

Second Expert Reference Group Meeting – 23-24 January 2014

OECD Conference Centre – Room 18
2, rue André-Pascal, Paris 16e

REVISED DRAFT AGENDA (as of 16 January)

THURSDAY, 23 JANUARY 2014

09.30 - 10.00 **Welcome and introductory remarks by Mr Erik Solheim**

SESSION 1

Chair: Mr. Jon Lomøy

The inner circle: from ODA to a narrower measure of donor effort?

10.00 – 12:00 **Introductory presentation** by the DAC Secretariat (5 mins) on a modernised ODA concept

Expert discussants:

Prof. Chaturvedi and Mr. Acharya: How would a modernised ODA concept be perceived by LDCs and South-South providers?

Open discussion leading to recommendations to the DAC:

- Should ODA or a successor measure focus on grants and the grant equivalent of non-grant instruments (loans, guarantees, equity) or remain flow-based? What about the other options highlighted in the Modernising Official Development Assistance paper?
- If ODA or a successor measure were sharpened to grants and grant equivalents, is there a continued need for a minimum grant element?
- Should ODA or a successor measure include in-donor expenditures that do not directly stimulate a cross-border flow (imputed student costs, first-year refugee costs in donor countries, administrative and development awareness expenditures)?

Background papers:

- Options for Modernising the ODA Measure [DCD/DAC (2014)3]
- Germany's Concept Paper on Approaches for a New Reporting System on Development Finance
- Proposal for a New Journey by Serge Tomasi
- The Evolution of ODA: Achievements, Criticisms and a Way Forward by William Hynes and Simon Scott

12.00 – 13.00 **Sandwich lunch**

SESSION 2

Chair: Mr. Tony Pipa

Country eligibility

13.00 – 15.00 **Introductory presentation** by the DAC Secretariat (5 mins) including options for graduation from the DAC List of ODA-eligible countries and territories

Expert discussants:

Ms. Randel and Mr. Daniel Titelman on country eligibility

Open discussion leading to recommendations to the DAC:

- Should the DAC List of ODA-eligible countries and territories be revised?
 - What implications are there as a result of the international community agreeing on a universal agenda with one set of sustainable development goals (i.e. including global public goods such as climate finance);
 - If ODA or a successor measure were sharpened to grants and grant equivalents, should country eligibility be revised? If so, how?
 - In particular, should it be moved closer to the list of countries eligible for World Bank (IBRD) loans? Should vulnerability and fragility (or other criteria) be taken into account in addition to per capita income threshold in determining eligibility?

Background papers:

- The “Where” of Development Finance - Towards Better Targetting of Concessional Finance [DCD/DAC(2013)29]
- Does Aid Have a Future by Serge Tomasi
- The Future of the DAC List of ODA Recipients [DCD/DAC(2014)4]

15.00 – 15.30 **Coffee break**

SESSION 3

Chair: Professor Age Bakker (TBC)

From a political to a market perspective on concessionality?

15.30 – 17.30 **Introductory presentation** by the DAC Secretariat (5 mins) providing a summary of concessionality discussions and different options

Expert discussants:

Mr. Sean Nolan and Prof Jacquet on the pros and cons of risk-adjusted discount rates

Open discussion leading to recommendations to the DAC on an appropriate benchmark to measure concessionality:

- What is the right (interest rate) benchmark to measure concessionality?
- What incentives are required for an efficient and effective use of funds?
- How to prevent perverse incentives?
- How should debt forgiveness be accounted for if risk is measured upfront?

Background paper:

- Discussion Paper with Options for Concessionality

20:00 – 21:30 **Dinner** at La Gare Restaurant, 19 Chaussée de la Muette, 75016 Paris

Friday, 24 January 2014

SESSION 4

Chair: Mr. Erik Solheim

From a partial to a comprehensive broader measure of total support for sustainable development from official efforts?

09.00 – 11.00 **Introductory presentation** by the DAC Secretariat (5 mins) on options for a measure of total official support for development

Expert discussants:

- Mr. Engberg-Pederson: Would a broader measure dilute the concept of support for development?
- Mr. Heidebrecht: Would incentivising market-like financing result in less or more support to countries most in need?

Open discussion leading to recommendations to the DAC:

- How to account for guarantees, subordinated debt, equity by aid agencies and DFIs? How to acknowledge and account for additional amounts mobilised from official efforts by private providers?
- Should the broader measure be a gross or net figure?

Background paper:

- A New Measure of Total Official Support for Development: Issues and Options [DCD/DAC(2013)36]

11.00 - 11.30 **Coffee break**

11.30 - 12.00 **Wrap up and outlook for next meeting**

12.00 – 13.00 **Debriefing DAC Delegates**
(CC Auditorium – attendance optional)

14.00 – 16.00 DAC Development Debate - **“Is Profitability Compatible with Development? Institutional Investors and their Potential as a Source of Development Finance”**
(CC Room 6 – attendance optional)