for discussions on the renewal of our social contract, adapted to the challenges of the present century, including 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 per cent of global GDP,[9] serving as a crucial driving force for economic development and industrial innovation worldwide. The lack of Internet access persists, however, for nearly 3 billion people, predominantly from developing countries, which magnifies the digital divide and necessitates the prompt bridging of that divide to foster the development of integrated economies in developing regions.[10]

33. Development cooperation should support developing countries in expanding their access to digital infrastructure and technology. The unprecedented speed and extent of digitalization pose the threat of exacerbating socioeconomic inequalities, as individuals with limited or no access to digital technologies struggle to participate fully in 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.

34. Development cooperation actors must prioritize investment in bridging the digital divide. Research shows that the world needs only about $430 billion to bring those who are left behind to a level of connectivity that boosts their digital capacities and agency.[11] Investments are needed to build the digital skills needed for individuals to be "active digital citizens", defined as those who can use technology safely and for full engagement in digital society. The current level of investment falls short, however, of achieving universal connectivity. Additional support from international financial institutions is therefore needed to leverage development finance resources to meet the growing demand for digital infrastructure at the national, regional and global 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

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[8] See International Telecommunications Union, Statistics, 2022. Available at www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx.

[9] See Jerry Haar, "Closing the digital divide", Wilson Center, Insight & Analysis, 21 April 2023.

[10] See World Economic Forum, "Nearly 3 billion people are offline: here's a step towards bridging the digital divide", 23 May 2022.

[11] See International Telecommunication Union, *Connecting Humanity: Assessing Investment Needs of Connecting Humanity to the Internet by 2030* (Geneva, August 2020).

service delivery platforms. 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 achieving an inclusive, responsible and sustainable digital transformation, it is imperative that digital inclusion be 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, artificial intelligence and cloud storage must be taken into account, along with their actual costs to society and the environment. Moreover, many participants saw as crucial the regulation and restraining of the growing power and wealth of "Big Tech", as well as ensuring that human rights are respected. Representatives of civil society called for the United Nations to establish a transparent and participatory process led by Member States to evaluate new technologies and address their adverse consequences for society, the environment and individuals.

37. The persistence of gender gaps in financial and digital technology sectors requires 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 figure will only have increased by 2025 if the current trajectory continues. Investment would also include the building of digital skills to enable individuals to become active digital citizens able to use technology in an active and safe manner and engage in digital societies. Digital literacy, including digital financial literacy and safety, is also essential. Participants therefore urged development cooperation actors to implement measures that increase digital and financial literacy, including numeracy, among marginalized groups.

38. South-South cooperation 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, with an approach that is sensitive to multiple and intersecting gaps of inequality, is necessary for achieving universal, meaningful and accessible connectivity. 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, including the sharing of the experience and expertise acquired over the course of each country's digital development journey, are also imperative. Reinforcement of digital capacities, especially for youth, is also a priority.

39. Digitalization should act as an accelerator for the achievement of the Sustainable Development Goals. 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 without spurring competition for scarce resources that are indispensable for achieving the Sustainable Development Goals. Participants also called for clear and concrete outcomes which can support countries as they advance towards 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 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 eighth high-level meeting of the Development Cooperation Forum in 2023 emphasized that we are at an inflection point in history which requires a strengthening and acceleration of high-impact and high-quality development cooperation which is better aligned to current challenges and opportunities. Taking advantage of this inflection point will require renewed solidarity and shared thinking between peoples, Governments and relevant stakeholders. Several participants from middle-income countries noted that the concept of circular development cooperation better reflected their experiences of the 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 for international development cooperation should be discussed and dealt with in a collective manner, with all United Nations Member States at the table as equal partners joined by relevant stakeholders. The Development Cooperation Forum is a space where Member States have agreed to carry out the relevant mandates. 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 Forum as an invaluable (non-negotiating) space for inclusive discussions and shaping of norms and policies on high-quality and high-impact development cooperation. The Development Cooperation Forum can support the needed paradigm shift in development thinking and progress, linking global policy dialogue and innovative action in development cooperation at all levels. As an inclusive global platform, the Forum 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 towards both short- and long-term objectives. The next round of the Development Cooperation Forum survey exercise, conducted by the Department of Economic and Social Affairs of the United Nations Secretariat in its role as Forum secretariat, to begin in the second half of 2023, will help to generate evidence, insights and ideas related to aligning development cooperation more closely with the needs of the most vulnerable in the context of the current risk landscape and growing demands for resilience building.

42. While 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, elevated debt vulnerabilities and very limited fiscal space impose significant constraints on developing countries' ability to invest in sustainable development. The current challenges demand a transformative Sustainable Development Goals stimulus package, as recently proposed by the Secretary-General. The plan calls for a number of achievable actions, including an increase of $500 billion per year to achieve the 2030 Agenda for Sustainable Development.[12] This would help offset deteriorating financing conditions and allow developing countries to scale up investment in sustainable development. The package, which addresses both short-term urgencies and long-term sustainable development finance needs, calls 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

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

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. While global agreements such as the 2030 Agenda for Sustainable Development, the Addis Agendas Action Agenda of the Third International Conference on Financing for Development and the Paris Agreement adopted under the United Nations Framework Convention on Climate Change provide a solid foundation for the necessary action, strengthened global solidarity and commitment to building on and reinforcing country systems, policy frameworks and national and local capacities will be critical.