

DEVELOPMENT CENTRE
GOVERNING BOARD OF THE DEVELOPMENT CENTRE

6.12.2021

COMMUNIQUÉ



7TH HIGH-LEVEL MEETING

**ACCELERATING
A JUST RECOVERY
FOR ALL**

We, Members of the OECD Development Centre, met under the co-chairmanship of Costa Rica and Togo to discuss the actions necessary to accelerate a just and resilient recovery for all, with a special focus on bridging the vaccine divide and securing the resources to finance a better future in developing countries. The response to the pandemic and the multiple crises it has precipitated must be seized as an opportunity to reorient our development models towards greater inclusion, equity and environmental sustainability. We reaffirmed the importance of advancing the objectives of the [New Deal for Development](#) endorsed at our HLM 2020, based on the principles of solidarity, co-responsibility and mutual accountability. Global solidarity and effective and inclusive multilateralism, underpinned by strong and accountable national institutions, are the best tools for a fast and permanent exit from the pandemic and a better global future.

We are deeply concerned by the persistent challenges that low- and middle-income countries face in accessing and distributing COVID-19 vaccines as well as tests, treatments and personal protective equipment. Vaccines are a key tool for controlling the spread of the pandemic and putting the global recovery on solid ground. Yet again, confronted with the emergence of new variants, we have to repeat: no-one is safe until all are safe, the only way of ending the pandemic is through global vaccination. The economic and humanitarian costs of vaccine inequity, for both developed and developing economies, are estimated to far exceed those of vaccinating the whole world. We have a moral and economic imperative to act and to lead by example.

We are lagging behind in our response. We need urgent global action to increase developing countries' capacities to vaccinate their populations, by ensuring equal, timely, universal, and affordable access to COVID-19 vaccines and to related medical supplies. We welcome multilateral efforts undertaken so far, including the work of COVAX and the pledge by G7 countries in July 2021 to share at least 870 million doses of COVID-19 vaccines, as well as the initiatives of several members of the OECD and of the OECD Development Centre to donate vaccine doses to developing countries. We recognise that more can and should be done, including on the donation front. We call on all countries that are able to vaccinate their populations to help advance toward the global goals of vaccinating at least 70 percent of the population in all countries of the world by mid-2022, as recommended by the World Health Organization (WHO)'s global vaccination strategy and agreed by the G20 in Rome (Oct 2021). We welcome the "one to one, everyone" aspiration and action by countries willing to match the number of doses supplied domestically with an equivalent number of doses donated to developing countries. The urgent need to allocate vaccines with equity and to increase global production capacity is even more evident now. With the upsurge of new variants, governments are recommending additional doses to already fully vaccinated people, at a time were full vaccination is a missed target for most developing countries. As of today in Africa only 7.3% of the population is fully vaccinated. Around 800 million additional doses are needed to reach the WHO global target by mid-2022. We encourage countries to make an effort to free up secured shipments for procurement by COVAX and countries in need.

Beyond the immediate vaccine response, we must enhance resource mobilisation and investment to strengthen research, production, healthcare and social protection systems in developing countries, also to effectively provide the necessary services to the most vulnerable groups and the informal sector. We need to overcome logistical gaps and enhance developing countries' capacities to produce, distribute and utilise tests, medical supplies, treatments and vaccines. We need to act fast and mobilise all means to vaccinate the whole world as soon as possible, including by making use of existing flexibilities in the international framework for the protection of intellectual property rights. In this respect, we welcome partnerships for voluntary licensing of intellectual property and technology transfer on mutually agreed terms, together with affordable pricing, to facilitate global equitable access to vaccines, therapeutics and diagnostics, and to enable and scale up research and production capacities in developing countries and to strengthen regional production hubs. We emphasise the need and encourage the effective implementation of communication and awareness-raising campaigns to address vaccine hesitancy.

We are deeply concerned by the worsening of financing capacities in developing countries to tackle the consequences of the pandemic and recover from the economic crisis. The crisis has severely constrained the fiscal space of most developing countries, worsening an already deteriorating situation in many. We must enhance domestic and international efforts to increase access to finance and devise effective solutions to deal with increasingly intolerable debt burdens. We welcome the historic general allocation, equivalent to USD 650 billion, of IMF Special Drawing Rights (SDR) to boost global liquidity. We encourage countries with strong external positions to voluntarily channel a share of their allocated SDRs to help low-income and vulnerable middle-income countries. We reaffirm the importance of enhancing developing and emerging market economies' sustainable access to capital markets. In a spirit of co-responsibility and mutual accountability, we stress the importance of enhancing debt transparency through stronger public-debt management and integrated debt recording and management systems. These efforts should go hand-in-hand with the deepening of financial markets in developing countries, payment systems and platforms to trade and settle transactions and the strengthening of independent monetary authorities. We stress the importance of a comprehensive framework for orderly sovereign debt restructuring and welcome the adoption of the G20 Common Framework for debt treatment. The design and implementation of fair and effective tax systems and the enhanced mobilisation of domestic resources remain a priority.

Beyond the pandemic-response, we stress the need to mobilise and catalyse additional finance to advance sustainable development in all its dimensions and respond to the climate crisis, in line with our commitments made at COP26 and before. We need to increase support for adaptation, risk reduction and building resilience. It is urgent to help climate-vulnerable countries secure the resources they need to respond to shocks and to support all developing countries to undergo just transitions to low-carbon development paths without worsening their terms of trade, well-being of populations, energy security or debt sustainability.

We agree that the Development Centre is well-positioned to perform analysis, provide policy advice and promote mutual learning on recovery and sustainable development strategies in developing countries. We welcome progress with the implementation of the Programme of Work 2021-22. We value the Centre's regional economic outlooks, and the regular and rigorous assessment of development prospects and public revenues in Asia, Africa and Latin America, produced with regional and international partners. We value the Production Transformation Policy Reviews, and their recognition by the UN CDP as a tool for supporting graduating LDCs, and the Multidimensional Country and Regional reviews, including on the Western Balkans, as well as the Centre's work on quality infrastructure. We welcome progress in the multi-stakeholder design of an [Equitable Framework and Finance for Extractive-based Countries in Transition \(EFFEKT\)](#), an important contribution to support countries in their just transition to low-carbon development models. We congratulate the Centre for co-leading the design of the [G20 Platform on SDG Localisation and Intermediary Cities](#), building on its Cities Connect initiative. We welcome the launch of the joint Platform with the African Union on Investment and Productive Transformation and the growing recognition of the Centre's contributions to advancing quality infrastructure in developing countries, notably in the framework of the AU Programme for Infrastructure Development in Africa (PIDA) and of the Summit on the Financing of African Economies. The crisis has hit youth and vulnerable groups particularly hard, notably women, migrants and workers in the informal economy. The Centre is making important contributions to enhancing our understanding of the drivers of vulnerability and to designing effective policy responses through its work on gender equality and women's economic empowerment, migration and forced displacement, informality and social protection systems. We look forward to the next edition of the SIGI, an official data source for monitoring SDG 5.1.1. The crisis has heightened the discontent analysed in the 2021 *Perspectives on Global Development* and has confirmed the need for a reinvigorated multilateral system and international cooperation, which the Centre is addressing through its activities on Development in Transition, with the G20 and with the LDC Monitor in support of the 5th UN Conference on Least Developed Countries.

We reaffirm and will work to strengthen the Development Centre's value-added and its unique role within the OECD and in the international community, as a platform for analysis and policy dialogue on an equal footing among countries at different stages of development. We stress the importance of the Centre continuing to enhance its cooperation with other parts of the OECD and to expand the dialogue with developing countries. We welcome the Centre's contributions to the OECD Regional Programmes, notably as co-manager of the Latin America and the Caribbean Regional Programme, and encourage the Centre to further its engagement with other Regional Programmes. As we approach the 60th anniversary of the Centre and in light of the evolving internal and international contexts, we agree to develop a Statement on Future Perspectives to set the Centre's strategic direction and further strengthen its sustainability and value to its Members, the OECD and the broader international community. We announce the establishment of the Group of Eminent Personalities, thank them and look forward to their high-level report on development challenges to inform our reflections as we prepare the Statement on Future Perspectives. We ask the Governing Board to further discuss the Centre's strategic directions and overall financing and prepare the Statement on Future Perspectives for adoption at the 60th Anniversary HLM in 2022. We welcome the adoption of a new Membership and Outreach Strategy to ensure existing and future Members participate effectively in the Centre's work and enhance its global relevance. We strongly encourage OECD Members that are currently not Members of the Development Centre to join and thus to use the Centre's tools and engage in knowledge-sharing through policy dialogues.

As we start reflecting on the strategic priorities for the next biennium, we ask the Centre to enhance our understanding and inform our debate and strategies on development, including on the topics that we addressed during this HLM. Specifically, we invite the Centre to engage in activities aimed to the following areas:

- ◆ *Addressing the vaccine challenge and structural vulnerabilities:*
 - Contribute to a more comprehensive understanding of strategies for strengthening production capacities in developing countries and leveraging the medical-industrial complex for industrialisation, notably through the OECD Initiative for Policy Dialogue on Global Value Chains, Production Transformation and Development. We encourage collaboration with regional initiatives by the United Nations Economic Commissions for Africa, for Latin America and the Caribbean and for Asia and the Pacific.
 - Leverage the Centre's regional outlooks and work on Development in Transition to deepen engagement with member and partner countries to exchange knowledge, promote mutual learning and inform national recovery strategies and international cooperation with countries at different income levels. Continue to explore the gendered impacts of the crisis and the drivers and approaches to advance gender equality and women economic empowerment.

- ◆ *Designing and financing a strong, sustainable and inclusive recovery*
 - Foster discussions between member and partner countries on addressing financing gaps and designing fiscal strategies for a strong and inclusive recovery. Leverage cooperation with the OECD, notably the Centre for Tax Policy and Administration, and regional partners to expand analysis of public revenues and expenditures, including at local level. Advance the implementation of the Platform on Investment and Productive Transformation with the African Union Commission and contribute to OECD-wide efforts in Africa, exploring the possible establishment of an Observatory on Investment. Advance work on quality infrastructure and regional connectivity in Africa, Asia, Eastern Europe and Latin America.
 - Advance dialogue with member and partner countries on the just transition to low-carbon development models, also in light of COP26, notably in the Policy Dialogue on extractive-based economies and in the framework of the G20 Platform on SDG Localisation and Intermediary cities. Explore the interplay of multiple shocks and natural disaster risks and advise policy makers on appropriate financing strategies, including on how to finance, plan and manage resilient infrastructure.