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President: Mr. Koterec. (Slovakia)

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The meeting was called to order at 10.10 a.m.

Development Cooperation Forum

Opening statement by the President of the Economic and Social Council

1. **The President** said that, following the recent United Nations Conference on Sustainable Development (Rio+20), there was broad agreement that the future of development had to be built on the three pillars of sustainable development. As the target date for achievement of the Millennium Development Goals (MDGs) drew near, the Council should focus on areas where progress had been insufficient and should consider the design and objectives of the United Nations development agenda beyond 2015. The growing importance of various development actors required a better understanding of their respective contributions and the Council should find ways of forming stronger, more balanced partnerships based on mutual accountability and trust.

2. The Forum was not an event; it was a process that built on the positive momentum generated by a series of preparatory consultations in which many of those present had participated. A high-level symposium on the theme, “Gearing development cooperation towards the MDGs: Effectiveness and Results”, held in Bamako on 5 and 6 May 2011, had focused on national ownership and on ways in which the international development community could maximize the results of development cooperation, especially in the least developed countries. A second high-level symposium on the theme, “Working together to increase the development impact of aid”, held in Luxembourg on 18 and 19 October 2011, had been a reflection on the role of aid as a catalyst and had illustrated how development providers could enable their partner countries to mobilize investment and other types of development finance. The most recent symposium, the theme of which had been “Shaping a Sustainable Future — Partners in Development Cooperation”, had been held in Brisbane on 14 and 15 May 2012 and had been devoted to the question of how development cooperation could support the transition towards sustainable development. The Council had also organized two special dialogues, held in New York on 9 and 27 February, respectively, on the themes “The Changing Context of Development: What does it mean for Cooperation and Global Partnership” and “Private philanthropic organizations in international

development cooperation: New opportunities and specific challenges”.

3. The programme of the current Forum was a culmination of those events and its goal was to review key trends in international development cooperation and explore more inclusive, effective and sustainable partnership options. As such, it was first necessary to look to the past in order to better understand the changes in development cooperation, then to heed lessons from current efforts, while developing a clear and realistic consensus on how to coordinate new sources and modalities of development cooperation more effectively.

4. At Rio+20, the Heads of State and Government had decided to further strengthen the role of the Council. The 2012 substantive session and the upcoming review of General Assembly resolution 61/16 on the Strengthening of the Economic and Social Council provided an opportunity to take action on that renewed commitment. The Rio+20 outcome document, “The future we want”, rightfully recognized the Council’s key role in achieving balanced integration of the three dimensions of sustainable development. As such, it was well placed to contribute to the development of an integrated and coherent development framework beyond 2015. The Forum could also provide important input into the Council’s report on a sustainable development financing strategy, to be submitted to the General Assembly pursuant to 255 of the Rio+20 outcome document.

5. He urged the participants to learn from each other’s experience and to identify ways in which they could tackle challenges together. The Council and the Forum could make a unique contribution by bringing greater determination, understanding and resolve to a renewed and more effective development agenda.

Address by the Secretary-General

6. **The Secretary-General** said that the Forum gave a voice to all actors involved in international cooperation for development and that development goals could be achieved only through collaboration, coherence and partnership. He welcomed the Council’s engagement over the past two years; the development cooperation architecture was being transformed and, through a common effort, it was possible to build even stronger partnerships, lift people from poverty and support long-term sustainable development, a task that

became more urgent each day as the world economy was precarious and the risk of further recession remained.

7. High food and energy prices were placing an additional burden on those who were already vulnerable. As the world's population grew, at least 50 per cent more food and 45 per cent more energy would be needed by 2030 and inequality between and within countries continued to rise. There had been significant progress in reducing extreme poverty, but more must be done to eliminate harsh conditions and disparities. Climate change and environmental degradation affected billions of people, as did political crises and conflicts, pervasive poverty and needless disease.

8. At Rio+20, the international community had emphasized not only the need to build resilience, particularly among the world's poorest, but also the importance of partnerships. Addressing those challenges required the involvement and collaboration of all major groups of civil society; Governments could not do it alone. As donors and partnerships continued to diversify, so too must the development cooperation architecture.

9. Building on their own experience, developing countries were helping each other through enhanced South-South cooperation and introducing new approaches to development cooperation that were delivered quickly and with lighter procedural requirements. The private sector was proving to be an important partner, as were foundations and private philanthropic organizations that donated to health and education. Civil society was helping recipients to absorb development assistance and use it effectively, while local governments were facilitating improved delivery of basic social services. The challenge was to ensure coherence and coordination among that broad range of actors, to capitalize on the comparative strengths of each and to fully tap the opportunities offered by that diversity.

10. At the same time, the changing context must be taken as an opportunity to address the shortcomings of the current system; five areas, in particular, required improvement. First, efforts to achieve the MDGs must be accelerated and promises kept, even in times of fiscal austerity. Second, development assistance must go to the countries and development sectors where it was most needed, not merely those that had attracted

international attention. Third, aid must cease to be burdened with conditionalities, which undermined national autonomy and led to distortions in allocation. Fourth, it was essential to improve mutual accountability and transparency, which were critical in ensuring that external support aligned with the priorities of recipient countries. And, fifth, building on the commitment to sustainability, there must be a better balance between short- and long-term considerations and between the economic, social and environmental pillars of sustainable development.

11. Development cooperation was at the heart of the United Nations. As the landscape of such cooperation changed, so, too, must the United Nations in order to deliver as one. He welcomed the Council's leadership and guidance as the United Nations considered its development agenda beyond 2015. The Forum was a unique opportunity to identify best practices and lay the groundwork for improved policy coherence and coordination, and he counted on the participants to share concrete ideas about how that could be achieved. The delivery of more effective, pro-poor development assistance must be a joint effort.

*Introduction of the report of the
Secretary-General (E/2012/78)*

12. **Mr. Sha Zukang** (Under-Secretary-General for Economic and Social Affairs), introducing the report of the Secretary-General on trends and progress in international development cooperation (E/2012/78), said that with the world financial and economic crisis unabated, prospects for international development cooperation remained uncertain. The world faced a host of new and emerging global challenges that were often interlinked and cut across sectors, such as inequality, climate change, food insecurity and economic slowdown. Those shifts and challenges required the engagement of all development stakeholders and a strong, collective response.

13. The report noted that, in spite of renewed commitment to the MDGs, there were wide gaps in advancing Goal 8 on the global partnership for development. In 2011, official development assistance (ODA) had declined in real terms; the disparity between what had been promised and what was being delivered had continued to widen and currently stood at \$167 billion per year. Only a few development partners had honoured their commitments and maintained their ODA levels, setting an example for

others. To date, 32 low-income countries had received debt relief under the Heavily Indebted Poor Countries (HIPC) initiative, yet seven of those countries remained at high risk of debt distress and another 12 at moderate risk. With the termination of the HIPC initiative, it was necessary to consider new ways to help countries in severe debt distress and to facilitate orderly debt workout mechanisms. Coordination among development partners was far from satisfactory and development assistance must be aligned with the national priorities of partner countries. While the call for greater policy coherence was not new, it remained a key challenge.

14. The report called for the benefits of South-South and triangular cooperation to be harnessed. At Rio+20, Member States had recognized the importance, as well as the different history and particularities, of South-South cooperation, which complemented rather than substituted for North-South cooperation, and had stressed that it should be seen as an expression of solidarity and cooperation between countries based on their shared experiences and objectives. Triangular cooperation, too, should be scaled up in order to combine the comparative strengths of Northern funding and Southern expertise. Both approaches should be demand-driven, transparent and cognizant of the specific needs of partner countries, especially with regard to investment in sustainable infrastructure and productive capacity. The report suggested that development cooperation should be based on disbursement forecasts of three to five years in order to improve predictability and that development partners should take part in mutual accountability and transparency initiatives.

15. Rio+20 had generated new momentum for advancing sustainable development as the participants had decided to launch a process aimed at developing a set of sustainable development goals, which would build upon the MDGs and converge with the United Nations development agenda beyond 2015.

16. In addition to identifying a green economy, tailored to national circumstances, as one of the important tools for achieving sustainable development and poverty eradication, the Conference had also adopted decisions on strengthening institutions for sustainable development and on sectoral priorities and cross-cutting issues. Placing sustainable development at the heart of a future United Nations development agenda was an inexorable trend that made change

indispensable; development cooperation must be redesigned and the Forum would have an important role to play in that regard.

Keynote addresses on the theme “Drivers of change: what is the future of development cooperation?”

17. **Mr. Carr** (Minister for Foreign Affairs, Australia) recalled that after the tsunami of December 2004, which had wiped out hard-won development gains in minutes and taken the lives of over 225,000 people from Indonesia to Sri Lanka, the world had come together in an unprecedented global recovery effort; Australia had provided \$68 million in immediate aid and a further \$1 billion to Indonesia’s long-term reconstruction efforts. In 2011, when one of Australia’s own cities had been besieged by centennial floods, its Indonesian friends had been generous in their assistance. The Council must take that spirit of cooperation further; progress towards the MDGs had been good, but not good enough, and the remaining time in which achieve them was short.

18. The proportion of the world’s hungry stood at over 15 per cent. To achieve the MDG target of halving the proportion of people who suffered from hunger (Goal 1), that figure had to be reduced to 10 per cent by 2015, and then reduced further. One billion people in developing countries depended on fish for their primary source of protein, but 85 per cent of ocean fisheries were fully exploited, overexploited or depleted. Dead zones were spreading across oceans, which, like so many shared things, could be maintained only through effective global cooperation.

19. The Forum was well placed to find new ways to make traditional cooperation more effective, but sustained and predictable financing was needed. Aid was a significant part of the national budgets of many least developed countries, which needed to be able to predict aid flows beyond the current year. Despite a tight fiscal environment, Australia was one of the few countries that had continued to expand its aid programme: by \$300 million dollars in the current financial year and over 60 per cent in the next five. With firm multi-year funding commitments, its development partners could plan with greater certainty.

20. Natural disasters had shown that the only effective response was a joint one that combined diplomatic, humanitarian and civil society action and provided military assets when requested. While much

had been learned from the response to the earthquake in Haiti, the Indian Ocean tsunami and the humanitarian crisis in the Sahel, there was still room for improvement in cooperation on disaster risk reduction. Australia would provide \$100 million over the next five years in order to strengthen partnerships and help developing countries to strengthen their early warning systems and protect schools, hospitals and other critical infrastructure in the event of a natural disaster. Those preparations would reduce the costs, both human and economic, when disaster inevitably struck.

21. Sustainable development required innovative partnerships and many forms of cooperation. The International Year of Cooperatives, 2012, was a reminder that when people were placed at the centre of change and were empowered to make development happen, great outcomes were possible. Through Australia's \$2.2 million contribution to the Women's World Banking initiative, it was supporting one of the best known women's financial cooperatives, the Self-Employed Women's Association Bank in India. Support for cooperatives was important in rebuilding rebuilt markets and business opportunities that had been destroyed by famine or conflict. Australia was also a keen supporter of partnerships that combined different sources of expertise, including South-South cooperation. More than 10 years previously, it had provided bilateral development assistance to Malaysia and the two countries now worked together to help others; Australia had helped Malaysia to train over 150 Afghan master teachers who were returning home to train the next generation of teachers. It was also working with city councils in Zimbabwe and South Africa to apply African expertise in strengthening sewerage systems; the project had improved sanitation conditions for at least 450,000 Zimbabweans and made parents more confident that their children could play on the streets without risk of disease.

22. His country had been proud to host one of the Council's high-level symposiums in preparation for the Development Cooperation Forum and to see the messages of that event reflected at Rio+20, where there had been unanimous commitment to building the sustainable future that everyone wanted. The Conference had provided a platform; it was now time for joint action and the Forum, at which all development partners had a voice, was the place to make that happen.

23. **Ms. Jacobs** (Minister for Development Cooperation and Humanitarian Affairs, Luxembourg) said she was proud that Luxembourg had been able to host one of the high-level symposiums in preparation for the Forum. The Secretary-General had integrated the conclusions and recommendations of that important exchange of views into his report, which made an honest assessment of the international community's actions and uncompromisingly identified the challenges to be faced in combating poverty, making sustainable development a common global cause and finding ways to achieve of the goals that the international community had set for itself.

24. There was growing awareness that sustainable development was a common endeavour and that imagination and innovation were essential in the effort to gather the requisite financial and other resources. The challenges of poverty, the economic crisis, climate change, growing physical insecurity, pandemics and migratory flows concerned everyone and it would be unconscionable to turn a blind eye to them. More than ever, a single country or organization was powerless before the complexity of the problems to be addressed; collective and coordinated action was needed. The partnership between the so-called "recipients" and "donors" must be rethought in order to take into account the undeniable reality that problems were universal; the community of traditional development cooperation donors must not turn inwards but, with constant concern for better coordination and effectiveness, must take into account the presence and actions of new actors, including the emerging countries. In addition, the international coalition against common global challenges must abandon its traditional compartmentalization and adopt a multidisciplinary approach that built on the varied capacities and comparative advantages of each actor, including key players in civil society and the private sector.

25. However, there were traps to be avoided in adopting a new approach and a common response. The least developed countries and States in fragile situations were more adversely affected than most by global warming, and industrialized countries must take that fact into account. It was essential to understand that tackling global challenges through a North-South approach to cooperation or, worse, a donor-beneficiary relationship, was decidedly out of place. The strengthened concept of partnership described in the

outcome declaration of the Fourth High Level Forum on Aid Effectiveness, held in Busan from 29 November to 1 December 2011, was therefore to be commended. Ultimately, all regions of the world stood to gain from sustainable development that translated into controlled climate change, a more stable world economy, containing of pandemics and poverty reduction, together with improved individual and collective well-being so that the men, women and children of poor countries would no longer be forced to choose the hazardous path of emigration.

26. While international solidarity had traditionally been the driving force of development cooperation and remained a noble and relevant motivation, it might be worthwhile to complement it with action taken out of self-interest, guided by an understanding of the scope of the challenges that posed a threat to everyone and by the concept of investment in humanity's common future. But the best intentions and declarations would be futile if the international community did not give itself the means to implement them. While recalling the agreed ODA commitments, she was aware of the economic and financial difficulties that many Governments were facing. Moreover, ODA alone could not cover all the costs of financing for development; it must be leveraged in order to attract funds from other sources.

27. Drawing on the discussions at the Luxembourg symposium, she said that the potential impact of inclusive finance was usually ignored by the traditional financial sector. Poor people's need for adequate financial services could be taken into account more effectively through a clear, transparent legal and regulatory framework. It was the conjunction of those efforts that made microfinance an effective, truly inclusive tool. In addition to the astonishing capacity of microfinance institutions to finance their credit activities through local savings, many of them also had access to finance through capital markets. Of the roughly 100 existing microfinance investment vehicles, 30 were domiciled in Luxembourg and managed over \$3 billion in assets. That figure represented roughly eight times Luxembourg's ODA, which had amounted to 1 per cent of its gross domestic product (GDP) in 2011. Her country stood ready to share its experience in use of the leverage effect for inclusive finance.

28. Public-private partnerships for development cooperation, and for sustainable development in general, had enormous potential. In Luxembourg,

information and communication technologies had been used to accelerate development and were treated not as a separate sector, but as support for traditional development sectors such as telemedicine, distance learning and decentralization policies. The country had recently begun to rely heavily on satellite communications technology, which, while expensive, had the significant advantage of being equally accessible from remote and urban areas. A true public-private partnership must be a State initiative in order to justify the expenditure of public funds; knowledge and capacities must come from private-sector specialists; and private partners must have a commercial interest, which must, however, be pursued with full respect for the underlying public mission. That format provided a win-win situation for all partners while benefiting the poor and ensured the sustainability of the effects of development initiatives.

29. During the first decade of the new millennium, poverty had receded significantly, but not equally. In the two and a half years that remained before the 2015 target date for achievement of the MDGs, it was important not only to intensify efforts in countries that were lagging behind, but to do so with the conviction that reducing poverty in all its forms would ultimately increase everyone's chances for sustainable development.

30. **Mr. Nene** (Deputy Minister of Finance, South Africa) said that to forget that all people were equal and interconnected through public goods and the need for global peace and security was to lose the essence of humanity; the price of inequality was the death of 21,000 children each day from poverty and its attendant conditions. Currently, the GDP of the 41 heavily indebted poor countries, with a total population of 567 million, was less than the combined wealth of the world's seven richest individuals; that situation could not be allowed to continue.

31. Responsive, representative Governments in both the North and the South still had a large role to play in development cooperation. Although they were experiencing hard times, the members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD) had GDPs that dwarfed those of most other countries. Private philanthropic organizations also played a major role: according to the Center for Global Development, such institutions had provided \$39 billion in development support in 2009,

an amount comparable to the \$30 billion donated by the United States of America for the same purpose. His Government, cognizant of its relative advantage and recognizing that South Africa's prosperity was linked to that of its region, was a partner in South-South development cooperation, as were China, Brazil and India. However, such cooperation, an estimated 10 per cent of the total, would be effective only as long as the North remained a strong partner in traditional development cooperation.

32. A strong, uncompromised and socially responsible private sector was crucial to sustainable and inclusive growth. Current estimates indicated that 10 per cent of the global poor lived in stable, low-income countries; 40 per cent in fragile and conflicted countries; and 50 per cent in middle-income countries. As emerging markets experienced unprecedented levels of economic growth, the divide between rich and poor also grew. Development cooperation should focus on seeking out the world's poor, wherever they might be, and helping them lift themselves out of poverty.

33. The five principles of the Paris Declaration on Aid Effectiveness — ownership, harmonization, alignment, results and mutual accountability — remained the gold standard for development cooperation. While progress had been made, the international community had fallen short of the development goals that it had set for itself. Real aid, defined by the non-governmental organization (NGO), ActionAid International, as the kind of aid that dramatically decreased aid dependence, empowered poor women and men to realize their rights and reduced inequality, was the future of development cooperation. According to a 2011 ActionAid report entitled "Real Aid 3", application of the five aid effectiveness principles had significantly reduced aid dependency in Ghana, Mozambique and Viet Nam.

34. The African Consensus and Position on Development Effectiveness stated that capacity development was critical in order for Africa to end its aid dependency and to move towards self-sufficiency and sustainable development. For that reason, future internationally agreed development goals must include human and institutional capacity development. Moreover, the entry of new actors into the development cooperation space had led to new approaches; the lopsided negotiation platforms of the past would be abandoned as the Governments, parliaments, citizens, civil societies and businesses of the South and the

North established an inclusive and representative partnership for effective development cooperation.

35. In the past, many of South Africa's development partners had supported efforts to overcome the unjust and inhumane system of apartheid and had continued to do so after the end of that regime. His Government used the ODA that it received to leverage its own fiscal resources for initiatives such as innovation, risk-taking, institutional capacity-building and catalyzation of investment. It was, however, instructive that the impact of development cooperation was no greater at present than when it had been first conceived; the Marshall Plan, which had aided recovery in post-war Europe, was a well-known example of strong, effective development cooperation and could provide a model in addressing the challenges currently faced by the international community. The future of development cooperation would require a combination of traditional and new partnerships and the application of innovative approaches to human and institutional capacity-building in order to achieve sustainable development and, ultimately, to eradicate poverty.

36. **Mr. Li Baodong** (People's Republic of China) said that the current instability and uncertainties in the world economy demonstrated that the underlying problems that had triggered the international financial crisis remained unsolved. Despite progress in implementing the MDGs, their achievement remained an urgent challenge; the World Bank estimated that one billion people would remain in extreme poverty in 2015. Since public financing remained central to international development cooperation, ensuring adequate and predictable core resources was a basic condition for improving the United Nations development system. All parties must push for strong, sustainable development of the world economy and show greater political will in implementing the Monterrey Consensus of the International Conference on Financing for Development and the Doha Declaration on Financing for Development. Countries must continue to assist one another in difficult times, strive for win-win results through cooperation and reinforce the hard-won momentum of recovery. The developed countries should honour their ODA commitments, particularly by increasing assistance to the least developed countries in order to achieve the goals of the Istanbul Programme of Action on schedule.

37. Aid effectiveness required adequate funding and assessment of the effectiveness of initiatives should be based on the degree of success in reaching ODA objectives. The outcome document of the Fourth OECD High-level Forum on Aid Effectiveness, held in Busan in 2011, indicated that South-South cooperation differed from North-South cooperation in many respects, including in its modalities and responsibilities. The principles of the Paris Declaration applied solely to North-South cooperation, which formed the mainstream of development cooperation; they should not be extended to South-South cooperation although developing countries could take those principles as a reference on a voluntary basis. While those countries might offer supplementary development assistance as their stage of development and capabilities permitted, it would be unfair to impose on them the same rules and responsibilities as developed countries.

38. South-South development cooperation, which was governed by the principles of respect for national sovereignty, lack of political conditions, non-interference in the internal affairs of States, equality and mutual benefit, involved cooperation between partners that were at approximately the same level of development. Consequently, it was easier for them to share their development experience and technologies and their cooperation projects responded better to the needs of recipient countries. The flexible, diverse forms and cost-effectiveness of such cooperation made it an effective means of achieving development results.

39. China's experience of providing development assistance over the past 60 years had shown that the best way to maximize the effect of South-South cooperation was through trade development, which would lead to self-reliance. All parties should work together to foster a free, open, fair and equitable global trade environment and to dismantle trade barriers. His Government had endeavoured to increase its imports from other developing countries and, in 2008, had become the largest export market for the least developed countries. At the Group of Twenty Summit held in Cannes on 3 and 4 November 2011, it had announced that it would henceforth grant zero-tariff treatment to 97 per cent of items from the least developed countries with which China had diplomatic relations.

40. South-South cooperation should help developing countries to enhance their self-development capacity. China's development assistance focused on agriculture, economic infrastructure, public facilities, education, health care and poverty eradication and the Government's policies encouraged Chinese enterprises to invest in other countries in order to promote industrialization, diversify their industries and increase employment. South-South cooperation should also encourage developing countries to cultivate their local talent and skilled personnel and should strengthen capacity-building. To date, China had trained nearly 150,000 technicians and officials from more than 170 developing countries and regions in such fields as economics, agriculture, health care and environmental protection. In recent years, it had organized courses for trainees from the least developed countries and sent young volunteers to 19 countries to provide services in medicine, education and technology.

41. Despite the size of its economy, China was still a developing country and ranked 90th in the world in per-capita income; more than 100 million of its people were still living in poverty. Nevertheless, his Government would gradually increase its foreign aid, taking into consideration the economic situation and needs of recipient countries, in order to help other developing countries achieve the MDGs. It would also place greater emphasis on the least developed countries, land-locked developing countries and small island developing States. More projects for hospitals, schools, water supply and clean energy would be implemented; agricultural cooperation would be strengthened; and, in order to increase the recipients' capacity for self-development, training would be provided to a further 80,000 individuals by 2015.

42. **Ms. Bachelet** (Executive Director, United Nations Entity for Gender Equality and the Empowerment of Women) said that, despite the progress in promoting higher standards of living, full employment, and social and economic development, much of humanity still lived in precarious conditions. Rio+20 had reaffirmed the importance of sustainable development and the linkages among its economic, social and environmental dimensions. While the primary objectives of such development were poverty eradication, promotion of sustainable patterns of production, and consumption and management of natural resources, it should also ensure inclusive and equitable growth and raise basic standards of living

and social protection. To that end, it was necessary to achieve the internationally agreed development goals, including the MDGs, and to identify new goals for incorporation into the development cooperation agenda beyond 2015.

43. The world was facing many interconnected crises, including the financial and economic crisis, food and fuel crises and climate change, and there were growing inequalities within and between countries, shifts in centres of political and economic power and ever-louder calls for Governments to be accountable to their citizens. At the same time, development cooperation had changed profoundly in recent years, moving from a model based on donors and aid from the North to a multi-stakeholder landscape with a more inclusive, results-based development effectiveness agenda.

44. Whereas 20 years earlier, 90 per cent of the world's poor had lived in the poorest countries, two thirds of the people living on less than \$2 a day now lived in middle-income countries. It was therefore important to continue to engage with those countries, not only to eradicate inequality and poverty but also to learn from their expertise and benefit from their involvement in South-South cooperation.

45. The many actors involved, including Governments, civil society, the private sector, workers and trade unions, philanthropic foundations and academia, provided new opportunities for partnerships based on thematic, regional and other criteria. Because sustainable development posed cross-cutting challenges that did not necessarily respect national borders, it was crucial to improve coordination, avoid fragmentation and duplication, promote mutual accountability, advocate for good practices based on lessons learned and develop better business models, such as the "delivering as one" model.

46. Development cooperation must address not only the symptoms, but also the root causes, of poverty: inequality, the gender gap, injustice, exclusion and discrimination. Policies in areas such as trade, national security, climate change, agriculture, fisheries, migration, investment, food security and taxation must be aligned with development cooperation needs; policies that undermined development progress should be eliminated and those that contributed to it should be encouraged. For example, although the United Nations Entity for Gender Equality and the Empowerment of

Women (UN-Women) had been working to support rural agencies and capacity development, those efforts would fail unless trade issues were resolved so that women could compete under fair conditions.

47. Citizens should be involved in setting national development priorities and, since women were key drivers of sustainable development, development cooperation should include support for the efforts of Governments and women's organizations to identify obstacles to gender equality and priorities for achieving it. There was a need for capacity-building so that States could collect and analyse gender-disaggregated data in order to inform policymakers and guide development efforts. The participants in Rio+20 had agreed that gender equality and women's participation were essential for sustainable development, yet OECD had estimated that in 2011, only 6 per cent of development cooperation had targeted women; resource allocation should be aligned with their role in development. In order to achieve sustainable societies and economies, women's lives must be transformed and development cooperation should be geared towards bringing about that transformation.

48. *A panel discussion on the topic "Drivers of change: what is the future of development cooperation?", chaired by Mr. Miloš Koterec (Slovakia), President of the Council, and moderated by Ms. Joanna Kerr (Chief Executive Officer, ActionAid International), followed. The moderator made a statement and introduced the panellists: Mr. Heikki Holmås (Minister of International Development, Norway) and Mr. Panitchpakdi (Secretary-General, United Nations Conference on Trade and Development). The panellists made presentations and an interactive dialogue, in which the representatives of India, Cuba, Chile, Bangladesh, Nicaragua, Zambia and Argentina and the observers for Belgium, Nepal, Uganda, the European Union and the International Presentation Association of the Sisters of the Presentation of the Blessed Virgin Mary participated, ensued. The panellists responded to questions and comments and the Chair made concluding remarks.*

The meeting rose at 1.15 p.m.