

2021 FfD Forum

Panel II: Developing durable solutions to recurrent debt crises

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In response to the agenda question: *As many development cooperation providers face their own economic and related challenges as the result of the pandemic, how can access to ODA and concessional finance be strengthened for developing countries with the greatest needs and least resources and capacities?*

2020 DAC donors allocated 161.2 billion USD of official development assistance (ODA), 3.5% increase in real terms - this is welcome given the context but still falls well short the [long-standing commitment to contribute 0.7% of gross national income](#) (GNI) towards ODA,

- The 2020 figures show that only 32 cents for every \$100 in national income was allocated to addressing global development and humanitarian challenges.

- Such low ODA levels are both economically unwise and morally flawed, given the current pandemic and interconnected crises, including climate change, conflict, fragility, and rising poverty and inequalities.

- COVID-19 is not a fleeting crisis – it has already left a lasting impact on all aspects of our societies, disrupting 25 years of global progress against poverty and inequalities in a matter of months.

- The world's most marginalised are disproportionately affected. COVID-19 is pushing an estimated 150 million people into extreme poverty, and 137 million to the brink of starvation

- Before the pandemic, donors were already off-track to achieve their international aid commitments. The consequences of COVID-19 requires the DAC community to considerably increase its ODA levels.

- ODA is a vital resource for supporting those most in need to help counter the negative trends coming from the pandemic, compounded by the climate emergency and persisting conflicts and fragility. We call on donors to make substantial and immediate increases in ODA levels to ensure the achievement of the 2030 Agenda on time. Now is the time to move beyond simply protecting existing aid budgets as the released figures show. - We are calling on donors to fulfill and exceed the 0.7% target for ODA and the 0.15% to 0.2% target for Least Developed Countries (LDCs), prioritising unconditional grants and technical support.

- We urge the all development actors to deliver on their commitments, to safeguard the integrity of ODA, building on decades of lessons for effective development cooperation, and to uphold human rights and the development effectiveness principles.