

# 12 Development co-operation stepping up its role in ending poverty and reducing inequalities

Carolina Guerra, Development Co-operation Directorate, OECD

Danielle Mallon, Development Co-operation Directorate, OECD

Isabel Davis, Development Co-operation Directorate, OECD

José Suárez Sarrazin, Development Co-operation Directorate, OECD

---

This chapter reviews how DAC members prioritise, define, programme, monitor and budget for poverty and inequality reduction through development co-operation and partnerships. Drawing on in-practice examples and findings from a new and comprehensive survey and qualitative research on DAC members' approaches to reducing poverty and inequalities, the chapter discusses opportunities and challenges for effective delivery of poverty and inequalities policy priorities and programmes and highlights areas where fresh DAC guidance could support collective action, greater effectiveness and learn from good practices.

---

## Key messages

- Most Development Assistance Committee (DAC) members surveyed consider reducing poverty and inequalities a top priority for development co-operation with explicit commitments to reduce both in their international development policies and laws.
- All survey respondents participating in the survey reported that inequalities experienced by women and girls is a high priority, followed closely by inequalities experienced by refugees and displaced people.
- DAC members focus on different definitions, indicators and dimensions of poverty and inequalities and employ a mix of approaches in their development co-operation, potentially limiting the scope for collective action and impact.
- Poverty and inequalities goals are not effectively integrated into development co-operation programming into their climate and environmental work due to a lack of dedicated guidance and strategies.
- Planned new OECD DAC guidance can support members in efforts to step up the integration and targeting of poverty and inequalities in development co-operation.

## Introduction

Eradicating poverty and reducing inequalities are core purposes of international development co-operation. But new global priorities and crises, chief among them the climate crisis, are also vying for donors' attention and for scarce concessional development finance. In a survey conducted for this report, most DAC members reported they have explicit commitments to fight poverty and inequalities. However, definitions, priorities and indicators around poverty and inequalities vary among DAC members. Selective interpretations lead them to focus on certain dimensions of poverty and inequalities more than others, potentially limiting the scope of action. Maintaining focus is a challenge and there is an urgent need to better co-ordinate existing efforts and maximise impact.

Recommitting to the Sustainable Development Goals (SDGs) and to SDG 1 (end poverty in all its forms everywhere) and SDG 10 (reduced inequalities) in particular, as pledged at the 2023 OECD [Ministerial Council](#) is one important step. Likewise, at the most recent DAC High Level Meeting in November 2023, DAC members renewed their pledge to take comprehensive measures to eradicate poverty and reduce inequalities, including by updating the 2001 DAC guidelines on poverty reduction (OECD, 2001<sup>[1]</sup>). Among other initiatives, the 2024 [High Level Political Forum](#) and the [Group of Twenty \(G20\) under Brazil's presidency](#) are also mobilising political support and new commitments to accelerate action against poverty and inequalities (see also Chapter 1).

DAC members, individually and collectively, must reinvigorate the fight against poverty and inequalities by maximising the impact of their development co-operation and the resources at hand. The results discussed in this chapter are drawn from the responses of the 24 (out of 32) DAC members that participated in the survey and the 23 members who participated in the qualitative study on DAC members' approaches.<sup>1</sup>

### ***What DAC members say about their policy, funding and programmatic approach to poverty and inequality reduction***

Alongside their collective commitments to poverty and inequality reduction, individual DAC members generally rank reducing poverty and inequalities as a top priority in their development co-operation policies. Most survey respondents (19 of 24) reported that their policies and laws contain an explicit commitment to reduce both (see also the 2024 Poverty and Inequalities Profiles (OECD, 2024<sup>[2]</sup>)). However, not all DAC members surveyed have dedicated strategies or frameworks in place to translate their commitments into

action. They define poverty differently and they focus on different types of inequalities, emphasising certain dimensions more than others. A selective interpretation combined with competing priorities can lead to policy evaporation, where objectives are set but not fully implemented. Respondents also expressed concern that their tools to monitor, measure and assess the impacts of their poverty and inequality interventions are not adequate for the task. Many of their responses also suggest that these tools are not always geared to the type of poverty or inequalities they targeted.

The results of the survey have been reviewed against the principles of the 2001 DAC guidance on poverty reduction (Box 12.1). While a useful reference, today's new realities and global priorities call for updated guidelines, as recognised in the DAC High Level Meeting commitment to work with partners to issue new guidance for action to reduce poverty and inequalities.<sup>2</sup>

### Box 12.1. Building on the 2001 DAC guidelines on poverty reduction for today's realities

The 2001 DAC guidelines on poverty reduction offered a foundation to take a comprehensive approach to addressing poverty and emphasised several key pillars and commitments, stated below. Revisiting this key document is essential to developing new guidelines that also incorporate inequalities and consider the challenges of green and just transitions. The 2001 guidelines emphasise that a shared understanding among all development partners of the dimensions of poverty is essential to building and implementing a common agenda. Key concepts to guide poverty reduction efforts include:

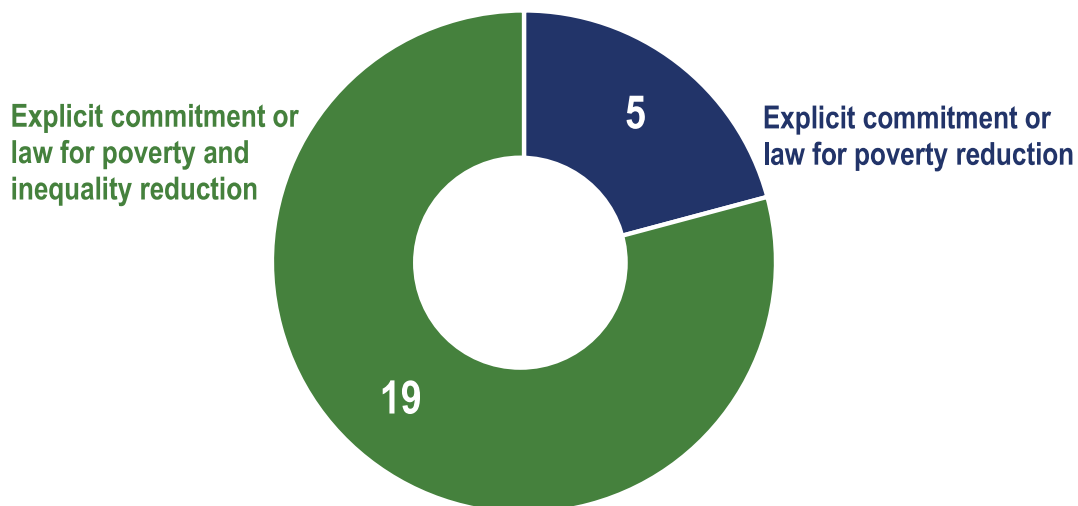
- **Multidimensional nature of poverty.** Poverty encompasses various forms of deprivation and covers distinct aspects of human capabilities, such as economic (income, livelihoods, decent work); human (health, education); political (empowerment, rights, voice); socio-cultural (status, dignity) and protective (insecurity, risk, vulnerability). Addressing poverty requires integrated strategies that consider all these dimensions within the framework of environmental sustainability. Reducing gender inequality is also crucial as it impacts all dimensions of poverty.
- **Pro-poor economic growth.** Promoting rapid, inclusive and sustainable economic growth is essential. This requires good governance, competitive markets and equitable participation by people experiencing poverty whose rights and voices in decision-making processes should be enhanced. Inequalities of opportunity poor people face should be addressed by improving access to basic social services – particularly education and health, which are essential human capital investments for broad-based growth. Equitable growth is essential, as reducing poverty in high-inequality countries is slower and more challenging.
- **Co-ordination, partnerships, better aid management and local ownership.** Effective poverty reduction needs long-term commitment and robust partnerships between governments, civil society, the private sector and development agencies. These are enhanced by harmonising administrative and financial requirements, fostering joint tasks, and combining resources for greater effectiveness. External partners should support country-led and locally owned development strategies based on dialogue, mutual trust and joint accountability.
- **Aid allocations that target needs.** Aid should be targeted to countries with large concentrations of poor people and those affected by conflict and/or facing severe governance issues. Poverty reduction efforts require continuous monitoring and evaluation to ensure they are effective and accountable and facilitate learning and adaptation.

Source: OECD (2001<sup>[1]</sup>), *Poverty Reduction*, The DAC Guidelines, <https://doi.org/10.1787/9789264194779-en>.

### **Most DAC members surveyed said their development co-operation policies and related laws explicitly commit to reducing both poverty and inequalities**

DAC members signal their priorities in their overarching development co-operation policies and commitments. Of the 24 survey respondents, 19 reported that their national development co-operation law or overarching policy contains an explicit commitment to reducing both poverty and inequalities in low- and middle-income countries; 5 reported an explicit commitment only to reducing poverty (Figure 12.1). None of the respondents' commitments or laws focus exclusively on inequality reduction, and a few DAC members recognise poverty and/or inequality reduction as the sole goal of their development co-operation. Ireland's international development policy, for example, is framed to encompass both. The overarching goal of the policy, called *A Better World*, is to "reach the furthest behind first", with a multidimensional understanding of the furthest behind that includes overlapping forms of poverty and exclusion.<sup>3</sup>

**Figure 12.1. Most DAC members' policies or laws explicitly commit to reducing poverty and inequalities, though few focus solely on poverty or inequalities**



Note: The chart reflects responses from the 24 (out of 32) DAC members that participated in the OECD survey.

Source: OECD analysis (2024) based on a survey of OECD-DAC members on approaches to targeting poverty and inequality in development co-operation.

Overarching statements of goals and commitments lay the groundwork for deliberately and effectively integrating priorities into development policies. As noted in the 2001 DAC poverty reduction guidelines, policy coherence and clear commitments also are important to ensure that all policies work synergistically, maximising impact.

### **Programming for poverty and inequality reduction varies by approach and definitions**

The goals of reducing poverty and inequalities are just two among many competing priorities for DAC member governments. The qualitative study on DAC members' approaches suggests that development co-operation initiatives to tackle poverty and inequalities often must overcome hurdles due to issues that are perceived as more pressing within governmental agendas.

...development co-operation initiatives to tackle poverty and inequalities often must overcome hurdles due to issues that are perceived as more pressing within governmental agendas.

The survey responses show there is a mix of approaches to poverty and inequality reduction programming. Some DAC members reported they implement stand-alone programmes explicitly to reduce poverty and inequalities, but 8 of 23 members said they mainstream poverty and inequality reduction as a cross-cutting goal of their development co-operation.<sup>4</sup> For instance, the Japan International Cooperation Agency (JICA) recognises gender inequality as cross-cutting and has produced a range of sector-specific guidance documents on gender mainstreaming.<sup>5</sup> In its Gender Mainstreaming in Agricultural and Rural Development Guideline, JICA incorporated the goal of ending poverty into its gender mainstreaming effort through policy frameworks based on pro-poor and gender-sensitive development strategies aimed at eradicating poverty.<sup>6</sup> The Danish Ministry of Foreign Affairs also [mainstreams](#) poverty and inequality across development co-operation portfolio, a approach that is further reinforced by the inclusion of poverty criteria in programme appraisal. The UK Foreign, Commonwealth & Development Office (FCDO), on the other hand, takes a stand-alone approach to its poverty reduction programming, with dedicated programming and policy including social protection, human development and inclusive growth as well as a stand-alone poverty research programme looking at poverty data, changing drivers of poverty and what works to reduce poverty.<sup>7</sup> For example, one of FCDO's programmes focuses on reducing poverty through the [education of marginalised girls](#) in sub-Saharan Africa and South Asia.

*Not all DAC members mainstream poverty and inequality reduction in climate and environmental work*

Most (12 out of 21) DAC members reported they integrate poverty reduction into their climate and environmental initiatives (Box 12.2), but only 7 of 20 respondents indicated they similarly integrate inequality reduction. Additionally, 9 of 21 respondents stated they only partially incorporate poverty objectives into their climate and environmental efforts, while 13 of 20 members do so for inequality reduction.

Building on the importance of explicit and clear commitments in international agendas, there is a significant opportunity to integrate climate and environmental work with efforts to combat poverty and inequalities within development co-operation. Box 12.2 presents some examples of how DAC members are integrating these.

### **Box 12.2. How members are integrating poverty- and inequality-reduction objectives in climate and environmental work**

- The **European Commission** mainstreams poverty and inequality throughout its climate and environment work. First, it applies the [Inequality Marker](#) to the Directorate-General for International Partnerships (DG INTPA)'s interventions in all sectors, including climate and the environment. The international conference on Inequality, Work and Nature in South Africa, jointly organised by the French Development Agency (AFD) and the European Commission, demonstrates a strong willingness to continue pushing for more mainstreaming of inequality reduction into climate and environmental efforts. Second, regarding poverty and sustainable development, the European Commission has produced a comprehensive reference document providing guidance on the mainstreaming of environmental sustainability, climate change and biodiversity into the Sustainable Development Goals.

- The **United States Agency for International Development's** climate strategy aims to target entrenched power structures that create and maintain inequalities. Its high-level objective is to support partners in achieving systemic changes that increase meaningful participation and active leadership in climate action of indigenous peoples, local communities, women, youth, and other marginalised and/or underrepresented groups. Its Agenda for Change supports gender equality and the empowerment of women and indigenous peoples in leadership and decision making around biodiversity conservation; aims to strengthen the legal and traditional land and resource rights of communities and indigenous peoples; and establish innovative partnerships with the private and public sectors, civil society, and academia. These collaborations are intended to leverage resources, enhance skills and amplify outcomes while avoiding redundant efforts.
- **France** sees the fight against poverty and inequalities and the financing of global public goods to target climate change as linked rather than in opposition, and this agenda is at the heart of its international diplomacy and bilateral programmes. The [AFD's sustainable development analysis and opinion mechanism](#) is at the core of its development co-operation approach to ensure the impact on sustainable development across its projects at an early stage. This tool makes it possible to rate projects, ex ante and independently, on several dimensions, encouraging dialogue between teams. It also reinforces a culture of sustainable development within the AFD, which France showcased at the June 2023 Summit for a New Global Financing Pact. This will also be at the heart of the Paris Pact for People and the Planet.
- The **Italian Agency for Development Cooperation** has operational tools across all stages of the project cycle to assess the impact of development co-operation on the intersection of poverty and inequalities within the environmental and climate context. These ensure that mitigation and adaptation actions can have a positive impact on the most vulnerable groups in partner countries. Examples of the adopted tools include guidelines on environmental mainstreaming and a specific indicator to monitor the direct and measurable positive impact on poverty reduction of initiatives that have environmental objectives in the short, medium and long term.
- At the country programming level, **Korea** aims to increase climate resilience by implementing a [climate-smart agricultural programme](#) in Kenya. This focuses on addressing spatial inequalities through rural empowerment and targets individuals facing group-based inequalities (including refugees, women and youth) and economic inequalities. The smart agriculture programme restored grazing land and increased the use of drought-tolerant crops, making communities more resilient and food secure to climate shocks.
- **Ireland's** [climate finance strategy](#) largely focuses on adaptation, which supports populations the most vulnerable to climate impacts, and it channels the majority of its funding to least developed countries and small island developing states. This commitment aligns with the primary objective of its international development policy, A Better World, to direct development co-operation to reach the furthest behind first.

Source: OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequality in development co-operation.

### *Survey respondents emphasise different dimensions of poverty in their programming*

DAC members responding to the survey have different institutional approaches when it comes to defining poverty, with 15 of 21 mentioning more than one dimension of poverty. Iceland, for example, reported that its institutional definition of poverty is based on the human rights-based approach, material monetary deprivation and also other multidimensional factors.<sup>8</sup> Similarly, half (10 of 20) of the respondents said they use more than one poverty indicator. As part of the survey, members provided multiple written definitions,

which have been interpreted and categorised. For poverty, most respondents either favour multidimensional definitions (10) or base their definitions on institutionally set definitions of poverty such as the SDGs or United Nations (UN), OECD-DAC or World Bank definitions (10). In addition, seven respondents mentioned that they define poverty as monetary poverty. Human rights-based definitions (2), the “furthest left behind” (1) and others are less commonly used. In terms of poverty indicators, the World Bank’s poverty line was the most frequently mentioned (11), followed by SDG indicators (7 mentions), the UN Global Multidimensional Poverty Index or the Human Poverty Index (4), and group-based poverty measures (2).

*The programming approach for inequality reduction, including who is targeted, varies across providers*

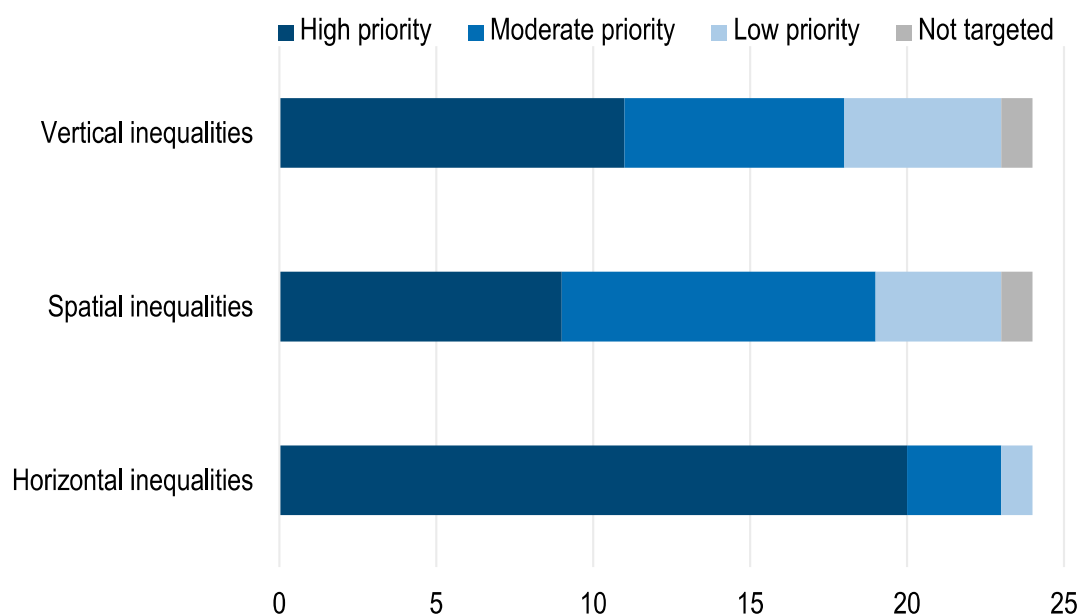
Likewise, different approaches and emphasis are used in DAC members’ programmes aimed at reducing inequalities. Among survey respondents, 7 (of 16) mentioned more than one definition of inequalities, for instance.<sup>9</sup> The most frequently mentioned were those related to reducing unequal access to resources or rights (six) and multidimensional inequalities (five). Vertical inequality definitions (two mentions) and intersectional approaches (one) were indicated less frequently. In terms of indicators measuring inequalities, 7 (of 14) respondents use more than one inequality indicator. Multidimensional indicators (eight mentions) and gender-related indicators (four) are preferred; disability-related indicators received only one mention.

All 24 survey respondents reported they are targeting horizontal inequalities, with 20 out of 24 DAC members assigning it high priority (Figure 12.2). However, relatively few DAC members’ focus on horizontal inequalities extends beyond gender although some providers have detailed plans on tackling different dimensions of horizontal inequalities.<sup>10</sup> For 11 members, targeting vertical, or economic, inequalities is a high priority. The publication of strategies, policies or guidance on vertical inequalities has been a relatively recent development, suggesting growing interest in expanding focus on income inequality in development co-operation.<sup>11</sup> Sida’s uses a [Multidimensional Poverty Analysis framework](#) for country-level analysis, informing its country strategies and contributing to programme ex ante appraisals. All programmes are required to align with the conclusions of the framework and must clearly explain how they will benefit people living in poverty.

The publication of strategies, policies or guidance on vertical inequalities has been a relatively recent development, suggesting growing interest in expanding focus on income inequality in development co-operation.

Though almost all (19 of 24) DAC members responding to the survey mentioned targeting spatial inequalities as a moderate to high priority area for their development co-operation (Figure 12.2), there do not appear to be any dedicated strategies for this.<sup>12</sup>

**Figure 12.2. Reducing horizontal inequalities is a higher priority in DAC members' programming than either vertical or spatial inequalities**



Note: This graph reflects a sample of 24 DAC members.

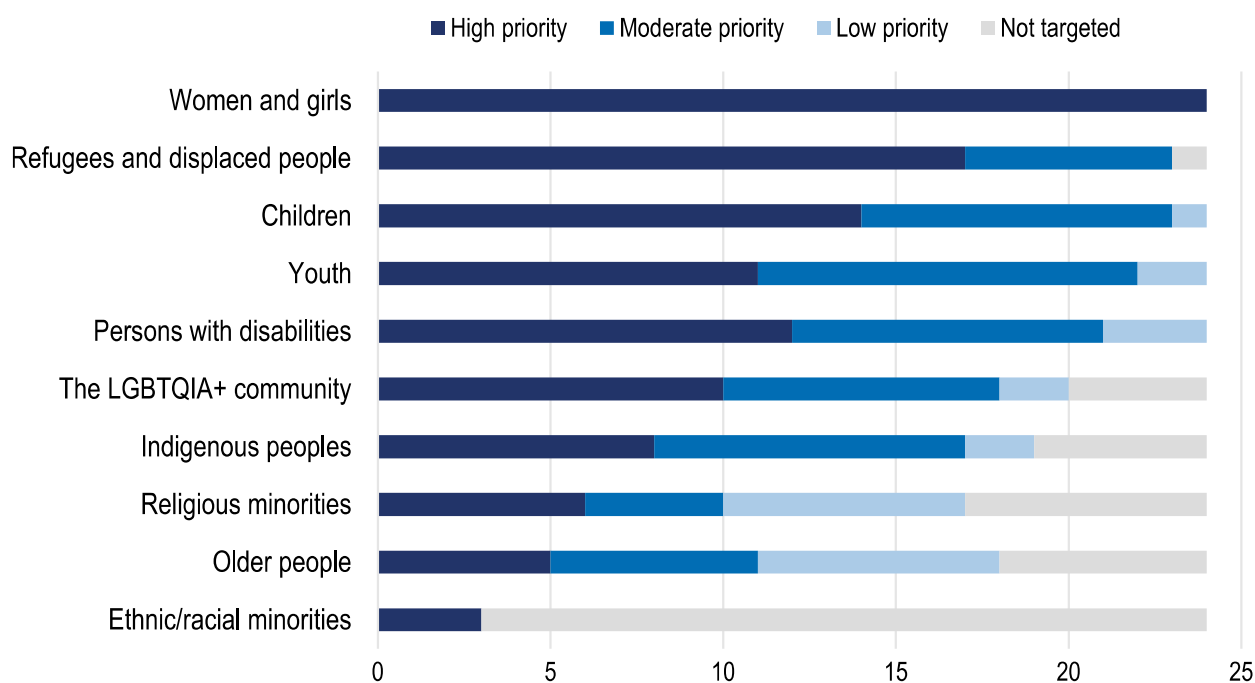
Source: OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequality in development co-operation.

Across different forms of horizontal inequalities, the priority assigned to marginalised groups or individuals experiencing inequalities varies greatly. All 24 DAC providers that participated in the survey reported that they consider inequalities experienced by women and girls to be a high priority area, followed closely by inequalities experienced by refugees and displaced people.<sup>13</sup> As illustrated in Figure 12.3, prioritisation and targeting of horizontal inequalities experienced by other groups, such as children and persons with disabilities, varied significantly. Similarly, the qualitative study on DAC members' approaches indicated that most have dedicated guidance on gender equality, some have dedicated guidance on disability, and a small number have guidance specific to children and youth, LGBTQIA+ and indigenous groups.<sup>14</sup> The United States Agency for International Development, for example, has a policy on promoting the rights of Indigenous peoples.<sup>15</sup>

All 24 DAC providers that participated in the survey reported that they consider inequalities experienced by women and girls to be a high priority area, followed closely by inequalities experienced by refugees and displaced people.



**Figure 12.3. All DAC members surveyed give top priority to horizontal inequalities affecting women and girls and lowest priority to those affecting ethnic and racial minorities**



Note: This graph reflects a sample of 24 DAC members.

Source: OECD analysis (2024) based on a survey of OECD DAC members on approaches to targeting poverty and inequality in development co-operation.

Some DAC members reported that their interventions do not prioritise a specific dimension of inequalities but rather take an intersectional approach to identify and target populations experiencing overlapping forms of discrimination. There are opportunities to embed intersectional approaches more consistently in DAC members' development policies (Box 12.3).

### Box 12.3. Embedding an intersectional approach in development co-operation can help target multiple forms of overlapping inequalities

The term intersectionality was coined in the 1980s to describe the double bind of simultaneous racial and gender prejudice endured by black women and girls and the ways in which the intersection of race and gender yields different forms of discrimination and oppression (Crenshaw, 1989<sup>[3]</sup>). Women and girls can face other dimensions of vulnerability that overlap with gender, including those related to ethnicity and national origin, minority or indigenous status, faith or religion, education level, class, socio-economic status, caste, geographic location, age, disability, sexual orientation, gender identity and sex characteristics, and migration situation. It is crucial to consider the intersections between various forms of discrimination to more effectively address gender inequality as well as poverty.

Many DAC members are formulating policies and strategies to embed intersectional approaches in their development co-operation. A review by the DAC Network on Gender Equality found that half of DAC members explicitly refer to adopting an intersectional approach, linking it to gender, either in their development strategies, policy frameworks or in some type of practical tool or guidance.<sup>16</sup> Several other members are formalising their institutional approach to intersectionality. While some members do not explicitly use the term intersectionality, they still apply its principles through frameworks that contain language such as “supporting women and girls in all their diversity”, “addressing compound and complex vulnerabilities”, and “leaving no one behind”. Members also identify marginalised groups in different ways, in recognition that these can differ depending on the country context. Such flexibility helps avoid the creation of rigid lists of marginalised groups and ensures inclusivity and responsiveness to diverse and evolving needs.

### Policy areas for DAC members’ poverty and inequality focus

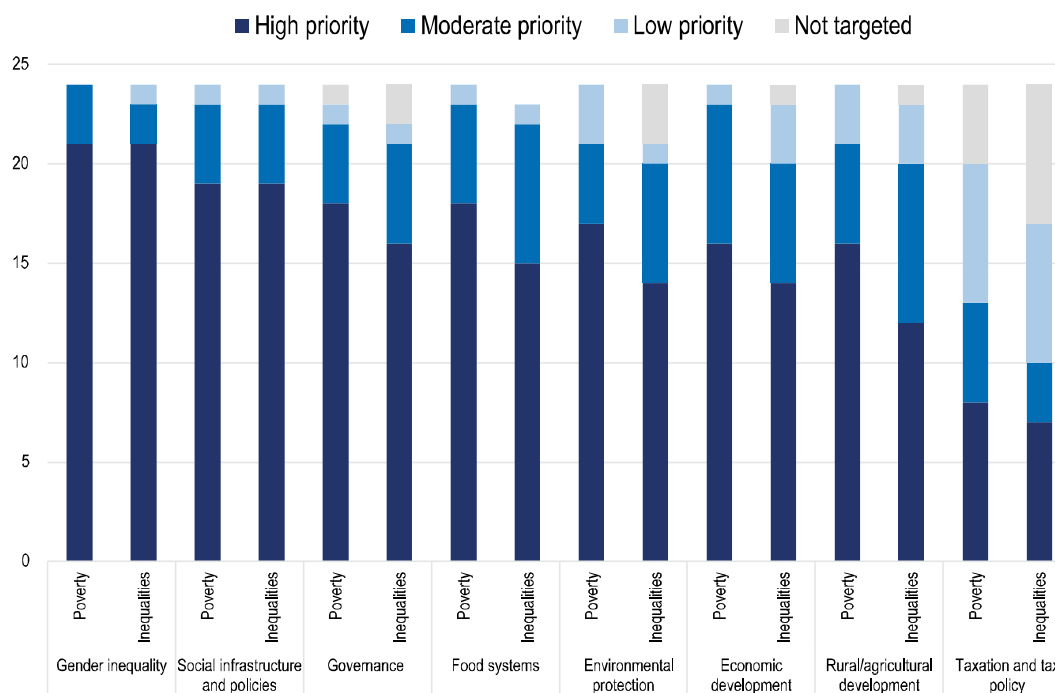
Gender inequality, social infrastructure and policies, governance, food systems, and environmental protection are the most frequently identified policy focus areas for DAC members’ work on both poverty and inequality reduction (Figure 12.4). For instance, in line with its [Feminist International Assistance Policy](#), Canada supports the [Equality Fund](#), which applies an innovative financing model to create long-term, sustainable and flexible funding for feminist movements worldwide and women’s rights organisations, crucial in advancing gender equality and reducing poverty. Australia’s Department of Foreign Affairs and Trade prioritises rural and agricultural development in development co-operation, as evidenced by its [programme in Indonesia](#) that leverages private sector investments for agricultural innovations for smallholder farmers. Spain’s first social impact fund, the [Huruma Fund](#), helps to fill the funding gap for smallholder and marginalised farmers in partner countries by leveraging public resources to attract private investment in areas of high risk but with a large impact on poverty.

Interestingly, tax policy, rural and agricultural development, and economic development are identified as lesser priorities for poverty and inequality reduction, though these are widely considered in the literature as pro-poor policy areas for development co-operation (See Chapter 2 and Chapter 10). Only seven DAC members identified tax policy as a priority of their development interventions, despite its linkages with vertical inequalities.

Survey respondents also indicated which policies outside their development co-operation have significant positive impacts on poverty and inequality outcomes in partner countries. These include health, environment, trade, migration and agriculture –policy areas emphasised for achieving policy coherence for sustainable development.<sup>17</sup> Digital, defence and taxation policies were considered less important.<sup>18</sup> Improving policy coherence both within and beyond development co-operation can mitigate the potentially

adverse impacts of DAC members' wider policy choices – regarding climate and environment, taxation, trade, defence and migration,<sup>19</sup> for instance – on poverty and inequalities. Norway's development co-operation policy includes a section on policy coherence beyond development co-operation that requires the Ministry of Foreign Affairs to maintain a constant dialogue with other ministries to monitor potential spillover effects of their policies and to report on this dialogue to the parliament annually.<sup>20</sup> To ensure policy coherence in its portfolio, the Belgian Development Agency Enabel has created a tool to analyse if its proposed interventions and programme formulations have possible unintended adverse side effects that increase inequalities.<sup>21</sup>

**Figure 12.4. DAC members prioritise policies targeting gender inequality to address both poverty and inequalities**



Note: This graph reflects a sample of 24 out of 32 DAC members.

Source: OECD analysis (2024) based on a survey of OECD DAC members on approaches to targeting poverty and inequality in development co-operation.

### ***Translating policy commitments into strategies and programmes to reduce poverty and inequalities***

DAC members translate policies to reduce poverty into practice in a variety of ways. According to survey results and qualitative research, some members have specific projects or programmes focused on different dimensions of poverty, with interventions based on a sectoral, thematic or geographical context. Others focus on a single dimension such as gendered poverty or a human rights-based approach to poverty. Most members reported that they focus on non-monetary dimensions of poverty such as education, health and safety; those targeting monetary poverty also integrate other dimensions into their approach as shown by the following examples:

- [Job creation](#) is a high priority for Swedish International Development Cooperation Agency's (Sida) efforts to reduce multidimensional poverty. By creating productive jobs and fostering employability, Sida's approach focuses on improving the functioning of the labour market and decent working conditions, striving for sustainable employment results and poverty reduction at scale.

- Germany's [Global Project on Reducing Inequality](#) provided partner countries with tailored cross-sectoral expertise, capacity development and peer-to-peer exchange to put inequality reduction at the heart of policy making, exploring collaborative models with partner countries.
- Belgium is supporting [nationwide social health protection](#) for people working in the informal economic sector in low-income countries in sub-Saharan Africa.

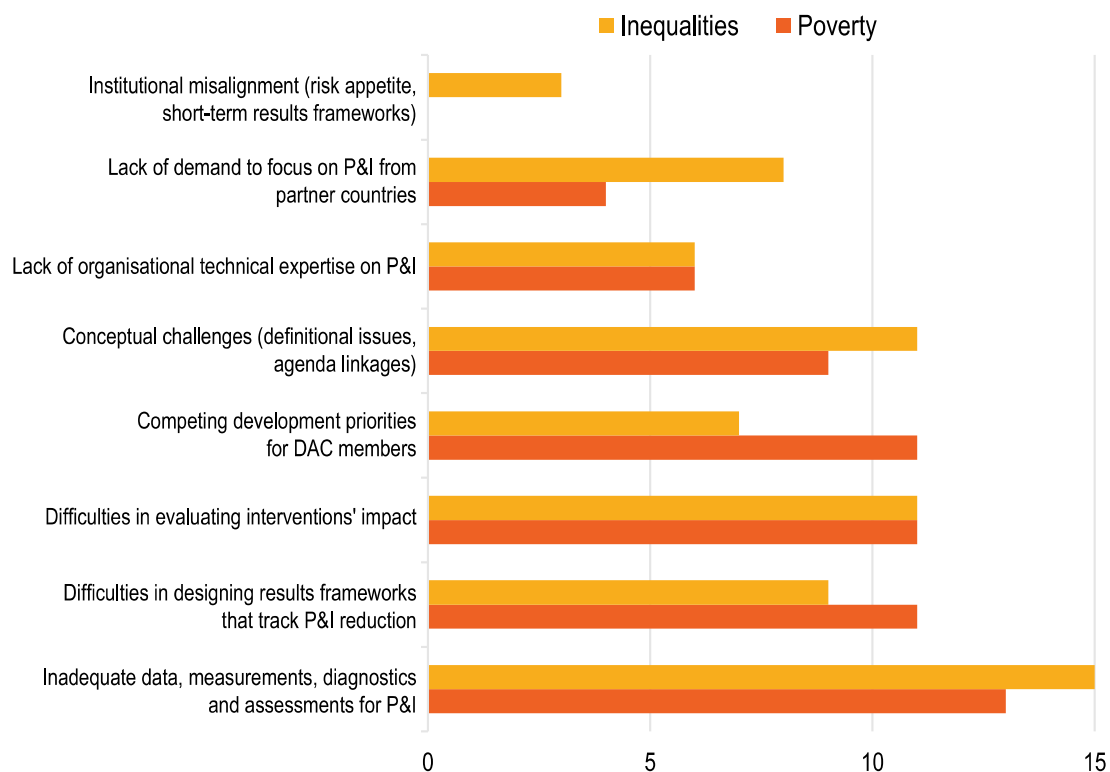
Nevertheless, while most DAC members have explicit commitments to both poverty and inequality reduction, they are not always supported by dedicated frameworks, strategies, guidance or toolkits for addressing delivering on both.<sup>22</sup> Only five respondents indicated they have a dedicated strategy for inequalities or poverty; four are currently developing new strategies; and two have no strategies or no plans to develop them.<sup>23</sup>

Likewise, not all have theories of change, which are important tools to guide strategies.<sup>24</sup> While many DAC members' strategies and policies consider factors that cause poverty and inequalities, about 14 (of 23) have detailed theories of change.<sup>25</sup>

### *Constraints limiting DAC members' programming of poverty and inequalities*

Figure 12.6 highlights the primary challenges cited by DAC members related to programming, which include inadequate data, measurement, diagnostics and assessments, particularly for inequalities; difficulties designing results frameworks that effectively track inequalities and especially poverty reduction; and difficulty in evaluating the impact of interventions.

**Figure 12.5. Main reported challenges that may limit development co-operation's prioritisation on reducing poverty and inequalities in partner countries**



Notes: P&I: poverty and inequalities. This graph reflects a sample of 24 members. The list of challenges was provided to members for selection. Source: OECD analysis (2024) based on a survey to DAC members on approaches to targeting poverty and inequality in development co-operation.

While DAC members report difficulties in evaluation and assessments, more than half of respondents (16 out of 23) have established processes to critically evaluate ex ante how proposals address poverty and inequalities. This includes utilising policy markers or other scoring tools to assess proposals' integration of aspects of poverty and inequalities.<sup>26</sup> Germany for example, ensures that the core, cross-sectoral objective of reducing multidimensional poverty is considered across all regional or country strategies, in policy for all sectors, and throughout a project's programming cycle.<sup>27</sup> This is measured through a poverty marker (non-DAC marker) it created to monitor poverty reduction as a primary or secondary objective in projects.

Successful examples also exist where aspects of poverty and inequality reduction have been effectively integrated into programming cycles. For instance, the Swiss Agency for Development and Cooperation has taken steps to operationalise the [leave no one behind objective](#) into the programming phase. This involves understanding the factors driving exclusion; incorporating these considerations into intervention designs, especially in developing theories of change; and continuously monitoring and adapting programmes to account for both direct and indirect effects of interventions.<sup>28</sup> These efforts can be supported by global knowledge-sharing initiatives and capacity support for local analytical work on poverty and inequalities, allowing DAC members to work collectively with partner countries and civil society to achieve more evidence-based programming (Box 12.4).

#### Box 12.4. Sharing evidence and data across regions and countries

Facilitating cross-country knowledge sharing is crucial to gaining deeper, evidence-based insights into the factors driving poverty and inequalities globally as well as for identifying and sharing solutions. Local analytical work is also essential to understanding the diverse dynamics of poverty and inequalities across countries. DAC members' research budgets can support this. Examples of country-spanning knowledge-sharing efforts are the Research Facility on Inequalities, an initiative of the European Union and the French Development Agency, and the Data and Evidence to End Extreme Poverty, or DEEP, funded by the Foreign, Commonwealth & Development Office in the United Kingdom. The two research initiatives focus on narrowing knowledge gaps around poverty and inequality reduction. Together, the initiatives have worked in over 25 countries with local and national partners to design solutions that address country-level poverty and inequality challenges.

Global research initiatives enable development co-operation actors to support more contextually tailored policies for poverty and inequality reduction. By recognising the diversity among countries and reducing between-country knowledge gaps, collective research initiatives hold the potential to significantly enhance local evidence-based knowledge production for the creation of more effective poverty- and inequality-reducing policies.

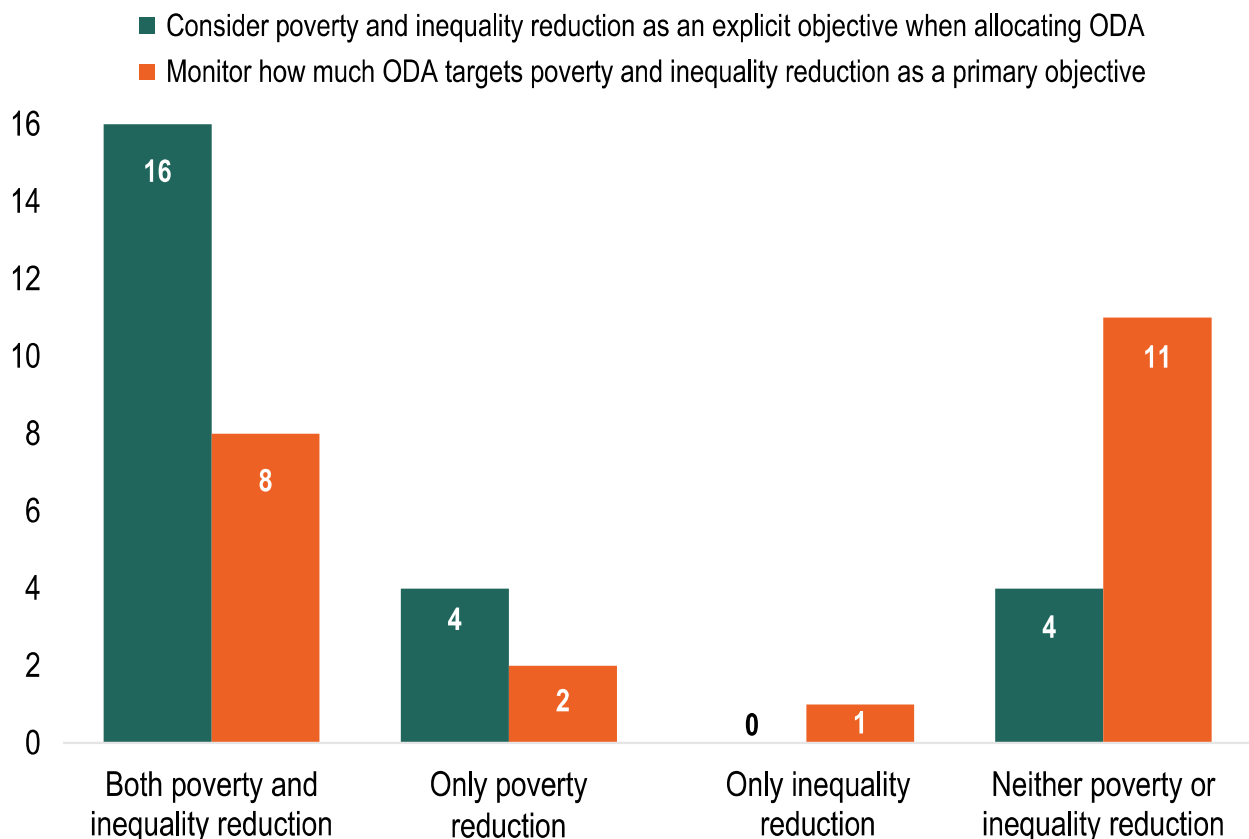
*Most DAC members do not measure how much of their development co-operation targets poverty or inequality reduction*

The majority of survey respondents (20 of 24) stated that the reduction of poverty and/or inequalities is included or considered as an explicit objective in their official development assistance (ODA) allocation decisions, though 4 members only consider poverty as an explicit objective (Figure 12.5). Canada's Official Development Assistance Accountability Act for example, creates a legal requirement for all Canadian ODA to be provided with a central focus on poverty reduction, aligned with international human rights standards. Both France and the United Kingdom set a target for 50% of their bilateral ODA to be allocated to least developed countries; the United Kingdom's approach to target least developed countries is motivated by the fact that they have higher poverty rates, levels of fragility and conflict, and vulnerability to climate change.<sup>29</sup>

For allocations to vulnerable groups, nine survey respondents said they use OECD-DAC tools and policy markers to track ODA targeting gender and disability objectives. Some members use alternative measures such as internal markers and DAC purpose sector codes as proxies for poverty- and inequality-reducing interventions. For example, New Zealand created a child and youth well-being marker and a human rights marker; Austria and Germany both created a poverty marker.<sup>30</sup> Switzerland tracks progress towards the SDGs by mapping to OECD markers (such as SDG 10.2 to the DAC disability policy marker) and assigning SDG 1 and SDG 10 to certain DAC purpose sector codes, aligning them with sectors that are proven to be poverty and inequality reducing, such as social protection.<sup>31</sup> Finland also focuses on horizontal inequalities in its development co-operation, using OECD DAC policy markers, and other tools to ensure that projects comply with minimum standards for gender equality and disability inclusion.

Eight respondents said they monitor, in practice, how much ODA actually targets the reduction of poverty and inequalities (Figure 12.6). Cursory qualitative research in a sample of 23 DAC members has found that most members have taken steps to incorporate at least one dimension of poverty and/or inequalities into their monitoring processes. A wide diversity of approaches is used, ranging from the development of markers to track project objectives to the collection of quantitative and qualitative data to monitor project results.<sup>32</sup>

**Figure 12.6. Most members consider the reduction of poverty and/or inequalities as an explicit objective when allocating ODA, but do not monitor how much ODA actually targets the reduction of poverty and/or inequalities**



Note: This graph reflects a sample of 24 DAC members. 2 members did not answer the question on ODA monitoring.

Source: OECD analysis (2024) based on a survey to DAC members on approaches to targeting poverty and inequality in development co-operation.

*Engagement with people experiencing poverty and inequalities more often occurs before and during programme implementation than during the monitoring and evaluation phases*

Most DAC members surveyed (19 of 24) reported that they occasionally or always ensure that people experiencing poverty or inequalities are represented or participate in the framing, design and delivery phase of the programme cycle.<sup>33</sup> Yet only four members said they ensure that these people participate or are represented in the accountability phase, which includes the monitoring, evaluation and learning stages.<sup>34</sup> A few DAC members have worked to enhance stakeholder participation in the accountability phase, demonstrating potential opportunities to scale up action. For instance, the Swiss Agency for Development and Cooperation has [published guidance](#) on conducting beneficiary assessments to involve people at risk of being left behind in evaluation processes.<sup>35</sup> In addition, Slovenia aligns its projects with principle of local ownership and supports mutual accountability by ensuring projects are being monitored by local partners, Slovenian non-governmental organisations and representatives of the national co-ordinator/ministry.<sup>36</sup>

## **Research take aways: Opportunities to better integrate poverty and inequalities into development co-operation**

The comparative survey and qualitative research on DAC members' approaches to poverty and inequality reduction show there is considerable scope to sharpen their focus on poverty and inequalities and translate commitments into action more effectively. Further guidance can help DAC members step up the integration of poverty and inequalities into development co-operation; contribute to improving the quality, effectiveness and impact of their policies, practices and financing in targeting these issues; and support progress on the pledge to leave no one behind. This take away section looks at some of these opportunities and how they might be addressed going forward.

### ***Manage policy evaporation risks amid competing priorities***

Reducing poverty and inequalities is often in competition with other priorities such as climate change, macroeconomic stability and health emergencies (see also Chapter 14 and Chapter 26). This competition can lead to policy evaporation where initial commitments to reduce poverty and inequalities may lose importance as they move from being planned to being implemented. This risk is increased when these goals are not fully integrated into DAC members' broader development policies and strategies.

To mitigate the risk of policy evaporation, clear guidance can help safeguard the focus on reducing poverty and inequalities across programmes and throughout the programming cycle. For example, embedding poverty and inequality reduction objectives into all relevant policy areas ensures they remain a priority, and establishing clear implementation frameworks with specific targets and robust monitoring mechanisms helps maintain focus and accountability. Additionally, peer learning and knowledge exchange, sharing best practices and strategies with other providers and partners can deepen the evidence base and guidance for keeping poverty and inequality reduction goals at the forefront of development co-operation.

Staffing constraints can also stifle DAC members' ability to comprehensively integrate poverty and inequality considerations across the development co-operation portfolios and creating synergies (see also Amitabh Behar, Oxfam International's "In my view" article in Chapter 13). The qualitative study on DAC members' approaches reveals that some members struggle to fully capitalise on poverty and inequality reduction opportunities due to low staff numbers. Survey results indicate that most DAC members have at least one dedicated staff member focused on reducing poverty and inequalities, with team sizes varying significantly. Employing specialised staff could improve the evidence base and decision making in these efforts.

### ***Refine definitions and measures for better coherence and alignment to partner countries' priorities***

Definitions of poverty and inequalities matter and can influence where, how and for whom resources are allocated and actions directed. The varying definitions and indicators that DAC members use to describe poverty and inequalities allow for a more nuanced understanding and adaptation to local contexts. But they also complicate the pursuit of a coherent approach to global poverty and inequality work. More discussion is needed on both definitions and measurement frameworks, particularly in the context of green transitions and their implications for development co-operation policy, programming and finance (see Chapters 2 and 14). Aligning measurement and definitions to partner countries' priorities also can contribute to better targeting actions and resources to poverty and inequality reduction.

### ***More comprehensive focus on income and group-based inequalities***

DAC members have expressed a desire for more guidance on how to approach and target different and new forms of inequalities such as climate-related vulnerabilities, unequal digital access and political economy issues. Most prioritise horizontal inequalities over vertical or spatial inequalities with a strong focus on gender inequalities. There is scope to broaden the range of inequalities being addressed so as not to promote inclusive economic growth and include different groups experiencing inequalities and leave them further behind. New guidance could assist DAC members in incorporating an intersectional perspective into their development interventions, including in collaboration with local civil society and multilateral organisations. Additionally, it could help in monitoring and evaluating results to assess the interventions' impact on different individuals. Guidance could also help identify more suitable policy and strategic frameworks for the specific contexts of DAC members' institutions and the countries they support.

### ***Better align ODA spending priorities and allocation with evidence and assessments of poverty and inequalities***

ODA can directly or indirectly contribute to reducing poverty and inequalities depending on the dimensions being considered and the groups targeted (e.g. "bottom" 40% or "poorest of the poor"). Survey respondents reported that evidence on poverty and inequalities do not always influence their decisions on how ODA is spent in terms of priority countries, sectors and modalities. The qualitative study on DAC members' approaches suggests that more explicit and granular analysis of the poverty and inequality impacts associated with ODA allocation options can help DAC members more effectively translate overarching goals on poverty and inequality reduction into detailed spending priorities. This implies that DAC members may miss opportunities to invest ODA in activities with the highest poverty and inequality reduction impacts. They may even opt for investments that are unintentionally harmful – for example, if ODA is spent on projects that unintentionally widen the income gap.

### ***Improve policy coherence in relation to poverty and inequality reduction***

Improving policy coherence both within and beyond development co-operation can mitigate the potentially adverse impact of DAC members' wider policy choices – for instance on climate and environment, taxation, trade, defence, and migration – on poverty and inequalities. DAC members have made commitments to ensure coherence with policies and strategies beyond their ODA programmes. These include the OECD Recommendation of the Council on Policy Coherence for Sustainable Development (OECD, 2019<sup>[4]</sup>), which explicitly recognises the importance of considering poverty reduction throughout all policy coherence frameworks. The Recommendation also calls for an intersectional governance approach and analysis of interactions between equality and inclusion and other goals when designing and implementing policies to understand the ways in which policy can impact socially disadvantaged groups differently. However,



external analyses and recent OECD-DAC peer reviews suggest that policy coherence challenges persist across all the DAC members included in the qualitative study of DAC members' approaches.

### ***Develop more robust frameworks for poverty and inequalities***

Survey findings flagged demand from development agencies for advice on building robust evaluation frameworks to enhance the effectiveness of their poverty- and inequality-reduction efforts. Effective development co-operation also requires appropriate data, well-defined objectives and a thoughtful application of evaluation criteria to support high-quality, useful evaluations (OECD, 2021<sup>[5]</sup>). Several DAC members have developed tools and methods for analysing poverty and inequalities within specific contexts or at the subnational level.<sup>37</sup> However, members highlighted that a principal challenge limiting their development initiatives is the lack of adequate data, measurements and diagnostics.<sup>38</sup> But while some members have systems that annually assess programmes against specific quality criteria (including gender and disability)<sup>39</sup>, many face difficulties due to limited capacity in their current frameworks. Such capacity constraints hinder the effective analysis and evaluation of the impacts of multidimensional interventions on poverty and inequalities and make the necessary adjustments.

### ***Engage a range of stakeholders, including people experiencing poverty and inequalities, throughout the programming cycle***

Enhancing the engagement of people experiencing poverty and inequalities in the monitoring and evaluation phases of the programme cycle, while also prioritising participant safety is tricky and challenging for development actors. Meanwhile, locally led development and including local stakeholders in decision-making often results in greater relevant, culturally appropriate, and sustainable programmes (OECD, 2023<sup>[6]</sup>).

Some providers are enhancing stakeholder participation in the accountability phase, demonstrating potential opportunities to scale up action. For instance, Iceland's development co-operation employs a [programme-based approach at the local government level](#), supporting national decentralisation efforts and locally led development. Long-term partnerships with district authorities in partner countries have improved their performance and enhanced service provision, addressing poverty and inequalities within the population. At the same time, development programmes need to be sensitive to local social, economic and political dynamics when engaging with local actors<sup>40</sup> so as not to inadvertently exacerbate inequalities in partner countries. A particular risk emerges when financial support or opportunities for partnerships at the local level benefit holders of power and privilege rather than people experiencing poverty and inequalities. Planned new DAC guidance on poverty and inequalities and forthcoming (2024) OECD synthesis report on locally led development can also inform strategies that mitigate the risk of compounding inequalities and promote inclusive local engagement processes when working in partnership with local actors for poverty and inequality reduction programming.

### ***Close data gaps, leverage knowledge and share good practices***

By leveraging the experiences, lessons learnt and knowledge shared by others, DAC members can significantly benefit from each other's practices and analyses, maximising collaboration to address challenges and avoiding duplication.<sup>41</sup> Survey respondents showed demand for more systematic sharing of evidence on the most effective policies and programmes and on scaling impact. Local-level analytical work and research findings also offer invaluable granular data that can inform more effective policy making for poverty and inequality reduction. In addition to sharing knowledge among DAC members, institutional mechanisms for co-ordination between different agencies within a DAC member can also serve as a model, helping address potential misalignments and inconsistencies across diverse policies and budget priorities.

Box 12.5 describes the contributions to knowledge sharing by the OECD-DAC Community of Practice on Poverty and Inequalities.

### **Box 12.5. Knowledge-sharing guidance on poverty and inequalities: The DAC Community of Practice on Poverty and Inequalities**

The Development Assistance Committee's (DAC) Community of Practice on Poverty and Inequalities (CoP-PI) supports knowledge sharing among DAC members and a broader community of stakeholders, by fostering peer learning, inclusive knowledge exchanges and analyses on how to sharpen development co-operation's focus on poverty and inequality reduction. Since its inception in 2021, the CoP-PI has helped DAC members to translate their commitments to poverty and inequality reduction into practice throughout the policy and project cycle as well as in the targeting and tracking of official development assistance allocations to these objectives. With a view to providing more detailed guidance, the CoP-PI Secretariat carries out analysis to learn from members' good practices and unpacks key challenges they face in embedding a poverty and inequality lens throughout their development co-operation. Exchanges of the CoP-PI have also explored the complex interlinkages between poverty, inequalities and major development challenges such as food security, climate action, domestic resource mobilisation and social protection.

### ***Embed poverty and inequality considerations into climate action***

By embedding and mainstreaming poverty and inequality considerations into strategies and support for green transitions, development co-operation actors can ensure that environmental and climate initiatives contribute to a sustainable future and more equitable social systems. It can also foster comprehensive solutions that address both environmental and socio-economic challenges, ensuring that advancements in one area do not come at the expense of another.

Survey respondents stressed the importance of taking marginalised and vulnerable populations into account in their climate and environmental policies and country-specific programming.<sup>42</sup> As one member put it, "We see work on climate and the environment as interconnected and mutually reinforcing with efforts to reduce poverty and inequality."<sup>43</sup> However, the systematic integration of core goals to end poverty and reduce inequalities is not yet common practice climate and environment programmes (see Chapters 14 and 26). Strategies tend to pay less attention to possible tensions between ODA for climate-related purposes and ODA for poverty and inequality reduction but there are good practice examples to follow such as Luxembourg's commitment to keeping its climate finance additional to its ODA budget.<sup>44</sup>

**We see work on climate and the environment as interconnected and mutually reinforcing with efforts to reduce poverty and inequality.**

In conclusion, the research highlights significant opportunities for DAC members to enhance their integration of poverty and inequalities into development co-operation. Key takeaways include the need for clearer policy guidance to prevent the risk of "policy evaporation" amid competing priorities like climate change and health emergencies. Furthermore, refining definitions and measurement frameworks can improve coherence and alignment with partner countries' priorities, ensuring more targeted actions and resource allocations. Addressing a broader range of inequalities, including new and intersectional forms, requires updated guidance and strategic frameworks. Developing robust evaluation frameworks and engaging diverse stakeholders throughout the programming cycle are essential steps toward enhancing the quality and impact of poverty and inequality reduction efforts. Moving forward, new shared guidance

can support development co-operation to translate high-level and core commitments into tangible actions, effectively contribute to eradicating poverty and leaving no one behind.

## References

- Crenshaw, K. (1989), “Demarginalizing the intersection of race and sex: A black feminist critique of antidiscrimination doctrine”, *University of Chicago Legal Forum*, Vol. 1989/1, <http://chicagounbound.uchicago.edu/uclf/vol1989/iss1/8>. [3]
- OECD (2024), *2024 Poverty and Inequalities Profiles*, [https://one.oecd.org/document/DCD\(2024\)22/en/pdf](https://one.oecd.org/document/DCD(2024)22/en/pdf). [2]
- OECD (2023), *Framing DAC member approaches to enabling locally led development*, OECD ONE Members and Partners, [https://one.oecd.org/document/DCD\(2023\)47/en/pdf#:~:text=Locally%20led%20development%3A%20an%20ongoing,of%20international%20development%20co%2Doperation](https://one.oecd.org/document/DCD(2023)47/en/pdf#:~:text=Locally%20led%20development%3A%20an%20ongoing,of%20international%20development%20co%2Doperation). [6]
- OECD (2021), *Applying Evaluation Criteria Thoughtfully*, OECD Publishing, Paris, <https://doi.org/10.1787/543e84ed-en>. [5]
- OECD (2019), *Recommendation of the Council on Policy Coherence for Sustainable Development*, OECD, Paris, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0381>. [4]
- OECD (2001), *Poverty Reduction, The DAC Guidelines*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264194779-en>. [1]

## Annex 12.A. Survey and qualitative research of DAC members' approaches

### OECD survey of DAC members on approaches to targeting poverty and inequalities in development co-operation

The OECD Secretariat designed and conducted the survey in February 2024. The survey was disseminated to all members of the DAC, and had a 75% response rate. The 24 (out of 32) DAC members that responded to the survey were Australia, Belgium, Canada, Denmark, the European Union, Finland, France, Germany, Hungary, Iceland, Ireland, Italy, Korea, Luxembourg, the Netherlands, Norway, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, the United Kingdom and the United States. The OECD received a total of 25 responses, as one DAC member submitted two responses - one per institution.

### Qualitative research on DAC members' approaches to reducing poverty and inequalities through development co-operation

The OECD-DAC Community of Practice of Poverty and Inequalities (CoP-PI) commissioned qualitative research, which was conducted from late 2023 to early 2024 and drew on previous scoping work in 2022.

This desk review looked at 23 DAC members: Australia, Austria, Belgium, Canada, Denmark, the European Union, Finland, France, Germany, Ireland, Italy, Japan, Korea, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom and the United States. The methodology involved analysis of publicly available documents along with a review of essential documents from the CoP-PI. Where relevant, the review also drew on evidence gathered for a preliminary scoping study conducted in 2022. The research was enriched by interviews with specialists from eight DAC member countries, prioritising those not covered in the previous year's preliminary study. Additionally, email inquiries were sent to additional DAC member representatives to refine the findings and clarify particular aspects.

## Notes

<sup>1</sup> The chapter draws on a survey on approaches to poverty and inequality reduction conducted by the OECD Secretariat in Spring 2024 and qualitative research in 2023 and 2024 (See annex 12.A). The authors thank Polly Meeks for her research support, inputs and review.

<sup>2</sup> See: <https://www.oecd.org/dac/dac-hlm.htm>.

<sup>3</sup> Qualitative research commissioned by the OECD CoP-PI (2024).

<sup>4</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequality in development co-operation.

<sup>5</sup> See: <https://www.jica.go.jp/english/activities/issues/gender/materials.html> and [https://www.mofa.go.jp/policy/oda/page24e\\_000410.html](https://www.mofa.go.jp/policy/oda/page24e_000410.html).

<sup>6</sup> See: [https://www.jica.go.jp/Resource/english/our\\_work/thematic\\_issues/gender/c8h0vm0000f3jnj6-att/gender\\_mainstreaming\\_07.pdf](https://www.jica.go.jp/Resource/english/our_work/thematic_issues/gender/c8h0vm0000f3jnj6-att/gender_mainstreaming_07.pdf)

<sup>7</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>8</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>9</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>10</sup> Qualitative research commissioned by the CoP-PI (2024).

<sup>11</sup> Qualitative research commissioned by the CoP-PI (2024).

<sup>12</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>13</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>14</sup> Qualitative research commissioned by the CoP-PI (2024).

<sup>15</sup> See: <https://www.usaid.gov/policy/indigenous-peoples>.

<sup>16</sup> OECD analysis (2024) based on inductive interviews with DAC on approaches to intersectionality and gender

<sup>17</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>18</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>19</sup> See, for example, [https://one.oecd.org/document/DCD/DAC\(2022\)57/FINAL/en/pdf](https://one.oecd.org/document/DCD/DAC(2022)57/FINAL/en/pdf), p. 21.

<sup>20</sup> See: <https://www.regjeringen.no/en/dokumenter/meld.-st.-24-20162017/id2547573>.

<sup>21</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>22</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>23</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>24</sup> See: [https://one.oecd.org/document/DCD/DAC\(2022\)57/FINAL/en/pdf](https://one.oecd.org/document/DCD/DAC(2022)57/FINAL/en/pdf), p. 22.

<sup>25</sup> Qualitative research commissioned by the CoP-PI (2024). The Belgian Development Agency Enabel also conducts comprehensive analyses on the root causes of inequalities and recommends systemic actions grounded in a human rights framework - See: [https://www.enabel.be/app/uploads/2022/11/concept\\_note\\_inequalities\\_fullreport.pdf](https://www.enabel.be/app/uploads/2022/11/concept_note_inequalities_fullreport.pdf).

<sup>26</sup> Qualitative research commissioned by the CoP-PI (2024).

<sup>27</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>28</sup> Survey of DAC members on approaches to targeting poverty and inequality in development co operation.

<sup>29</sup> See: <https://data.aide-developpement.gouv.fr/pages/accueil>.

<sup>30</sup> Qualitative research commissioned by the CoP-PI (2024).

<sup>31</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>32</sup> Qualitative research commissioned by the CoP-PI (2024).

<sup>33</sup> The framing stage involves identifying challenges, needs and priorities and setting principles; the design phase involves designing strategies, partnerships, programmes and collaboration mechanisms; and the delivery phase involves funding, managing and implementation processes.

<sup>34</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>35</sup> Qualitative research commissioned by the CoP-PI (2024).

<sup>36</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>37</sup> OECD analysis (2024) based on a survey to DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>38</sup> OECD analysis (2024) based on a survey to DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>39</sup> For example, Australia annually scores programmes over AUD 3 million against four quality criteria, including a criterion on gender equality and one on disability equity. Results are tracked through the Department of Foreign Affairs and Trade's corporate performance framework.

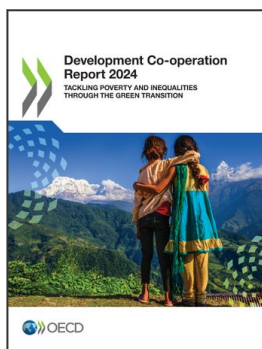
<sup>40</sup> Local actors include grassroots associations, community-based organisations, non-governmental organisations that are locally founded, government (national and subnational entities), parliaments, traditional and spiritual leaders, academia, media, and the private sector. They can include regional organisations, confederations, coalitions, and networks if member organisations maintain independent fundraising and governance systems.

<sup>41</sup> For more information on the benefits of knowledge sharing see GPEDC (2020), <https://www.effectivecooperation.org/book-page/why-knowledge-sharing-matters-development-co-operation>.

<sup>42</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation.

<sup>43</sup> OECD analysis (2024) based on a survey of DAC members on approaches to targeting poverty and inequalities in development co-operation. See also, for example, research on the potential tension between ODA and climate finance in 2022 <https://www.afd.fr/en/ressources/official-development-assistance-age-consequences>.

<sup>44</sup> See: [https://cooperation.gouvernement.lu/content/dam/gouv\\_cooperation/publications/strat%C3%A9gies/strategie-generale/Strat%C3%A9gie-MAEE-EN.pdf](https://cooperation.gouvernement.lu/content/dam/gouv_cooperation/publications/strat%C3%A9gies/strategie-generale/Strat%C3%A9gie-MAEE-EN.pdf).



**From:**

## **Development Co-operation Report 2024**

Tackling Poverty and Inequalities through the Green Transition

**Access the complete publication at:**

<https://doi.org/10.1787/357b63f7-en>

### **Please cite this chapter as:**

Guerra, Carolina, *et al.* (2024), "Development co-operation stepping up its role in ending poverty and reducing inequalities", in OECD, *Development Co-operation Report 2024: Tackling Poverty and Inequalities through the Green Transition*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/9d36f8fc-en>

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.