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Trends and progress in international development cooperation

Report of the Secretary-General

Summary

In accordance with General Assembly resolutions [61/16](#), [68/1](#), [70/192](#), [70/299](#), [75/290 A](#) and [76/258](#), the present report is submitted by the Secretary-General for consideration by the Development Cooperation Forum. The report will provide the main input to the high-level meeting of the Forum, to be held in New York on 14 and 15 March 2023. It covers the trends and progress in international development cooperation by analysing the state of play and challenges for the most vulnerable countries, communities and people. The report also highlights key sectors where development cooperation can help to address diverse, interlinked vulnerabilities and build resilience. It includes policy recommendations for the Forum and other 2023 milestones in the implementation and review of the 2030 Agenda for Sustainable Development and financing for development follow-up process.¹

¹ The present report was prepared in consultation with staff from the Department of Economic and Social Affairs of the United Nations, the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the United Nations Capital Development Fund, the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Programme (UNEP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Human Settlements Programme (UN-Habitat), the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Children's Fund (UNICEF), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and the World Food Programme, whose contributions are gratefully acknowledged.



I. Introduction

1. In the face of overlapping global crises and risks, the role and responsibility of the United Nations in advancing more effective development cooperation is as critical as ever. International development cooperation must evolve rapidly in an increasingly complex and crisis-prone global development landscape, while safeguarding the priorities of the most vulnerable countries and people.

2. Renewed efforts are needed to better identify and understand where and why asymmetric and multidimensional vulnerabilities exist and how they exacerbate the cascading nature of existing and future global crises. The ramifications of such cascading effects are distinct and have been increasingly visible in recent years. The lack of access to vaccines and effective health and social protection systems in some communities makes the effective containment of viruses at a global level impossible. Increased exposure to hazards and disasters owing to climate change have imposed further insecurity, poverty and forced migration on the most vulnerable. Food, energy and financial shocks can spur widespread suffering, civil strife and conflict, with subsequent regional and global implications.

3. The Development Cooperation Forum of the Economic and Social Council provides an essential platform for adapting international development cooperation to this changing global environment and the evolving needs and priorities of the most vulnerable countries and people. The present report reflects the state of play and challenges for the most vulnerable countries, communities and people and highlights key sectors where development cooperation can help to address diverse, interlinked vulnerabilities and build resilience. It focuses on opportunities for intensifying efforts among development cooperation actors aimed at meeting existing commitments; scaling up and strengthening the quality, impact and effectiveness of development cooperation; and accelerating progress towards the Sustainable Development Goals.

II. Development cooperation that is better attuned to multidimensional vulnerabilities

Current global context

4. The lives and livelihoods of the world's most vulnerable have been severely affected in the wake of the coronavirus disease (COVID-19) pandemic and compounding challenges, such as the climate emergency and complex inequalities. According to the Global Crisis Response Group on Food, Energy and Finance, 60 per cent of workers currently have lower real incomes than before the pandemic and 60 per cent of the poorest countries are in debt distress or at high risk of being in debt distress. Collectively, developing countries face a \$1.2 trillion annual financing gap to deliver universal social protection.² Resources, capacities and know-how are needed more than ever to implement the 2030 Agenda for Sustainable Development.

5. The armed conflict in Ukraine has had a ripple effect on the food, energy and finance systems across countries, with all regions exposed to the effects of the conflict in varying ways. A United Nations-led global vulnerability assessment of the capacity of countries to manage those effects demonstrated that 94 countries, or roughly 1.6 billion people, are extremely vulnerable to at least one aspect of the crisis and cannot

² United Nations, Global Crisis Response Group on Food, Energy and Finance, "Global impact of the war in Ukraine: billions of people face the greatest cost-of-living crisis in a generation", brief No. 2, 8 June 2022.

cope; 1.2 billion people live in countries that are simultaneously exposed and vulnerable to all three shocks of finance, food and energy.³

6. This complex circumstance has been described as a “perfect storm”,⁴ “polycrisis”⁵ and the “new uncertainty complex”.⁶ A particular challenge in the current context is that both countries and people that are most prone to vulnerability are on the front line of these crises. While the pandemic demonstrated that all are potentially vulnerable, the depth of that vulnerability – and the capacity to overcome it – varies drastically across countries and communities. Furthermore, many particularly vulnerable countries are those that have contributed the least to those crises, such as climate change.

7. Although international development cooperation has partially adapted to the challenges, it is not doing so at the needed scale and speed. In 2021, total official development assistance (ODA) by members of the Organisation for Economic Co-operation and Assistance (OECD) Development Assistance Committee rose 4.4 per cent in real terms compared to 2020, reaching \$178.9 billion, or 0.33 per cent of their combined gross national income (GNI). Once the costs of COVID-19 vaccines are excluded, ODA grew slightly in 2021, by 0.6 per cent in real terms compared with 2020; when additional COVID-19 resources are excluded, total gross ODA actually fell in 2020 for all except upper-middle-income countries.⁷ Insufficient funding, as well as coordination challenges and the prioritization of national (over global) mechanisms, have limited the full potential of development cooperation to effectively address the current crises. For example, the creation of the Access to COVID-19 Tools (ACT) Accelerator reflected responsiveness and innovation in support of the global fight against COVID-19, pooling international expertise, expediting rapid, affordable tests and effective treatments and establishing the COVID-19 Vaccine Global Access (COVAX) Facility for vaccine equity.⁸ However, underfunding of the Accelerator, vaccine hoarding and a lack of global coordination have resulted in persistently gross inequities in access to vaccines and other essential tools.

8. Furthermore, development cooperation could better account for the cascading, interlinked nature of the impact of multiple crises at once. In some developing countries, the socioeconomic shocks of the pandemic have proven more severe than the health challenges, while in others the health response had to be prioritized. Gaining timely insights on these distinctive experiences through better rapid assessments and more effective communication and collaboration mechanisms during crises would strengthen the effectiveness of development cooperation.⁹ The complex consequences for those vulnerable to cost-of-living increases and deprivations linked to poverty, food and energy insecurity will be significant and demand continued targeted support by development partners.

9. Development cooperation urgently needs to be better aligned with efforts to reduce risk internationally, regionally, nationally and locally, moving away from old ways of working. A greater consideration of multidimensional vulnerabilities – both

³ Ibid.

⁴ Thomas Homer-Dixon and Johan Rockström, “What happens when a cascade of crises collide?”, *The New York Times*, 13 November 2022.

⁵ Adam Tooze, “Welcome to the world of the polycrisis”, *Financial Times*, 28 October 2022.

⁶ United Nations Development Programme (UNDP), *Human Development Report 2021/2022: Uncertain Times, Unsettled Lives – Shaping our Future in a Transforming World* (United Nations publication, Sales No. E.22.III.B.4) (2022).

⁷ OECD, *Development Co-operation Profiles*, (OECD Publishing, Paris, 2022).

⁸ World Health Organization, “The ACT-Accelerator: Two Years of Impact”, 26 April 2022.

⁹ Committee for Development Policy, *Comprehensive Study on the Impact of COVID-19 on the Least Developed Country Category*, April 2021.

of countries and people – in addressing global challenges will promote higher-impact and higher-quality development cooperation.

Multidimensional vulnerability: what is it?

10. Beyond the traditional focus of development policy on economic, social and political factors, there has been growing concern about diverse vulnerabilities linked to epidemics, natural disasters and climate change and their impact on sustainable development. Many of these factors also expose systemic vulnerabilities at the global level, which are transmitted in distinctive ways across countries and communities.¹⁰

11. At the macro level, vulnerability refers to the risk to an economy by exogenous shocks in the economic, social and environmental domains. The impact of such a stressor on a country depends on the scale of the event and its likelihood of recurrence; exposure to them; and the capacity to prevent or reduce risks and build resilience to their impacts.¹¹

12. With respect to how larger structural vulnerabilities affect people, the 2030 Agenda for Sustainable Development reflected a major shift in conceptualizing poverty. It recognized poverty in all its forms, linking the limited capacities and resources of vulnerable groups within societies to long-standing discrimination and inequalities across multiple dimensions. This underlined the need for a greater focus on, and shift in allocation of development cooperation resources to,¹² vulnerable individuals and groups – especially those at greatest risk across different dimensions – to minimize the impact of increasing shocks.¹³

13. Macro-level and people-centred vulnerabilities are interconnected. Where social protection systems face gaps in coverage, poor families may be forced to choose between spending on food or health care; children and youth who temporarily left school because of the pandemic may now be permanently excluded from education systems; smallholders or micro-entrepreneurs may go out of business because of higher energy bills. Without strengthened multilateral cooperation to address liquidity pressures and increase fiscal space, countries – squeezed by decreased government revenues and increased spending needs – will struggle to address these multidimensional vulnerabilities.¹⁴

14. The Human Development Index has charted the growing impact of interlinked challenges: the Index has fallen globally over the past two years, for the first time in over three decades. At least 1.3 billion people are currently living in poverty, a key indicator of vulnerability, in its multiple dimensions, meaning they face deprivations beyond income poverty that are essential for human development and well-being, such as health, education and living standards; half of this population is comprised of

¹⁰ Patrick Guillaumont and Laurent Wagner, “Three criteria that a multidimensional vulnerability index should meet to be used effectively”, FERDI Notes brèves/Policy briefs, 2022.

¹¹ Interim report of the High-level Panel on the Development of a Multidimensional Vulnerability Index for Small Island Developing States, August 2022.

¹² United Nations, Development Initiatives and UKAid, *Improving ODA allocation for a post-2015 World*. Independent study produced for 2016 Development Cooperation Forum, 2015.

¹³ Jacob Assa and Riad Meddeb “Towards a Multidimensional Vulnerability Index”. UNDP Discussion Paper (February, 2021).

¹⁴ United Nations, Global Crisis Response Group on Food, Energy and Finance, “Global impact of the war in Ukraine: billions of people face the greatest cost-of-living crisis in a generation”, brief No. 2, 8 June 2022.

children.¹⁵ Simulations have suggested that the COVID-19 pandemic set back progress in reducing multidimensional poverty worldwide by up to 10 years.¹⁶

15. To address multidimensional vulnerability, better multisectoral coordination is critical for development cooperation. Vulnerabilities often coincide or compound each other. Yet, development policies and interventions that address standard of living or food security are frequently pursued by different policy actions and ministries. An integrated policy response might include a housing, sanitation and cooking fuel package that also ensures households benefit from subsidized food, early childcare centres and midday cooked meals for schoolchildren.¹⁷

16. Better integrated multisectoral policies can not only lift millions out of poverty, but can also minimize the burden on the poor by enabling them to overcome multiple vulnerabilities at the same time. If well-designed and consistently implemented, they can reduce vulnerabilities and build capacities to overcome crises and enable individuals and societies to better navigate shocks. Thus, poverty eradication programmes aiming for high-impact results should analyse how multidimensional vulnerabilities exist in countries and populations being served by international development cooperation.¹⁸

Multidimensional vulnerability at the country level

17. Developing countries, including countries in special situations such as least developed countries, landlocked developing countries and small island developing States, have unique, inherent vulnerabilities that hinder their ability to overcome economic, environmental, and social shocks and stressors. Chronic resource constraints combined with exposure to major global risks have exacerbated their structural limitations in recent years.¹⁹

18. The COVID-19 pandemic had a disproportionate impact on least developed countries, landlocked developing countries and small island developing States; many of these countries not only faced difficulties in obtaining essential medical supplies, but also suffered from the slowdowns in international trade, economic growth and tourism. The continued low levels of COVID-19 vaccination in many of these countries are preventing their full speed recovery. Least developed countries, landlocked developing countries and small island developing States are also at the front lines of climate change and experiencing its negative impact with increasing frequency. Levels of ODA as a share of GNI for these countries have increased significantly since the outset of the pandemic. However, the share of loans versus grants in overall ODA is rising.²⁰ For some, ODA flows comprise significantly large shares of GNI, meaning that an unforeseen shift or slowdown in assistance can have dramatic macroeconomic and social consequences.

19. There has been increasing attention to the varied, multidimensional vulnerabilities within the least developed countries graduation process. When preparing for graduation, graduating countries and their development partners should

¹⁵ UNDP, *Human Development Report 2021/2022, Uncertain Times, Unsettled Lives: Shaping our Future in a Transforming World*. (United Nations publication, Sales No. E.22.III.B.4).

¹⁶ UNDP and Oxford Poverty and Human Development Initiative, “Global Multidimensional Poverty Index 2022: Unpacking deprivation bundles to reduce multidimensional poverty” (2022).

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ United Nations, Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, “Outlook amid global turmoil: Official Development Assistance to least developed countries, landlocked developing countries and small island developing States”, (forthcoming).

²⁰ Steve Cutts, “Give credit where credit’s due: Development assistance in loans should reflect donor effort”, Brookings Institution, 13 April 2022.

identify where key vulnerabilities exist and how they could be addressed both by domestic actions and international development cooperation, including capacity development. This could be informed by country-specific graduation assessments – based on detailed vulnerability profiles and impact assessments – and consultations. The new Sustainable Graduation Support Facility, established by the Department of Economic and Social Affairs and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, can support such efforts, offering technical and policy advice and serving as a repository of initiatives and projects.

20. At the same time, more than 66 per cent of poor people live in middle-income countries, where the incidence of poverty ranges from 0.1 per cent to 66.8 per cent nationally and from 0 per cent to 89.5 per cent subnationally.²¹ Middle-income and upper-middle-income countries with high levels of vulnerability – including many small island developing States – have 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 (see below for further discussion of a multidimensional vulnerability index).²²

Multidimensional vulnerability at the individual and group levels

21. Certain individuals and groups within society face multidimensional vulnerabilities owing to the impact that different shocks or stressors can have on their survival and well-being, including, but not limited to, children, young persons, persons with disabilities, people living with HIV/AIDS, older persons, Indigenous Peoples, refugees and internally displaced persons and migrants. A common experience among these groups is systemic discrimination and exclusion. Discriminatory social norms can prevent people who experience marginalization from responding to economic shocks, stresses, and uncertainty. This is in part because discrimination “traps individuals and society into rigid patterns that make them less flexible, less adaptable and thus more vulnerable to risk, stresses and changes”.²³

22. Women and girls are facing multiple and intersecting forms of discrimination preventing their full and effective participation and decision-making in public life, including for crisis response.²⁴ Women are usually among the most 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; by removing existing structural barriers, negative social norms and gender stereotypes; by strengthening women’s access to education, knowledge, universal social protection, finance, technology, mobility and other assets; as well as by strengthening women’s ownership of and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services.²⁵

23. Children and youth in developing countries are facing conflict, pandemic and climate change-related crises of epic proportions. These shocks are not only violating their rights, but also putting them at increased risks resulting from food and water shortage, lack of access to education and essential health services. Furthermore, negative effects from the pandemic continue to accumulate and weigh on young

²¹ UNDP and Oxford Poverty and Human Development Initiative, “Global Multidimensional Poverty Index 2022: Unpacking deprivation bundles to reduce multidimensional poverty” (2022).

²² Interim report of the High-level Panel on the Development of a Multidimensional Vulnerability Index.

²³ Sandra Sotelo Reyes, “Gender justice in resilience: enabling the full performance of the system”, Oxfam, 2017.

²⁴ Ibid.

²⁵ [E/CN.6/2022/L.7](#).

people's futures. A rise in child poverty and deprivation; unprecedented disruption to education and health systems; and isolation and uncertainty are taking a serious toll on children's well-being. Almost 1 billion children live in countries that are at high risk from the impacts of climate change.²⁶ It is essential that development cooperation target the needs of young people more effectively, which requires more equitable and efficient use of financial resources and social expenditure. Development cooperation that focuses on long-term human capital growth should focus on unlocking untapped potential of skills and talent through education and employment opportunities in support of stronger, more resilient communities.

24. Indigenous Peoples are vulnerable to being left behind and have suffered disproportionately from health crises, climate change, poverty and human rights violations. In the context of COVID-19, the exclusion of Indigenous People from decision-making and implementation of pandemic mitigation strategies and social protection measures have left this population exposed. Development cooperation that is more sensitive to the needs of Indigenous People must address their rights and specific vulnerabilities and boost their participation and empowerment in policymaking and action. Resilience-building measures should put communities at the centre, recognizing the agency and right to self-determination of Indigenous Peoples, as well as the role of traditional knowledge in biodiversity protection and climate action.

25. The COVID-19 pandemic underlined the essential contribution of migrants and diasporas to destination countries, with migrants filling critical gaps in the labour market, performing jobs others would not, and creating jobs as entrepreneurs and contributing to the fiscal base.²⁷ The pandemic and ongoing economic uncertainty have had severe impacts on their lives and livelihoods, particularly of the most vulnerable and including of those working in agrifood systems or living in rural areas. These groups often experience greater difficulties and additional constraints, including greater loss of earnings, stigmatization or discrimination related to migration in general and weaker social capital and exclusion from social protection, resulting in more challenges to access resources and services. It is critical to support the resilience of migrants, including through their inclusion in local and national systems and services and access to economic opportunities and financial services.

26. Development cooperation that prioritizes the most vulnerable must also update its strategies and action to support refugees. The multiplicity of global challenges is disproportionately affecting 103 million refugees and displaced people and urgently requires a collective effort to find solutions and reverse the current trajectory. For example, climate change is devastating resources that have historically sustained communities, creating tensions in already fragile contexts where governments have limited resources and capacities for adaptation and resilience. Development cooperation must put greater emphasis on financing for prevention, adaptation, development and governance. Otherwise, global tensions, frustrations and competition for resources will continue to grow and could exacerbate conflict.

Emerging implications for development cooperation: from multidimensional vulnerability to resilience

27. Just as vulnerability can transmit across economic, social and environmental dimensions, so can development cooperation strengthen resilience in support of sustainable development in its totality. To better address complex vulnerabilities, development cooperation needs to be massively scaled up for the most vulnerable

²⁶ United Nations Children's Fund (UNICEF), *The Climate Crisis is a Child Rights Crisis*, 2021.

²⁷ United Nations, Department of Economic and Social Affairs, "Why safe, orderly and regular migration matters for sustainable development", Policy Brief No. 146, December 2022.

countries. Despite some progress, least developed countries, landlocked developing countries and small island developing States have not benefited from levels of development assistance commensurate with their needs. For example, in 2021, when most least developed countries were continuing to face the social and economic ramifications of the pandemic, ODA levels in these countries increased by 2.5 per cent, lower than the global average of 4.4 per cent.²⁸ Where ODA increased, bilaterally or multilaterally, it often came at the expense of grant financing: this potentially increases the risk of debt distress in many of the most vulnerable countries. Much of the multilateral ODA to least developed countries, landlocked developing countries and small island developing States in 2022 was in the form of loans rather than grants.

28. The ongoing war in Ukraine, combined with intensifying global economic challenges and multiple demands on development cooperation, makes the outlook for ODA to least developed countries, landlocked developing countries and small island developing States highly uncertain. At a time when the world's most vulnerable economies have the greatest ever need for international solidarity, there is a serious risk that development cooperation would be stagnant at best and significantly reduced at worst.²⁹

29. Some developed economies, including leading OECD Development Assistance Committee donors, are undergoing historically unprecedented monetary tightening and have indicated either freezing ODA at current levels or decreasing it. There is a significant risk that countries needing ODA the most may encounter declining assistance levels, as their traditional partners attempt to balance their current ODA allocations with new and emerging demands. This could have profound ramifications for vulnerable countries, not only derailing recovery from the pandemic but also worsening socioeconomic and humanitarian challenges.

30. The current crisis context has underscored that reliance on GNI per capita for determining access to development support – including concessional finance or grant resources – does not capture who is most affected or least equipped to respond to external shocks. Yet, GNI per capita is still considered by many development partners and financial institutions as the most effective criterion for making eligibility decisions and financing allocations. In addition, the complexity of current challenges has inspired a proliferation of financing instruments, tools and modalities – many of which are tied to GNI per capita and have not accounted for multidimensional vulnerability and sustainable development. As a result, many developing countries are either excluded from financing instruments or face challenges in accessing them.³⁰

31. The use of per capita income for eligibility purposes or as the major proxy for assessing a country's need for development cooperation hides a large variety in vulnerabilities among countries. It excludes some vulnerable countries with an income above set levels from concessional financing. Despite their income levels, on average, small island developing States are not necessarily less vulnerable and more resilient. Vulnerable countries require enhanced access to concessional finance and other support facilities particularly related to debt.³¹ Consequently, international partners should reflect vulnerability in their development cooperation policies and practices. As part of a growing consensus in this regard, the General Assembly, in its

²⁸ United Nations, Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, "Outlook amid global turmoil: Official Development Assistance to least developed countries, landlocked developing countries and small island developing States", (forthcoming).

²⁹ Ibid.

³⁰ Interim report of the High-level Panel on the Development of a Multidimensional Vulnerability Index.

³¹ Ibid.

resolution on the implementation of the SIDS Accelerated Modalities of Action (SAMOA) Pathway, established a high-level panel of experts and tasked them with developing the multidimensional vulnerability index;³² the panel has released an interim report and its mandate, including to produce a final report, has been extended to 30 June 2023.³³

32. Presently, few international financial institutions take vulnerability into account when allocating concessional finance and mostly on a limited basis. A key challenge to emphasizing vulnerability in development cooperation and finance is the availability of relevant, widely agreed indicators. Strengthened political consensus and support for an agreed multidimensional vulnerability index could address this challenge. 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.³⁴ Global acceptance of this approach could lead to the application and use of the index by development cooperation partners, including bilateral partners, international financial institutions, the United Nations system and other relevant stakeholders. Such an agreed index would also support an evidence-based approach to development policy and decision-making in vulnerable countries to maximize the impact of scarce external and internal financing and other resources.

33. 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. It would become more equitable, “because structural vulnerability in its various forms is a barrier for sustainable development and efforts to reduce inequalities between countries”.³⁵ And its effectiveness would be improved since development cooperation, and concessional finance in particular, has greater impact in situations of vulnerability, especially where it focuses on building crises preparedness, response and recovery capacities at the national and local levels.

34. Better aligning development cooperation to multidimensional vulnerability is not only a matter of changing accessibility criteria but also requires shifting allocation and use. Strategic planning and ex ante financing for resilience-building should be scaled up to protect vulnerable countries and people that are most exposed to the adverse effects of shocks that impact across various dimensions. A preventive, rather than reactive approach, entails far lower costs: human, financial and environmental. Development partners’ integration of vulnerability into their policy frameworks and practices is critical to sustaining the effectiveness and impact of development cooperation.³⁶

³² [A/77/218](#).

³³ [A/C.2/77/L.55](#).

³⁴ United Nations, Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, “Outlook amid global turmoil: Official Development Assistance to least developed countries, landlocked developing countries and small island developing States”, (forthcoming).

³⁵ Interim report of the High-level Panel on the Development of a Multidimensional Vulnerability Index.

³⁶ *Ibid.*

III. Towards development cooperation that boosts resilience of the most vulnerable in priority sectors

35. International development cooperation can do more to protect and support the most vulnerable people by targeting them more effectively and refocusing on issues that lessen their vulnerability to complex and interconnected future crises. The section will highlight four broad areas or sectors where developing countries have signalled the need for strengthened coherence and urgent capacity support in reducing vulnerability, including boosting social protection, strengthening climate action, harnessing digital transformations and supporting data systems and capacities.³⁷

Strengthening social protection to reduce risk and vulnerability

36. During periods of crisis or disruption, social protection systems play a critical role in helping people address risks and vulnerabilities, helping to prevent and reduce poverty and protect well-being. Social vulnerabilities linked to age, gender, residence, ethnicity, disability and citizenship status, can shape an individual's exposure to risk.³⁸ Robust systems of social protection should provide adequate, comprehensive and gender-responsive protection for all people. Universal social protection systems act as automatic stabilizers where these are in place before crises begin.³⁹

37. Over the course of 2020 and 2021, countries across the globe implemented close to 4,000 social protection measures to respond to the pandemic's economic impact; cash transfers alone reached around 1.4 billion people or one out of six people in the world. ODA allocation to social protection programmes saw a notable increase by 162 per cent since 2019, with many social protection measures put in place to support households in poor countries disproportionately impacted by the pandemic.⁴⁰ Compared to pre-pandemic levels, cash transfer benefits nearly doubled worldwide by early 2021 and coverage grew by 240 per cent, on average.⁴¹ Another stream of increased investment went to social insurance responses, such as paid sick support, health-care insurance, and unemployment benefit, among others.

38. Many countries also adapted their administrative systems and delivery mechanisms of social protection measures to continue the provision of services. Innovations included the introduction of remote payment mechanisms and partnering with third parties to collect benefits and adjustment in operating systems to incorporate digital technologies. Countries also adapted labour market regulation and programmes, targeting both formal and informal workers, as well as other groups who were negatively impacted by the pandemic.

39. Nonetheless, progress on social protection measures and innovations have slowed throughout 2022, despite continued high levels of need in the face of the cost-of-living crisis affecting many countries. Countries should maintain social protection measures that were scaled up during the pandemic until recovery is well under way and ensure continued investment in social protection systems for delivering on the promise of the 2030 Agenda and the Addis Ababa Action Agenda of the Third

³⁷ United Nations, Department of Economic and Social Affairs, 2022 Development Cooperation Forum (DCF) Survey Study: Navigating COVID-19 recovery and long-term risks.

³⁸ ILO, UNDP and UNICEF, Inter-Agency Task Team, "Global Accelerator on Jobs and Social Protection for Just Transitions" (2022).

³⁹ Ibid.

⁴⁰ Yasmin Ahmad and Eleonor Carey, "How COVID-19 and Russia's war of aggression against Ukraine are reshaping official development assistance (ODA)", in Development Co-operation Profiles OECD Publishing, Paris, 2022.

⁴¹ Ugo Gentilini, "A game changer for social protection? Six reflections on COVID-19 and the future of cash transfers", World Bank Blog, January 11, 2021.

International Conference on Financing for Development. Short-term crisis response should be safeguarded and transformed into elements that could shape long-term, post-pandemic social protection schemes.

40. Inequalities and gaps in social protection systems in terms of investment and coverage between high-income and low- and middle-income countries have widened owing to the uneven pace of recovery from the pandemic and increasing financing gaps. While higher income countries were better placed to scale up social resources and introduce new measures, lower income countries struggled to mobilize resources effectively, resulting in a gap in responsiveness.

41. Social protection systems still face coverage and adequacy challenges in many developing countries. The 2022 Development Cooperation Forum Survey Study revealed gaps in countries' social protection systems, including coverage of the most vulnerable, weak legislative and policy frameworks and insufficient institutional and human resource capacities.

42. Developing countries will need international support to strengthen the allocation of social resources to overcome the health and the food-energy-finance crisis with human-centred recovery. ODA is a critical component of financing for developing countries for social protection, but structural shifts in how support is provided are changing the picture of how states manage their resources. While social protection sector ODA is better targeted towards the poorest countries than ODA overall, only 50 per cent of sector funds reach them. This is driven by several factors, including the limited social protection systems in place, low absorption capacity and the increased IFI funding share in this sector.⁴² ODA to social protection is dominated by multilateral flows, comprising 69 per cent of ODA to the sector in 2019, a share which has increased steadily over the past decade.⁴³ Simultaneously, the percentage of ODA delivered through bilateral and multilateral loans in these countries has grown, which could expose developing countries to debt management challenges and have implications for long-term financing of social protection.⁴⁴

43. Prior to the onset of the pandemic, there was a significant global financing gap in the provision of basic social protection in line with Sustainable Development Goal target 1.3. The International Labour Organization estimates that since the onset of the pandemic, the gap has widened considerably. To guarantee basic social protection, low-income countries would need to invest an additional \$77.9 billion per year, equivalent to 15.9 per cent of their gross domestic product.⁴⁵ Increasing grant-based ODA allocated directly to social protection programmes and strengthening longer term objectives should focus on building more resilient institutions for future crises and corresponding "risk-aware" social protection programmes, supporting just transitions to economies with more formality, sustainability, gender-sensitivity and inclusiveness.

44. Social protection also stands at the forefront of both global and national responses to the growing crisis of food and nutrition insecurity, which has been exacerbated by the cost-of-living and supply chain crises in many developing countries. The prevalence of undernourishment has increased globally, from 8.0 per cent in 2019 to 9.8 per cent in 2021, and around 150 million more people suffer from

⁴² Ann McCord and others, "Official developing assistance financing for social protection: lessons from the COVID-19 response", ODI working paper, 2021.

⁴³ Daniel Longhurst and others, "What are future financing options for shock responsive social protection? A technical primer". Social Protection Approaches to COVID-19 Expert Advice Service (SPACE), DAI Global UK Ltd, United Kingdom May 2021.

⁴⁴ Ibid.

⁴⁵ International Labour Organization, World Social Protection Report 2020–22: Social Protection at the Crossroads – In Pursuit of a Better Future (Geneva, 2021).

hunger in 2021 compared to 2019.⁴⁶ As countries strengthen social protection systems, the design of new programmes or the expansion of those existing with a “shock-responsive” approach should include complementary interventions to address food and nutrition security.⁴⁷

45. For improved food security outcomes as part of social protection measures, international humanitarian assistance and ODA should go hand-in-hand. Building long-term resilience of vulnerable population requires better integration and, where appropriate, sustained levels of ODA to address the structural causes of hunger and to reduce needs over time. A “nexus approach” in food crisis contexts can therefore help greatly in ensuring that both kinds of assistance are appropriately layered and sequenced, with the humanitarian assistance focused on tackling rising levels of hunger and ODA directed at addressing the underlying drivers or structural causes of food insecurity and malnutrition.⁴⁸

46. The Global Accelerator on Jobs and Social Protection for a Just Transition was launched in September 2021 to channel national and international investments into social protection. It supports resilience through coordinated social protection and employment policies; integrated national financing frameworks that can plan for and mobilize domestic and international resources; and strengthened multilateral cooperation, including with international financial institutions. Development cooperation actors should support the objectives of the Global Accelerator, including financing; promote South-South cooperation on decent jobs, social protection and just transitions; and advance stronger multilateral cooperation to implement its ambitions.⁴⁹

More and better risk-informed development cooperation for climate-vulnerable countries

47. Thus far climate finance has dramatically failed the real needs of the most vulnerable in a growing climate emergency. OECD reports that, in 2020, \$83.3 billion was provided and mobilized by developed countries for climate action in developing countries, but was still \$16.7 billion short of the goal of \$100 billion per year by 2020.⁵⁰ The 2021–25 scenarios presented by OECD indicate that the \$100 billion goal could be achieved by 2023, with a range of \$101 billion to \$106 billion.⁵¹ Experts have called for doubling of bilateral climate finance to \$60 billion by 2025 from its 2020 levels.⁵² However, it is estimated that emerging markets and developing countries other than China will need to spend around \$1 trillion per year by 2025 and around \$2.4 trillion per year by 2030 to manage the climate crisis.⁵³

⁴⁶ Food and Agriculture Organization of the United Nations (FAO), International Fund for Agricultural Development (IFAD), UNICEF, World Food Programme (WFP) and World Health Organization (WHO), *The State of Food Security and Nutrition in the World 2022: Repurposing Food and Agricultural Policies to Make Healthy Diets More Affordable* (Rome, 2022).

⁴⁷ Ibid.

⁴⁸ FAO, Development Initiatives and Norwegian Refugee Council, *Development actors at the nexus: lessons from crises in Bangladesh, Cameroon and Somalia* (Rome, 2021).

⁴⁹ ILO, UNDP and UNICEF, Inter-Agency Task Team, “Global Accelerator on Jobs and Social Protection for Just Transitions” (2022).

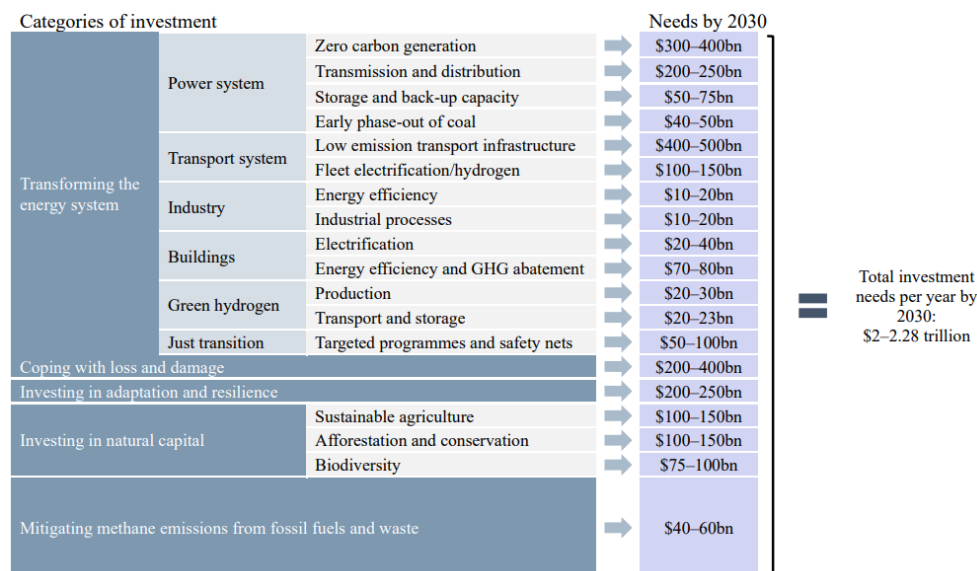
⁵⁰ OECD, “Climate finance provided and mobilized by developed countries in 2016–2020: insights from disaggregated analysis”, *Climate Finance and the USD 100 Billion Goal*, OECD Publishing, Paris, 2022, p. 4.

⁵¹ Vera Songwe, Nicholas Stern and Amar Bhattacharya, “*Finance for climate action: scaling up investment for climate and development*”, London School of Economics and Political Science, 2022, p. 82.

⁵² Ibid, p. 61.

⁵³ Ibid, p. 8.

Figure
Investment/spending needs for climate action per year by 2030



Note: the financing needs are estimated for the year 2030 and as such do not represent cumulative investments for the decade 2020–30.

Source: Vera Songwe, Nicholas Stern and Amar Bhattacharya, “Finance for climate action: scaling up investment for climate and development”, London School of Economics and Political Science, 2022, p. 23.

48. Loans are the predominant form of climate finance, placing additional burdens on developing countries. Loans made up 71 per cent of public climate finance in 2020 (\$48.6 billion) – a significant share of which were non-concessional – while only 26 per cent were provided as grants (\$17.9 billion).⁵⁴ The widespread use of non-concessional climate loans is a troubling trend, as many climate-vulnerable countries with rising and unsustainable debt are being saddled with more debt on tougher terms.⁵⁵ Vulnerable countries are being forced into further debt to address a climate crisis they did not cause.⁵⁶

49. Shadow reporting on climate finance suggests that overcounting of climate finance is misrepresenting actual finance available to developing countries. According to some experts, the value of climate finance provided was only about one-third of that which was reported (reported \$83.3 billion in 2020 and actual \$21–\$24.5 billion)⁵⁷ owing to an overestimation of the climate relevance of funds where mitigation and adaptation were not the central objective of the reported project or programme.⁵⁸

⁵⁴ OECD, “Climate finance provided and mobilized by developed countries in 2016–2020: insights from disaggregated analysis”, Climate Finance and the USD 100 Billion Goal, OECD Publishing, Paris, 2022, p. 4.

⁵⁵ Ibid, p. 10.

⁵⁶ Jonathan Glennie and others, “Development cooperation for climate adaptation. A whole-of-planet approach at COP27”, 2022.

⁵⁷ Tracy Carty and Jan Kowalzig, “Climate finance short-changed: the real value of the \$100 billion commitment in 2019–20”, p. 3.

⁵⁸ Ibid, p. 4.

Stronger development cooperation information systems with clear climate markers could assist in accurately reporting available climate finance at the national level.⁵⁹

50. Adaptation actions remain largely incremental in nature, with a focus on short-term rather than long-term climate gains which may reinforce existing vulnerabilities or introduce new risks.⁶⁰ Adaptation costs/needs are currently between 5 and 10 times higher than international adaptation finance flows, and the adaptation finance gap continues to widen.⁶¹ Developed countries have agreed to double adaptation finance by 2025, an important immediate step. More of such financing will be needed for long-term resilience-building.⁶² Non-financial development cooperation, including South-South and triangular cooperation, technical assistance and technology transfer, are also critical to support developing countries to ensure that climate adaptation can be mainstreamed in their development cooperation policies and practices.⁶³

51. Climate-vulnerable countries must be prioritized to receive grant and concessional finance for climate adaptation. There is no systematic link or correlation between level of vulnerability and amount of climate adaptation finance received.⁶⁴ The limited ability of vulnerable countries to secure and repay loans is another barrier that may prevent them from accessing larger quantities of finance.⁶⁵ This only further emphasizes the importance of scaling up grants and other concessional finance rather than loans for vulnerable countries that urgently need resources.

52. Nonetheless, financing for adaptation is no guarantee for the effectiveness and reach of climate-focused development cooperation. Women, youth and groups in marginalized and vulnerable situations, such as Indigenous Peoples and migrants, must participate and engage in climate adaptation to ensure that actions are speaking to their needs and capacities are built for long-term sustainability.⁶⁶

53. After decades of calls by developing countries for action on loss and damage, the twenty-seventh session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27) established a loss and damage fund to support vulnerable countries navigate the impacts of climate change. Details on the operationalization of the Fund are to be determined over the next year by a designated transitional committee. Discussions during COP27 about the fund centred around the issue of vulnerability. With no clear definition of vulnerability, developing countries, including middle-income countries and others that have historically seen reduced access to needed concessional finance due to existing country categorizations

⁵⁹ United Nations, Department of Economic and Social Affairs, Financing for Sustainable Development Office, Department of Economic and Social Affairs and International Aid Transparency Initiative Asia-Pacific regional workshop on “Strengthening policies, processes and data systems for effective development cooperation”, 2022.

⁶⁰ United Nations Environment Programme, *Adaptation Gap Report 2022: Too Little, Too Slow – Climate adaptation failure puts world at risk* (Nairobi, 2022), p. XV.

⁶¹ Ibid, p. XIII.

⁶² Vera Songwe, Nicholas Stern and Amar Bhattacharya, “*Finance for climate action: scaling up investment for climate and development*”, London School of Economics and Political Science, 2022 p. 61.

⁶³ United Nations, Department of Economic and Social Affairs, Financing for Sustainable Development Office, joint capacity-development workshop between the Department of Economic and Social Affairs and the Government of Egypt on mainstreaming climate adaptation into development cooperation policies and practices, 2022.

⁶⁴ OECD, *Climate Finance Provided and Mobilised by Developed Countries in 2016–2020: Insights from Disaggregated Analysis, Climate Finance and the USD 100 Billion Goal* (OECD Publishing, Paris, 2022), p. 19–20.

⁶⁵ Ibid, p. 20–21.

⁶⁶ Vera Songwe, Nicholas Stern and Amar Bhattacharya, “*Finance for climate action: scaling up investment for climate and development*”, London School of Economics and Political Science, 2022 p. 20.

and measures, expressed concern as to how the fund will ensure that all countries that are vulnerable to the impacts of climate change will have the necessary and timely access to needed concessional resources.

54. Digital technologies can advance sustainable development, helping to generate new avenues of growth and connect people to services, jobs and information. Crises, such as natural disasters and pandemics, demonstrate the importance of connectivity through digital technologies and its role in supporting the most vulnerable to manage risks and shocks. Digital technologies can also enable governments to improve public services, including social protection and more efficient and effective tax administrations, advance innovation for climate adaptation and, generally, improve transparency and reduce administrative costs. Ensuring an inclusive digital transformation will narrow the digital divide by purposefully targeting countries and underserved groups and connecting them to digital infrastructure and skills. It will also ensure that those currently excluded from the benefits of digitalization are not left further behind by technological progress, contributing to deepened vulnerability.

55. The acceleration of digital transformation can also expand opportunities for digital inclusion. Exponential growth in e-commerce fosters new job and income opportunities, which can lift household incomes, decrease poverty and strengthen resilience of communities excluded from typical market opportunities. For example, China, Chile and Ghana have shown how public policies can link rural communities and smallholder farmers with e-commerce platforms for improved economic outcomes.⁶⁷

56. The digital transformation has been further catalysed by the COVID-19 pandemic as the result of the social distancing and lockdown measures. Worldwide, more than 1 billion new Internet users came online in the past five years, driven partly by a significant jump in 2020 as social distancing and lockdown measures pushed so many activities online. Yet, the digital divide remains stubbornly wide. By mid-2022, just over one third of the world's people do not use the Internet, and many of them live in the least developed countries, landlocked developing countries and small island developing States.⁶⁸

57. The digital divide exposed during the pandemic did not just show the ongoing gap in Internet coverage between countries; it also exacerbated divides within countries related to gender, age, disability, geography and socioeconomic status. As many essential services became virtual, those without broadband Internet access have been excluded and the consequences could be long-lasting. Children and youth from the poorest households, and rural and low-income areas are falling even further behind their peers in terms of digital inclusion, leaving them with fewer opportunities to catch up and exposing them to greater risk of poverty and unemployment.⁶⁹ There can be wide gaps in connectivity even within countries that have unreliable Internet service. For example, in least developed countries, urban dwellers are almost four times as likely to use the Internet as people in rural areas and 34 per cent of youth are online compared with 22 per cent of the rest of the population.⁷⁰ Gaps also persist across and within countries with respect to mobile-broadband coverage.⁷¹

⁶⁷ United Nations, Department of Social and Economic Affairs, "Leveraging digital technologies for social inclusion", Policy Brief No. 92, February 2021.

⁶⁸ International Telecommunication Union, "Digital inclusion of all", 2022. Available at: <https://www.itu.int/en/mediacentre/backgrounders/Pages/digital-inclusion-of-all.aspx>.

⁶⁹ Ibid.

⁷⁰ International Telecommunication Union, "Measuring digital development. Facts and figures, 2021". Available at <https://www.itu.int/en/ITU-D/Statistics/Documents/facts/FactsFigures2021.pdf>.

⁷¹ United Nations, Department of Economic and Social Affairs, *The Sustainable Development Goals Report 2022* (United Nations publication, 2022).

58. Internet access and mobile telephony remain too expensive for many people in the developing world. For numerous least developed countries, the cost of broadband Internet is above the affordability target of 2 per cent of monthly GNI per capita set by the Broadband Commission for Sustainable Development. In fact, beyond least developed countries, the share of income spent on telecommunication and Internet access increased worldwide in 2021, an about-face after a long decline in costs, much of which is traced to a steep drop in average GNI levels.⁷²

59. Higher levels of public investment, including international public finance, are needed to deliver affordable, universal connectivity, as envisioned in the 2030 Agenda. In some developing regions, increasing connectivity requires significant upgrading to existing coverage and capacities. In other regions, such as sub-Saharan Africa, South Asia, and East Asia and the Pacific, nearly half of the essential infrastructure investments will be new.⁷³ Development finance institutions can leverage their power to convene the necessary digital and financing actors, including from the private sector, scaling funding and mobilizing knowledge critical for digital transformation.

60. According to recent OECD analysis, relatively few development cooperation partners have stand-alone strategies in support of digital transformation with their development partners. Between 2015 to 2019, estimates of official development finance – covering development-related financial flows in addition to ODA as monitored by the OECD Development Assistance Committee – to digital transformation show an increase from \$2 billion to \$6 billion. In relative terms, philanthropic institutions devote a greater share of their investments to support digitalization than do bilateral and multilateral providers, and they – along with bilateral partners – provided 92 per cent of concessional flows, or ODA, during the period. Multilateral organizations' finance was mostly non-concessional. The African and Latin American and Caribbean regions received the most digitalization-related finance.⁷⁴

61. Despite efforts by developing countries to better harness digital technologies for sustainable development, many countries face significant technical and policy constraints. Skills to successfully manage digital transformation or collect and analyse data are scarce or do not exist. In addition, many local and national governments cannot afford or access new technologies or innovative digital solutions for critical needs, such as climate change. Furthermore, capacity constraints and gaps in regulatory frameworks are a key barrier to harnessing digital technologies. Limited capacities to engage with new technologies sometimes force local and national governments to rely on private companies, which can sometimes be on unfavourable terms and conditions. To address these challenges, the Joint Facility for Digital Capacity Development was launched in 2021 by the International Telecommunication Union and the United Nations Development Programme to support those not currently served by existing digital capacity development resources or channel, and development cooperation actors may support these efforts by engaging with the Facility's multi-stakeholder network.⁷⁵

62. When mobilizing resources and knowledge – including through South-South and triangular cooperation – developing countries and their partners should prioritize

⁷² ITU-A4AI, “*The affordability of ICT services 2021*”, Policy Brief (March, 2022).

⁷³ United Nations, Department of Economic and Social Affairs, *The Sustainable Development Goals Report 2022* (United Nations publication, 2022).

⁷⁴ Organisation for Economic Co-operation and Development, *Development Co-operation Report 2021: Shaping a Just Digital Transformation* (Paris, 2021).

⁷⁵ United Nations, Office of the Secretary-General's Envoy on Technology, Joint Facility for Global Digital Capacity. Available at: <https://digital-capacity.org/joint-facility/>.

inclusivity as part of digitalization strategic planning, processes and programmes. Performing vulnerability needs and risks assessments before designing an intervention involving innovation, technology, and digitalization can yield benefits. Participatory approaches should include all potential beneficiaries and affected groups. Other essential steps include: setting up strong monitoring systems, including through collection and analysis of disaggregated user/beneficiary data; adaptation to local contexts; creation of effective accountability mechanisms; and investment in education, capacity-building and organizational development of vulnerable groups and civil society.

63. The Road Map for Digital Cooperation of the Secretary-General outlines measures that could be taken to narrow the divide.⁷⁶ The Road Map called for a commonly agreed framework, as well as specific indicators and metrics, that could close the digital divide and promote stronger digital inclusion in the transformation rapidly under way. Such a framework would be powered by data, capable of informing evidence-based policymaking and allowing governments to identify who are the digitally excluded; the reasons for their exclusion; and options for monitoring and guiding digital inclusion efforts. It would focus on access and affordability, as well as skills and awareness.

Strengthening data for risk-informed development cooperation focused on the most vulnerable

64. Developing countries have underscored the need for a new generation of national development cooperation policies that are risk-informed and sufficiently agile to respond to uncertainties. Risk-informed development cooperation begins with an assessment of potential hazards and their impact on national sustainable development priorities. It identifies exposure and capacities to adapt to these hazards. High exposure and/or low adaptive capacities can translate into significant vulnerabilities to potentially adverse events. Where such events are all but certain to occur, such as harmful weather patterns owing to climate change, risk is especially high. Development cooperation, financial and non-financial, should then help reduce and mitigate those risk by increasing adaptive capacities, limiting exposure and, where possible, reducing the likelihood of adverse events occurring. To do so, development cooperation actors need better access to current knowledge, data and tools to understand sustainable development risks and how current development cooperation policies and practices succeed or fail in taking them into consideration.⁷⁷

65. Development cooperation for data and statistics fell by \$100 million to \$542 million from 2019 to 2020, representing the most significant drop in development financing for this sector since the adoption of the 2030 Agenda and Addis Ababa Action Agenda. Prior to COVID-19, funding for data and statistics was already off-track, amounting to only half of the estimated requirement (\$679 million in 2018) for generating sufficient data to achieve the Sustainable Development Goals. Over half of low and lower-middle-income countries lack the capacity to generate data on one third of the Sustainable Development Goals indicators.⁷⁸

66. While the availability of internationally comparable data for monitoring the Sustainable Development Goals has greatly improved in recent years, data gaps in terms of geographic coverage, timeliness and level of disaggregation remain a

⁷⁶ United Nations, Department of Social and Economic Affairs, “Leveraging digital technologies for social inclusion”, Policy Brief No. 92, February 2021.

⁷⁷ United Nations, Department of Social and Economic Affairs, 2022 Development Cooperation Forum (DCF) Survey Study: Navigating COVID-19 recovery and long-term-risks.

⁷⁸ Partnership in Statistics for Development in the 21st Century (PARIS21), The PARIS21 Partner Report on Support to Statistics 2022, OECD Publishing, Paris, 2022.

significant challenge.⁷⁹ Funding for gender data dropped by more than 50 per cent from 2019 to 2020, which worsens the lack of information and insights needed to evaluate the effects of various policies and programmes on women and girls and to take appropriate steps to achieve gender equality.⁸⁰ In a crisis context where multiple vulnerabilities disproportionately impact on women and girls, reversing this trend becomes ever more urgent.

67. To stay ahead of evolving or emerging crises, governments and their partners need a clear picture of the state-of-play and the ability to forecast different scenarios. This will require significant investments in data, information infrastructure and human capital. Timely, high-quality and disaggregated data can help to support more targeted responses, anticipate future needs, and strengthen long-term resilience – especially in countries with special vulnerabilities and distinctive capacity constraints like small island developing States.⁸¹

68. Data that supports a better understanding and analysis of multi-dimensional poverty and vulnerability among individuals and households is also critical. Some developing countries, United Nations system entities and other development partners use the Multidimensional Poverty Peer Network as a resource for knowledge exchange and peer learning on measurement, evaluation, policy design and analysis to address multidimensional vulnerabilities and support multisectoral policies that leave no one behind.⁸²

69. Development cooperation must strengthen statistical capacities and explore innovative demand-driven funding mechanisms that allow for an efficient and timely response to the priorities of national statistical systems. Frameworks, such as the Cape Town Global Action Plan for Sustainable Development Data, the Dubai Declaration and the Bern Data Compact for the Decade of Action on the Sustainable Development Goals – agreed under the United Nations World Data Forums – are critical and should be implemented with greater urgency and stronger support.

IV. Concluding policy recommendations

70. Members States are encouraged to consider the following policy recommendations at the upcoming High-level Meeting of the Development Cooperation Forum in 2023 to build a sound foundation for upcoming milestones to rescue the Sustainable Development Goals, such as the Economic and Social Council forum on financing for development follow-up, the high-level political forum on sustainable development, the Sustainable Development Goals Summit and the High-level Dialogue on Financing for Development.

71. Strengthen access to reliable, predictable concessional finance to support developing countries' long-term resilience and help them buffer exogenous shocks. This is especially important for countries facing multidimensional structural vulnerabilities. ODA and other forms of development cooperation must respond to

⁷⁹ United Nations, Department of Economic and Social Affairs, *The Sustainable Development Goals Report 2022* (United Nations publication, 2022).

⁸⁰ Partnership in Statistics for Development in the 21st Century (PARIS21), The PARIS21 Partner Report on Support to Statistics 2022, OECD Publishing, Paris, 2022.

⁸¹ United Nations, Department of Economic and Social Affairs, Financing for Sustainable Development Office, Department of Economic and Social Affairs and International Aid Transparency Initiative Asia-Pacific regional workshop on “Strengthening policies, processes and data systems for effective development cooperation”, 2022.

⁸² Oxford Poverty and Human Development Initiative, Multidimensional Poverty Peer Network. Available at: <https://mppn.org/>.

the unique goals, needs and contexts of each developing country and must not exacerbate the heavy debt burdens already held by many of those countries.

72. Acknowledging the nuances of vulnerability across country groups, integrate an inclusive and holistic consideration of multidimensional vulnerability as a complement to current eligibility criteria to ensure that needed concessional resources are responding to current risks and targeting the most vulnerable.

73. Mainstream the inclusion of vulnerable groups in national development plans and in the development cooperation strategies of developing countries and their partners. Listen to and actively engage those experiencing marginalization.

74. Build on and sustain innovations in social protection that were developed during the pandemic, including by using a nexus approach to social protection programming. The Global Accelerator provides a coherent framework for integrated and coordinated social protection and employment policies and strategies.

75. Advance better risk-informed development cooperation for climate-vulnerable countries. With progress made, emphasis must be placed on providing grant and other concessional finance instead of loans to climate-vulnerable countries to ensure that further debt burdens are not imposed.

76. Harness digital technology as a powerful tool towards inclusive growth. However, if the digital divide is not addressed, digital technologies could widen inequalities and vulnerabilities. Development cooperation partners must urgently strengthen access to digital technologies for the most vulnerable. South-South and triangular cooperation could play an important role in technology transfer and skills training.

77. Scale up development cooperation to support data collection, data systems, digital infrastructure and skills training to help developing countries in advancing evidence-based policies that prioritize the lives and livelihoods of the most vulnerable.

78. Sustain results between development partners by implementing medium-term to long-term planning and predictable development cooperation that includes more and better development cooperation – financial and non-financial – to address diverse risks and multiple vulnerabilities. National development cooperation policies, informed by quality and timely data and related capacities, as well as other enablers of effective development cooperation, have been shown to guide such efforts successfully.
