



# ARAB-DAC DIALOGUE ON DEVELOPMENT

3 February 2021

## CO-CHAIRS' SUMMARY

*On 3 February 2021, members of the Arab Coordination Group (ACG) and the OECD Development Assistance Committee (DAC) met to discuss how to support partner countries recover from the COVID-19 health, social and economic crisis by building back better, greener and more resilient and achieving the Sustainable Development Goals (SDGs). The Dialogue was co-chaired by H.E. Mr Bader M. Alsaad, Director General and Chairman of the Board of Directors of the Arab Fund for Economic and Social Development, and Ms Susanna Moorehead, DAC Chair. The OECD was represented by Mr Jorge Moreira da Silva, Director of the OECD Development Co-operation Directorate. During this virtual event, representatives from bilateral and multilateral providers of development co-operation focused on supporting equitable access to the COVID-19 vaccine in partner countries. Participants also shared a progress report on the collaboration between the two communities since the last meeting in Kuwait City in 2019.*

### General progress in the partnership since the 2019 Arab-DAC Dialogue on Development

Arab countries and institutions and DAC members have been helping partner countries mitigate, contain and recover from the negative impacts of the COVID-19 pandemic, demonstrated by statements and concrete actions launched in 2020, either bilaterally or through multilateral channels. Since the last Dialogue, the two communities continued their collaboration, notably taking the following steps:

- Arab providers and the OECD continued to collaborate on improving the timeliness and quality of their reporting on development co-operation, as reflected in DAC Creditor Reporting System statistics and the country profiles in the OECD's Development Co-operation Report.
- Several ACG institutions and Arab countries continued to participate in DAC meetings, for example, on the environment, gender equality, or evaluation, as well as the DAC High-Level Meeting in November 2020; and their activities and good practices were also featured in various OECD reports.
- Interested ACG institutions and DAC members continued to work in the joint Task Force on Water and Sanitation, including at the recipient country level in Guinea and Tunisia.
- The OECD worked, for the first time, on Islamic Finance concepts and tools, launching a report and organising a webinar on the subject, with good participation from ACG countries and institutions.
- Both communities began discussions on potential collaboration on employability, vocational education and training, organising a webinar in early 2021.

### Supporting partner countries in their COVID-19 recovery and ensuring that vaccines reach all partner countries

The COVID-19 crisis is a defining moment at the start of the Decade of Action to achieve the SDGs. The Arab-DAC Dialogue co-Chairs emphasised that the two communities together represent the bulk of bilateral development co-operation globally. Therefore, this Dialogue can be instrumental in leveraging the collective weight of both communities in promoting a sustainable and resilient future for all in the aftermath of the crisis. Arab and DAC donors reflected on how to contribute to a more equitable, sustainable recovery in partner countries, while reducing the risk of future systemic crises. Inclusive, resilient, and sustainable growth; job creation; social protection; investments in science; and efforts to reduce inequality are more critical now than ever, including through strengthened development effectiveness and partnerships, enhanced co-ordination, and dialogue between the two communities of providers. Yet, the absence of a comprehensive global strategy to ensure vaccine access in partner countries threatens to prolong the global pandemic, which will exacerbate inequalities within and between countries and delay the global economic recovery. Against this backdrop, participants shared their experiences in supporting partner countries to respond to and recover from the COVID-19 crisis. Nevertheless, while new collaborative efforts such as the Gavi COVAX ACT Accelerator have emerged to help bridge current gaps, it is not enough. Under the current trajectory, it is estimated that global vaccination could be delayed until 2024 or beyond. Urgent action is required to fill financing gaps and thereby boost the impact of ACT-Accelerator achievements, fast-track the development and deployment of additional

game-changing tools, and mitigate the risk of a widening gap between low- and high-income countries in access to COVID-19 tools. Beyond increased development finance, participants highlighted that effective responses to the pandemic also require the adoption of more holistic and coherent approaches to support health systems, particularly to ensure more effective co-operation in vaccine access and roll-out.

Participants agreed to:

- Share information on the range of activities that Arab and DAC donors are putting in place to support partner countries to address the COVID-19 crisis and its economic impacts, including to access vaccines.
- Collaborate bilaterally and in multilateral fora, such as in the United Nations system, the G20 and the Boards of development banks, to ensure a greener, more inclusive, and resilient recovery from the COVID-19 crisis and agree on common principles for the recovery, including on the equitable allocation of vaccines.

## Taking stock of progress in the ACG-DAC Task Force on Water and Sanitation

Participants at the previous Arab-DAC Dialogue on Development (2019, Kuwait City) endorsed the Task Force on Water and Sanitation's Terms of Reference, timeline, and countries of intervention, formally leading to the establishment of the Task Force. The OECD organised fact-finding missions to Tunisia and Conakry, which took place in January 2020, where Task Force members met a range of public and private stakeholders in the field of water and sanitation. The reaction of the stakeholders was positive, welcoming the initiative, being open to support the Task Force (including through co-financing, sharing networks, and data), and looking forward to its next steps. There was the recognition that the COVID-19 crisis led to delays in the implementation of the next steps, which is expected to resume in 2021.

Participants agreed to:

- Continue the work of the ACG-DAC Task Force on Water and Sanitation in 2021, including hiring consultants to conduct the baseline assessments in Spring 2021, which will identify the needs and priorities in Tunisia and Guinea.
- Work on the intervention plans in Summer 2021, which will prioritise a set of interventions and will form the basis for Arab and DAC members' co-ordinated activities in Tunisia and Guinea.
- Produce a report on mutual learning and collaboration between Arab and DAC providers to consider how the initiative can be scaled up to other countries and sectors.

## Accelerating action on employability, vocational education, and training

The current context makes it more challenging than ever to contribute to the SDGs - especially in vulnerable and fragile MENA countries and notably SDG4 on education and training, and SDG 8 on decent work and economic growth, which are areas where the region was already lagging behind before the COVID-19 crisis. Consequently, all donors need to explore options to mitigate the impact of the COVID-19 crisis and support partner countries recover in a way that promotes employment and jobs as well as sustainable development, including economic growth. A group of interested Arab and DAC donors, led by the *Gesellschaft für Internationale Zusammenarbeit* (GIZ), the German Office for International Co-operation in Vocational Education and Training (GOVET), and the Arab Gulf Programme for Development (AGFUND), organised a webinar in January 2021 to discuss how development co-operation policies can accelerate employability and promote access to vocational training - notably for youth and women, and in key sectors such as agriculture and food security - in the MENA region. Increased collaboration between Arab and DAC donors was raised.

Participants agreed to:

- Explore increased co-ordination in the employability and vocational training sector through a dedicated ACG-DAC Task Force to carry out joint activities.
- Endorse the Task Force's draft Terms of Reference, pending concrete activities and areas where both clusters could collaborate.

## Concluding remarks

*In the concluding session, a proposal to form a joint team to tackle the issue of migration and the mechanism to address this urgent humanitarian crisis was presented as a topic of interest to both the ACG and DAC, as well as issues related to micro-, small- and medium-enterprises, to be included in future Arab-DAC Dialogue agendas due to the significant role they play in developing countries. Finally, the Dialogue's co-Chairs committed the ACG and DAC secretariats to continue the long-standing Arab-DAC collaboration, keep track of action points agreed, and report back on progress at the Arab-DAC Dialogue on Development in 2022, which will be hosted by the European Union in Brussels, once in-person meetings can resume.*