

# CHAIR'S STATEMENT

20 March 2025 | Paris

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On 20 March 2025, the Members of the OECD Development Assistance Committee (DAC) met at high level alongside non-DAC OECD Members, DAC Participants, OECD Accession Countries, OECD Key Partners, international organisations, and non-governmental partners. The DAC welcomed Latvia as the newest member of the Committee.

At the High-Level Meeting, DAC Members and other participants reflected together on our collective concerns over ongoing geopolitical shifts and the consequences of a more volatile international development co-operation landscape. Members stressed that the current unprecedented crisis urgently called for renewed commitments to, and refocused efforts, aimed at ensuring stronger and more effective international development co-operation and the most impactful investments of official development assistance (ODA), including through the multilateral system. This entails enhancing development partnerships based on whole-of-society approaches in order to maintain trust and strengthen coordination among all development co-operation providers. Members highlighted the urgency of further coordinated efforts towards mobilising more private finance for development and underscored the need to scale-up support for enabling environments and further capacity building around demand-driven initiatives for domestic resource mobilisation, leaving no one behind. Members reiterated the fundamental role of the DAC in the international development co-operation architecture, and the need to take collective action, swiftly and globally to achieve the 2030 Agenda for Sustainable Development. Members urged the DAC to continue to develop a stronger, renewed narrative on international development co-operation through global solidarity, including as a long-term global investment in a more prosperous, sustainable, peaceful and secure world.

1. We are witnessing rapidly escalating effects of rising poverty and inequality, including gender inequality, climate change, nature and biodiversity loss, health crises, food insecurity and malnutrition, coupled with increasing overall economic and social instability and conflict. Members recommitted to the United Nations (UN) 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs), as reconfirmed in the recent Pact for the Future, to transform our world and ensure that all people can lead a life with dignity and rights in a safe and healthy environment. As we act collectively and urgently in the face of shifting priorities, Members will continue to build the DAC's response upon: global solidarity; mutual and beneficial partnership towards a just, inclusive, and sustainable world; open dialogue with partner countries; and fundamental core values of freedom, democracy, rule of law, peace, gender equality, human rights, other inalienable rights adopted by the UN to end discrimination and exclusion, and reducing the inequalities and vulnerabilities that leave people behind.
2. Members committed to advance concrete policies and actions for a strengthened global financing framework for sustainable development. They underscored the key role of multilateralism and committed to further revitalising their long-standing partnership with the UN and international financial institutions. Further, they emphasised the importance of national ownership in driving

reform and creating conditions that enable investment and sustainable growth. The Fourth Conference on Financing for Development (FfD4) will be a critical opportunity to renew these commitments to achieve the SDGs and support reform of the global development architecture.

3. ODA plays a critical part in the 2030 Agenda and shaping a new global financing framework for sustainable development, especially for the poorest and most vulnerable countries and populations, where ODA remains an essential and resilient source of external finance. Members reaffirmed their respective ODA commitments, including those by many to the UN targets of 0.7% ODA/GNI and 0.15–0.20% ODA/GNI for Least-Developed Countries (LDCs), which have been most affected by the crises of the last decade. Members pledged to bolster their impact and effectiveness and to strengthen, adhere to, and uphold the highest standards of transparency and mutual accountability in development co-operation globally.
4. Recognising the fast-evolving landscape around development co-operation, Members committed to reinforcing international efforts toward more effective, transparent, and inclusive development financing. Members emphasised the need to join forces and maximise synergies between development co-operation, private investment, trade, and innovation. In these endeavours, Members will uphold and protect the integrity of ODA. Actions should be innovative to accelerate and enhance the catalytic role of ODA while ensuring continued support for basic services and locally led development. Members will work towards greater coherence in their policies, operations, and procedures at all levels. Members concurred to continue to tailor development financing to the specific needs of partner countries, in particular accounting for the distinct development challenges and vulnerabilities of LDCs, Landlocked Developing Countries (LLDCs), Small Island Developing States (SIDS), and other countries in special circumstances.
5. A downward spiral of violent conflict is rapidly reversing hard-won development gains across economies and societies. Members pledged continued support and assistance – including through civil society – for all contexts affected by conflict, toward transitions to peace, reconstruction, and stability. Recognising the interlinked drivers of fragility, Members emphasised the need for early action to prevent escalation into crisis. Members condemned all violation of international law and reaffirmed their commitment to strengthen the implementation of the DAC Recommendation on the Humanitarian-Development-Peace Nexus, ensuring evidence-based financing strategies that are conflict-sensitive, well-coordinated, and tailored to urgent humanitarian needs, post-conflict reconstruction, and long-term development. Members will accelerate support for countries and populations affected by war, and by rising fragility and insecurity, including in the context of Russia’s war of aggression against Ukraine; in the Middle East, such as in the West Bank and Gaza; and in Africa, such as in Sudan and the Democratic Republic of Congo. DAC Members will step up work on post-conflict reconstruction and recovery, including donor coordination to promote government ownership and ensure partner-country absorptive capacity, and to stimulate private-sector development. To this end, Members pledged to enhance the coherence and complementarity of financial support.

### **Stronger Together: Deepening and broadening international partnerships**

6. To ensure delivery of our shared responsibility embedded in the 2030 Agenda, Members reaffirmed their strong commitment to continue strengthening open, strategic, and inclusive dialogues, engaging all stakeholders in development co-operation, including partners in triangular and South-South co-operation.

7. To ensure that the DAC's development co-operation is fit for the future, Members discussed new avenues to deepen engagement with and listen to partner-country governments and local actors, to acknowledge and comprehend their interests and concerns, improve development partnerships, and add value through dialogue and learning. This includes through horizontal partnerships, such as the Global Partnership for Effective Development Co-operation (GPEDC) and the DAC-Alliance of Small Island States (AOSIS) Partnership for Action. Members emphasised the need to strengthen partnerships with LDCs and countries in the most vulnerable and fragile contexts. Members will continue to contribute to the OECD-Africa Partnership, bringing the DAC's expertise and reinforcing relations with partner countries and providers.
8. Members confirmed that they will continue to build partnerships, including with new and emerging donors, alongside existing regional dialogues with Arab providers and countries from Latin America and the Caribbean, and annual meetings on triangular co-operation. Members recognised the vast community of stakeholders – non-DAC countries, multilateral organisations, philanthropic foundations, civil society, and decentralised development actors – who contribute to the transparency, accountability and inclusivity of DAC statistics on development finance. Members welcomed stronger statistical engagement, value the participation of providers beyond the DAC, and will continue to expand data collection.
9. Members acknowledged the key role of civil society in effective development co-operation. In line with the DAC Recommendation on Enabling Civil Society in Development Co-operation and Humanitarian Assistance, Members underscored the need to protect civic space and reaffirmed commitments to enabling civil society – particularly women's and women-led organisations – to participate in dialogue and consultations in the decision-making processes, implementation, monitoring, and accountability processes, and to advance locally-led solutions. Members expressed value in their engagement with civil society organisations (CSOs) through the DAC-CSO Framework for Dialogue, to inform DAC work.
10. Members recognised the need to actively collaborate with other multilateral partners. This type of collaboration strengthens collective responses to global issues, supports capacity-building initiatives, and enhances the effectiveness and efficiency of international development programmes through strategic partnerships and by fostering dialogue, sharing best practices, and aligning efforts. Active collaboration also ensures that policies are well designed and implemented, maximising their impact on sustainable development, economic growth, and social resilience.
11. Graduation from the list of ODA eligible countries is a development milestone to celebrate. It also requires preparation and partnership to ensure that countries can secure adequate levels and quality of financing beyond graduation, including to address specific vulnerabilities insufficiently covered by national revenue alone. As an important first step, Members agreed to strengthen the ODA graduation process, to ensure smoother transitions, sustainability of financing, and continuous partnership beyond graduation. The DAC will further consult and listen to partners on the proposed approach, and revisit and review the procedures set out in this strengthened process in 2027. This review will include a reflection on broader measures of sustainable development, how these measures might usefully inform allocation decisions, the ODA eligibility criterion, and the frequency of the review of ODA eligible countries.

## Effective Development Co-operation: Upholding commitments and political momentum

12. Members reaffirmed their shared commitment to the principles of effective and evidence-based development co-operation that leaves no one behind. Members acknowledged that effective development co-operation is deeply embedded in the mandate of the DAC, and recognised the critical importance of enhancing the quality, results, and impact of DAC development efforts, such as through outcomes-based financing mechanisms.
13. Members underscored the need to uphold political momentum for a revitalised effectiveness agenda owned and driven by all stakeholders. Members reaffirmed the importance of engaging in and strengthening existing platforms, notably the Global Partnership on Effective Development Co-operation, its ongoing effectiveness monitoring, its next High-Level Meeting, and the Busan Global Partnership Forum. Members will drive more effective development co-operation through the GPEDC via country-level action and institutionalisation, through global accountability, learning, and dialogue with all stakeholders, including civil society and non-DAC providers.
14. Members committed to supporting partner country ownership and strengthening the agency of local, regional, and national actors, including civil society. Through whole-of-society approaches and building on the Grand Bargain commitments, Members will engage stakeholders at all levels – from governments to grassroots organisations – in promoting locally led development co-operation. Members decided to develop light guidelines and measures for locally led development co-operation, and to address barriers to collective progress. Recognising diverse perspectives in these endeavours, Members will amplify the voices and the full, equal, and meaningful participation of all women, girls, and youth in policy dialogue and planning, ensuring their leadership in sustainable development.
15. Members reaffirmed that ODA, and other forms of official development finance, must be equitable and inclusive, targeting the poorest and reaching the furthest behind first. Members committed to increasing development co-operation's focus and impact on tackling poverty and inequalities in partner countries, including by supporting the development of the OECD's upcoming guidance on reducing poverty and inequalities. With partners, Members will support basic services, such as access to health, education, and social protection. Further, Members committed to faster integration of, and increased financing for, gender equality as an essential enabler of economic and social development, as in the OECD-DAC Recommendation on Gender Equality and the Empowerment of all Women and Girls. We further commit to tackling sexual exploitation, abuse and harassment in the aid sector as agreed in the OECD DAC Recommendation on Ending SEAH in Humanitarian and Development Assistance. Members remain committed to the promotion, protection and fulfilment of all human rights and to the full and effective implementation of the Beijing Platform for Action and the Programme of Action of the International Conference on Population and Development (ICPD) and the outcomes of their review conferences and remain committed to sexual and reproductive health and rights (SRHR), in this context. Members also aim to strengthen efforts on inclusion and empowerment of persons with disabilities.
16. The ongoing digital transformation of economies in virtually all spheres of society is a strategic opportunity to accelerate progress towards the SDGs. Members committed to work to ensure that digitalisation initiatives in development co-operation are grounded in principles of openness, transparency, and inclusivity while being secure, ethically responsible, climate-compliant, and

human-centred by design. Members recognised their important role in supporting free media as it adapts to the new information environment, and the integrity of the information environment as the basis for democracy and development, as per the newly adopted DAC principles.

17. Members recognised the need to substantially bolster Policy Coherence for Sustainable Development in line with the OECD Recommendation and the forthcoming OECD-wide Strategy on Development. Members will therefore prioritise promoting and supporting OECD-wide efforts to address the transboundary effects of policies and finance beyond development co-operation. DAC Members urged that all OECD policies and standards be systematically screened internally for their impact on sustainable development, acknowledging their potential for unintended consequences.
18. Members emphasised the role of transparency to enhance development effectiveness, with a focus on high-quality data, digital tools, timely reporting, publication, and evidence-based analysis of statistics for development finance and mobilised private finance. Members acknowledged the need to strengthen reporting and transparency of the share of ODA programmed at country level. Members will work closely with other public providers of development co-operation, emphasising adherence to international standards and practices for improvement of transparency and accountability, where appropriate with the International Forum on Total Official Support for Sustainable Development (TOSSD).

### **Mobilising private capital for development: Towards a stronger, more equitable future**

19. Effectively responding to increasing needs for financing for sustainable development requires substantially scaling up efforts by all, including providers of development co-operation. Mobilising private finance through strategic use of ODA resources has yet to meet expectations despite emerging signs of progress. It calls for strengthening the adequate, proportionate, and balanced use of different sources of funding, and enabling countries to use a combination of interventions tailored to their contexts, needs, and vulnerabilities. ODA will remain critical as a means of development finance for those furthest behind. Members recognised the urgent need to intensify support to strengthen enabling environments and to mobilise additional domestic resources, including in LDCs, LLDCs and SIDS. Working as a system, Members will enhance the role of development finance institutions (DFIs) and collaborate closely with multilateral development banks (MDBs).
20. Domestic resources are the most sustainable and reliable pillar of financing for development – a vital source of funding for key sectors and essential to closing financing gaps in the achievement of the SDGs. Given ODA’s catalytic potential to mobilise domestic resources, the DAC will step up investment in improving systems and ensuring their effective use in line with the principle of national ownership. Members acknowledged that fair, transparent, and accountable tax systems increase trust between governments and citizens, and strengthen the social contract. Members stand ready to strengthen demand-driven, context-specific technical assistance and capacity-building, in particular design and implementation of country-financing strategies such as Integrated National Financing Frameworks (INFFs), and platforms to align resources with national priorities and improve access to innovative financing solutions. This includes improving public financial management systems, broadening the domestic tax base, and strengthening efficiency and equity of tax revenue.

21. Members are committed to implementing a harmonised, systemic approach to mobilising private finance, building on best practices and accountability from wider OECD work. With our evidence base on blended finance mechanisms for mobilising private finance for development – such as guarantees, credit enhancement and other innovative financing instruments – Members will contribute to an OECD-wide instrument on private-finance mobilisation. Members will also work to increase local-currency financing for MDBs and DFIs to attract private investors and mobilise capital. Furthermore, Members will enhance impact with more comprehensive, standardised, and granular reporting and disclosure on private-finance mobilisation as appropriate, while recognising the confidentiality needs of the private sector, and with more transparency, such as by encouraging further opening of the Global Emerging Markets Risk Database (GEMs).
22. Strategic use of blended finance can be a powerful approach to maximise development impact by mobilising private capital towards sustainable development. Members will ensure that blended finance is used in line with the OECD-DAC Blended Finance Principles and our updated Guidance. Members will standardise and replicate blended finance models, instruments, and structures that mobilise private finance at scale, including through: guarantees; structured funds; impact-linked finance; Green, Social, Sustainability, and Sustainability-Linked (GSSS) bonds; and multi-asset mobilisation through intermediation. Members will explore ways to pool assets originating from development finance interventions and make them accessible to institutional investors through public and private markets.
23. High global debt levels and debt-servicing obligations are an ongoing concern. Members emphasised the need for borrower countries and official bilateral and private creditors to work together to prevent and resolve unsustainable debt situations, and to implement the G20 Common Framework in a predictable, timely, orderly, and coordinated manner. Members reiterated that the international community must enhance debt transparency through actions by all creditors and debtor countries.
24. Members decided to promote responsible business conduct (RBC) to align the activities of businesses and investors with the needs of society, notably by developing guidance on RBC and development co-operation, and a DAC Recommendation in due time. Illicit financial flows disproportionately impact the development prospects of partner countries. Therefore, Members will continue to fight all forms of corruption and illicit finance by promoting risk-based and innovative approaches in line with the OECD Council Recommendation on Managing the Risk of Corruption.
25. Public and private finance – including through grants, concessional and non-debt creating instruments – are important components of responding to development, climate, and biodiversity financing needs. Members recognised that harnessing synergies and unlocking co-benefits requires an integrated approach, as no country should have to choose between fighting poverty and fighting for the planet. This includes strengthened focus on innovative partnerships aligned with the 2030 Agenda, the Paris Agreement, and the Kunming-Montreal Global Biodiversity Framework and on promoting transformative change towards environmentally sustainable, climate-resilient, and low-carbon development.



26. Robust and sustainable infrastructure is a cornerstone of economic growth, social well-being, and environmental resilience. Members recognised the catalytic role of ODA in mobilising project finance for quality infrastructure, fostering inclusive development, enhancing connectivity, and enabling access to affordable essential services for all, such as clean energy, transportation, and digital networks.

### **Shaping the future of development: Building a DAC for purpose and partnership**

27. In view of FfD4, DAC Members will work towards a more inclusive and effective global development architecture based on a strengthened rules-based approach. Building on our mandate and comparative advantage, the DAC will continue its role in data collection and analysis, evidence-based policy advice, sharing best practices, and normative efforts. Members are committed to the DAC's role as a collaborative venue for learning among all partners and development providers, including exploring new options for dialogue, and leveraging the convening role of the United Nations in an inclusive and resilient global development architecture.
28. DAC Members committed to increasing the impact of development finance and will ensure that ODA responds to global developments in a rapidly evolving development co-operation landscape. Finally, Members underscored the importance of ODA and its catalytic role in mobilising additional investments in partnership and collaboration for sustainable, inclusive development going forward.