

CHAPTER 3

DEBATES AND PERSPECTIVES TO RESHAPE COOPERATION

International Cooperation for Global
Justice Report 2023



OXFAM
Intermón



INTERNATIONAL COOPERATION FOR GLOBAL JUSTICE

Oxfam Intermón Report 2023

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ISBN: 978-84-8452-751-0

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CHAPTER 3: DEBATES AND PERSPECTIVES TO RESHAPE COOPERATION

RECOGNIZING THE LIMITS AND PARADOXES IN COOPERATION

In recent decades, there has been considerable debate regarding the need for deep cooperation reform. Approaches to international funding must be renewed with a critical analysis of the aid industry. Criticism of official development assistance (ODA) targets all possible aspects of it: from its name, calculation methods and principles, amounts, institutional architecture, effectiveness and procedures to questioning its Western centrality, hypocrisy and ties with commercial, geopolitical or diplomatic interests in the system's donor countries.

In general, since the end of the 2000s, the idea that cooperation had to be rethought beyond the framework set by ODA has become much more widely accepted. 'Beyond ODA'¹ is the expression commonly used to show changes in the situation, considering the gradually waning importance of the flows covered by ODA's definition compared with growing remittances and other international funding streams.

We are witnessing a growing importance and influence from new transnational actors creating a sort of institutional jungle² mainly within the private sector and as philanthropic foundations. There are also new investment and blended public-private funding mechanisms, greater political and transnational coordination through organizations and association networks, platforms, town councils and think tanks with greater dialogue and influence capacity in international forums. Unquestionably, this highlights the need to profoundly reshape a policy born in the 1960s in a completely different international context.

In fact, the historical foundations of cooperation have led to a 'hybrid'³ global policy in that it retains regulatory elements that coordinate it, while implementation is voluntary and not based on any obligations or sanctions. It involves most countries to some extent and, via its calculation methods, it manages to match and compare the amounts and efforts that countries make, which cannot be said for other global policies. However, its voluntary practices simultaneously reproduce a framework of unpredictability, arbitrariness and scope of discretion that strengthens a system based on unequal power relations between the Global North and South.

This paradox constitutes the framework from which the challenges for cooperation arise, in such a way that benefits can be maintained. Said benefits are mainly related to the regulatory framework that provides structure and comparability of different countries' cooperation, while the limitations imposed by the framework are overcome. This is either because it is considered too restrictive for the system's new features (i.e. actors, funding streams, challenges and agendas), or because it incentivizes practices that reproduce donors' interests before appropriately responding to development goals.

The different trends and proposals for reshaping cooperation from a global justice perspective must therefore be critically analysed, with a view to establishing which best respond to a transformative view of cooperation. In other words, proposals including better foundations to make cooperation a multidimensional, systemic collective action capable of transforming power relations and creating a global framework of coexistence defined in terms of justice, inclusiveness and coherence.

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THE LIMITS OF CREATING A NEW FINANCIAL FRAMEWORK

Most of the debates in recent years refer to financial matters, pushing the need to mobilize more funds to the forefront of cooperation problems. This comes in the wake of the famous speech before the 2030 Agenda was approved in 2015, urging a move from billions to trillions, having approved a new, much more ambitious agenda given its scope and the issues to be covered. In fact, it was not only a question of amount but about reinforcing the idea of mobilizing financial investments⁴ for development stemming from the belief that the traditional ODA mechanisms – based on national taxes – had exhausted all avenues.

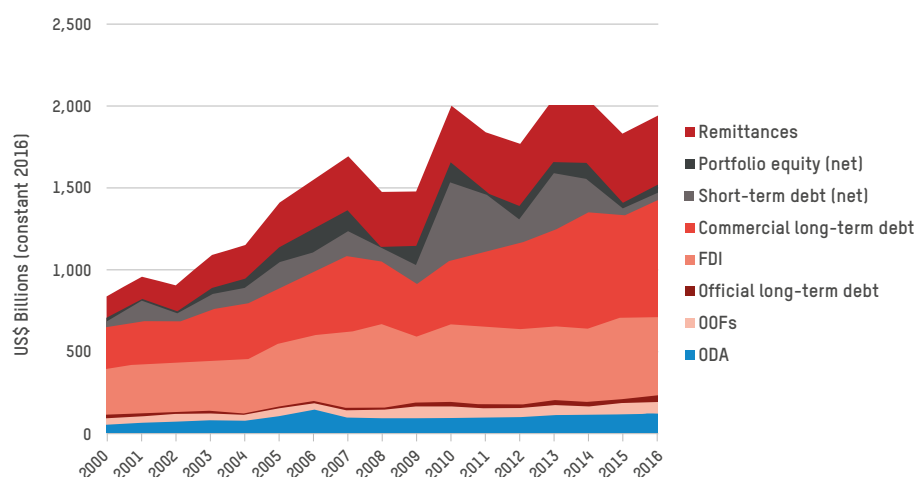
We shall briefly analyse the main movements that have emerged in recent years related to creating a new financial framework. We shall first review the ODA calculation and then discuss the development of a new metric that goes beyond ODA, the total official support for sustainable development (TOSSD), as a way of addressing the commitments to finance some global public goods, particularly climate funding.



A NEW ODA CALCULATION THAT ACTUALLY INCENTIVIZES DONORS TO PREFER LOANS

The importance of the ODA financial framework for cooperation cannot be measured solely by comparing the size of this funding stream with other international financial flows. In this sense, we already know that it is small and tends to account for an ever-decreasing share compared to increased remittances and other private and mixed financial flows, especially via direct investment mechanisms, debt and other financial flows.

THE NEW METHODOLOGY MAY INCENTIVIZE DONOR COUNTRIES – NOT NECESSARILY TO INCREASE THEIR COMMITMENT TO COOPERATION AND ITS PURPOSES, BUT TO DISINGENUOUSLY INFLATE ODA FIGURES, DISREGARDING THE CIRCUMSTANCES WHERE IT IS MORE APPROPRIATE TO OPERATE WITH LOANS OR WHEN GRANTS ARE PREFERRED



Source: Mélonio et al. (2022)⁵

We must consider the structuring character of the relatively modest ODA framework due to the concessionality rules set decades before by the Development Assistance Committee (DAC).⁶ The eligibility rules for ODA, including the concessionality level, have been clarified on multiple occasions, and more importantly, underwent a recent review in 2018. Since then, they are not reported as net transfers (disbursements minus repayments) but as *grant equivalents* with reference to a market-based interest rate. Despite the calculation modifications, the changes to global ODA levels are modest. In 2020, the new grant equivalent only differed 0.09% from that obtained in the previous assessment.

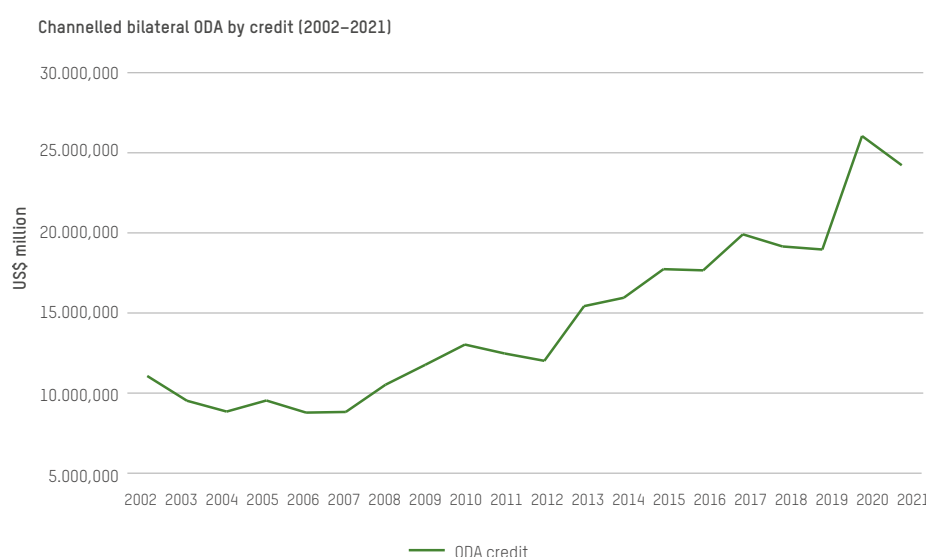
The above should not obscure some major flaws in the new methodology, which are already starting to show serious negative impacts. The main ones are that the share of ODA loans has skyrocketed in recent years,⁷ and as a result has increased many countries' risk of over-indebtedness – which is seemingly imminent in some cases – in the current context of high interest rates of the price of money.⁸ In fact, the new methodology may incentivize donor countries – not necessarily to increase their commitment to cooperation and its purposes, but to disingenuously inflate ODA figures, disregarding the circumstances where it is more appropriate to operate with loans or when grants are preferred. What trends show is a staggering influx of financial capital in cooperation. The economic financialization process, which responds to a historical and structural dynamic that has been in place for some decades, achieves incentives to expand within the ODA framework.



In fact, the new calculation methodology is causing a huge exaggeration of donor efforts by using a common parametric interest that overestimates the cost of concessional loans. This simultaneously incentivizes the use of credit instead of grants, since loans apply much more as ODA than the previous system.⁹ This means that the recorded figures artificially inflate ODA, which creates a major incentive for governments under pressure to reach the famous 0.7% to carry out credit operations before scaling up grant operations. Additionally, this incentive to carry out repayable operations as part of ODA may be initiating a trend according to which the current shares could be invested between grant-based cooperation and loan-based cooperation, measured according to the grant equivalent-based calculation. This seems to show that, although the ODA total has recorded four years of consecutive increases (how much is due to overestimating the donation component of loans?), recent figures indicate it is not growing nearly at the same rate as bilateral loans.

Since a new grant equivalent-based calculation system was implemented in 2018, bilateral loans from DAC members have increased considerably – by 38.7% between 2019 and 2020,¹⁰ and by 36.1% between 2021 and 2022,¹¹ while the total ODA grew in real terms by 3.5% and 13.6% during these two periods, respectively. In the last period with available data (2021–2022), loans from European Union (EU) institutions rose from 15% to 24% of its bilateral aid total after its loans grew 110%.¹²

FIGURE 5: CHANNELLED BILATERAL ODA BY CREDIT (2002–2021)



To date, there is no way of proving with data that the new calculation method has facilitated donor countries in meeting their commitments by considerably increasing ODA to reach the famous 0.7% target. In reality, countries' joint efforts have remained at stable levels of around 0.3% for more than 15 years, causing the relationship between growing credits and grants to become unbalanced.



FIGURE 6: CHANGE IN ODA EFFORT AS GNI % DAC COUNTRIES TOTAL (2000–2021)



Notes: GNI: Gross national income. Since 2018, ODA is measured on a grant equivalent basis; for previous years, ODA is shown on a net flow basis.

Source: OECD (2022). Detailed aid statistics: official and private flows. OECD international development statistics (database), <https://doi.org/10.1787/data-00072-en>. Accessed 31 March 2023. <https://www.oecd-ilibrary.org/sites/f6edc3c2-en/1/3/3/1/index.html?itemId=/content/publication/f6edc3c2-en&csp=e36383223262bf9cf22bfe7104aff3a9&itemID=0ecd&itemContentType=book#figure-d1e9466-2542ec4e6b>

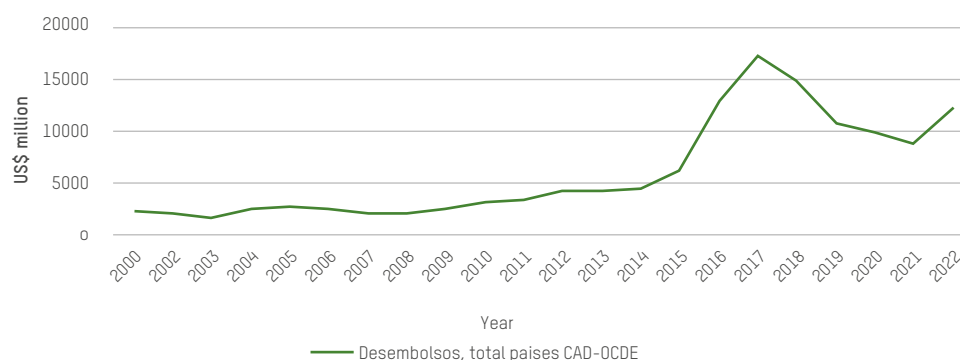
Similarly, despite this calculation change, ODA's definition and eligibility have been extremely stable for more than 50 years. Stability has been based on some shared principles like transparency of ODA amounts reported by donor countries. This idea of donor countries' shared effort is illustrated by the 0.7% ODA/GNI target in place since 1970, coordination between donors on some mechanisms like debt and other coordinated interventions. Other examples are the exchanges of best practices and experiences through peer reviews, the collective search for quality and efficiency improvements, mainly building on the process initiated by the 2005 Paris Declaration, and the shared idea that ODA should remain outside donors' national interests as proof of regulating and prohibiting tied aid, excluding weapon funding and military spending, or the very fact of regulating concessionality as a main criterion.¹⁴

However, despite assertions to the contrary, ODA eligibility criteria for some new expenses have become more lax in practice. This is the case with funding earmarked for assisting refugees in the very donor countries, which, particularly following the invasion of Ukraine, is the main cause for the ODA increase between 2021 and 2022. If only refugee costs were calculated – an expense incurred in the same donor countries – 13.6% of the total increase would amount to only 4.6%.¹⁵ Since 2017, social organizations have complained that aid figures are being 'inflated' by including funding for refugees in donor countries, scholarship and training expenses, debt relief, tied aid and interest repayments on loans in said figures. As can be observed in Figure 7, the disbursements for refugees grew exponentially after thousands of people arrived on Greek shores fleeing the war in Syria and seeking asylum in 2015.

SINCE 2017, SOCIAL ORGANIZATIONS HAVE COMPLAINED THAT AID FIGURES ARE BEING 'INFLATED' BY INCLUDING FUNDING FOR REFUGEES IN DONOR COUNTRIES, SCHOLARSHIP AND TRAINING EXPENSES, DEBT RELIEF, TIED AID AND INTEREST REPAYMENTS ON LOANS IN SAID FIGURES



FIGURE 7: CHANGE IN ODA EARMARKED TO DEFRAID REFUGEE COSTS IN THE DONOR COUNTRY 2000–2021



Source: OCDE, 2023.¹⁶

The European member organizations of CONCORD established the concept of genuine aid that helps correct these inflated figures, removing such entries from the totals.¹⁷ In Spain, the country has been criticized for inflating aid figures for years by including refugee aid.¹⁸ However, the practice has grown further: the 2021–22 increase is mainly due to such aid,¹⁹ and if the approved 2023 budget is enacted, the total planned increase in ODA of €900m will be allocated to refugee aid, meaning that of the 0.34% included in the budget, only 0.26% would correspond to genuine aid.²⁰

TOSSD: STILL UNFINISHED – BUT HAVE THERE BEEN ANY CHANGES?

The DAC started working on the total official support for sustainable development (TOSSD) as a new metric for the International Conference on Financing for Development held in Addis Ababa in 2015. It aimed to remain within this framework of common principles on flow concessionality and continue being able to compare countries' efforts while also addressing the need to include more flows than the modest ODA. This metric has yet to become consolidated. This may be because several countries have failed to report in line with the criteria it sets out or because some of its elements are widely disputed,²¹ especially the questions concerning the effective ties that all flows included have with sustainable development.

In 2022, the TOSSD was still recognized as the 2030 Agenda indicator 17.3.1 to measure development efforts,²² even when several of its components still lacked a proven, consolidated data collection methodology. The OECD and the United Nations Conference on Trade and Development (UNCTAD) will be the reference institutions, the latter for foreign direct investment (FDI) data. ODA is considered the most methodologically complete component and which therefore provides real total figures, assuming the aforementioned 5% interest rate parameter that overestimates and incentivizes the use of loans. The remaining components still have methodological issues that need resolving, and in some cases, such as private flow mobilization from official funds, there is a very long road ahead.

For example, according to the OECD's report on climate finance, the activity-related data offered by multilateral organizations for TOSSD should be public. However, some institutions continue to impose confidentiality restrictions, especially for projects involving the private sector, hindering development and climate finance transparency. Furthermore, some multilateral development banks (MDBs) continue to send anonymized or aggregated data, making analysis impossible.²³

The TOSSD proposal does have some common ground with the traditional ODA calculation. It mainly focuses on funds from developed countries, reproducing the North–South debate²⁴, and attempts to pool different funding types (public and private grants, concessional and non-concessional loans, foreign direct investment and private resources mobilized by official funds), albeit with different methodological approaches, forming a hypothesis that is difficult to verify: that they all contribute to the transformations sought in the 2030 Agenda. The general framework provided by the Addis Ababa Action Agenda (AAAA)²⁵ adopted in 2015 during the Third International Conference on Financing for Development addresses the promotion of economic growth, social equity and environmental protection. This is clearly far removed from what is required to determine which funding contributes to change and which funding causes inequalities, global pressures overwhelming the Earth's natural cycles and structural vulnerabilities.

To illustrate the difficulties associated with this issue, the European Union (EU) – a global powerhouse in policy and regulations – has adopted a regulation that aims to inform investors if an economic activity is environmentally sustainable by establishing EU-wide criteria.²⁶ The minimum safeguard is to adhere to the 'do no harm' principle, linking all economic or financial activity to any of the six general environment objectives (climate change mitigation and adaptation, the sustainable use of water; the transition to a circular economy, pollution prevention and control, and the restoration of biodiversity).²⁷ This regulation is supported by the so-called 'taxonomy',²⁸ which includes technical selection criteria to determine which activities are environmentally sustainable and which are not. They entered into force at the start of 2022, although they were amended in response to the invasion of Ukraine in terms of nuclear energy, gas and coal.²⁹

CLIMATE FINANCE: QUITE THE OPPOSITE OF CLIMATE JUSTICE

Let us examine a third effort made by the international community, once again led by the richest countries, to establish transparent, stable financial frameworks created based on evidence of a funding gap. The climate finance commitment adopted at the COP15 whereby developed countries would provide US\$100bn annually for climate action in developing countries until 2020, which was later extended until 2025 at the COP21 in Paris, is well documented in the OECD's series of reports.³⁰ According to those reports, US\$83.3bn was mobilized in 2020 – still below the pledge. However, the bulk of the figures should not serve to overshadow the difficulties of establishing and enforcing a transparent methodology that prevents duplicity and inflated earmarked expenses.

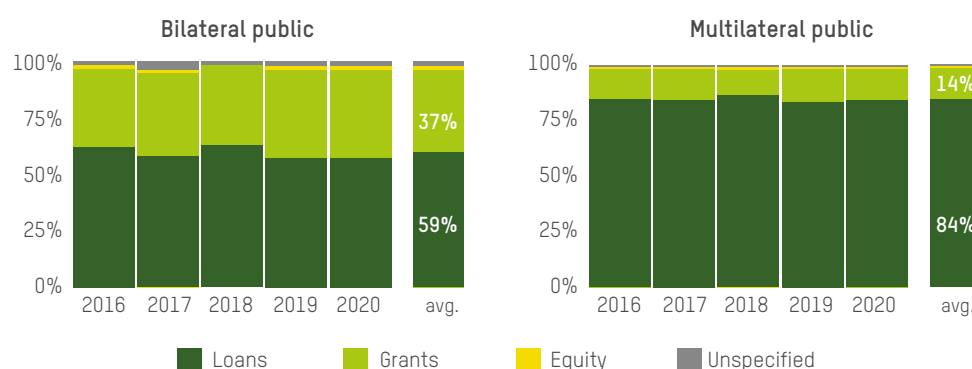
THE TOSSD PROPOSAL DOES HAVE SOME COMMON GROUND WITH THE TRADITIONAL ODA CALCULATION. IT MAINLY FOCUSES ON FUNDS FROM DEVELOPED COUNTRIES, REPRODUCING THE NORTH–SOUTH DEBATE, AND ATTEMPTS TO POOL DIFFERENT FUNDING TYPES, ALBEIT WITH DIFFERENT METHODOLOGICAL APPROACHES, FORMING A HYPOTHESIS THAT IS DIFFICULT TO VERIFY: THAT THEY ALL CONTRIBUTE TO THE TRANSFORMATIONS SOUGHT IN THE 2030 AGENDA

In one report, the OECD recognizes that many public multilateral and bilateral donors include increasingly detailed information but aggregating or comparing it is a challenge because each institution or country uses different methodologies, approaches and indicators.³¹ Access to accurate information and data to effectively monitor progress on basic greenhouse gas indicators continues to be a key challenge. The current framework for reporting United Nations Framework Convention on Climate Change (UNFCCC) data is under review and its replacement – a new Enhanced Transparency Framework³² – has been announced for 2024. It intends to include information from developing countries on the funding received for mitigation and its impacts on emission reductions.³³

There has been severe criticism about developed countries' continued failure to meet the US\$100bn goal. Some of this criticism refers to poor transparency and credibility regarding the reported funds, which allow duplicate calculations, include greenwashing activities, and divert resources from critical areas for reducing poverty.³⁴ In the same vein, the Independent High-Level Expert Group on Climate Finance³⁵ reiterates concerns about the different interpretations that countries make of the methodology and the lack of sufficient transparency. Furthermore, the group calls for urgent action to change climate finance so that it can become truly transformative in its intended efforts.

As we have observed with changes in ODA in terms of climate finance, the weight of credit-based finance has grown exponentially. The day before COP26, the United Kingdom's Parliament published a note expressing regret that most of the funding to tackle climate change is being awarded through loans. It stated that loans increased from US\$19.8bn in 2013 to US\$44.5bn in 2019, representing 71% of climate finance in 2019.³⁶ Oxfam had already reported this shift in 2020,³⁷ which is consistent with the data published in OECD's last report for the 2016–2020 period, as shown in the following figures:

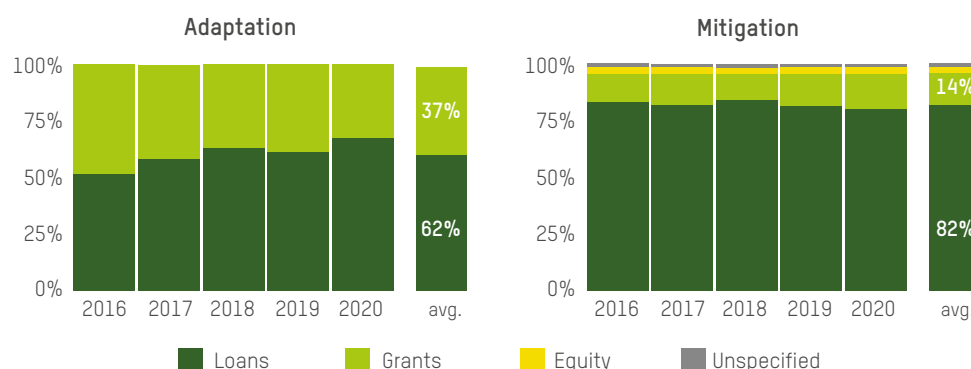
FIGURE 8: DISTRIBUTION OF PUBLIC CLIMATE FINANCIAL INSTRUMENTS BY PROVIDER TYPE IN 2016–2020 (%);



Note: Public guarantees are not accounted for as public finance but are instead captured as part of the analysis of private finance mobilised, presented in other figures and sections of this report.
Source: Based on Biennial Reports to the UNFCCC, OECD DAC statistics and complementary reporting to the OECD.

THERE HAS BEEN SEVERE CRITICISM ABOUT DEVELOPED COUNTRIES' CONTINUED FAILURE TO MEET THE US\$100BN GOAL. SOME OF THIS CRITICISM REFERS TO POOR TRANSPARENCY AND CREDIBILITY REGARDING THE REPORTED FUNDS, WHICH ALLOW DUPLICATE CALCULATIONS, INCLUDE GREENWASHING ACTIVITIES, AND DIVERT RESOURCES FROM CRITICAL AREAS FOR REDUCING POVERTY

FIGURE 9: CLIMATE THEME OF PUBLIC CLIMATE FINANCE PROVIDED BY FINANCIAL INSTRUMENT IN 2016–2020 (%)



Note: Public guarantees are not accounted for as public finance but are instead captured as part of the analysis of private finance mobilised, presented in other figures and sections of this report.

Source: Based on Biennial Reports to the UNFCCC, OECD DAC statistics and complementary reporting to the OECD.

THE SECOND RISK IS THAT INSTEAD OF COMPENSATING FOR OR REPAIRING HISTORICAL DAMAGES, WE ARE SENTENCING PEOPLE FROM THE GLOBAL SOUTH TO TACKLE A HUGE PUBLIC DEBT IN THE COMING DECADES TO FINANCE THE LOSSES AND DAMAGES OF SOMETHING FOR WHICH THEY ARE NOT PRIMARILY RESPONSIBLE

INITIAL CONCLUSIONS: REDEFINING THE FUNDING FRAMEWORK FOR GLOBAL JUSTICE

Indeed, it does not seem fair to burden developing countries with debt for the costs associated with adapting to a climate crisis they did not trigger and repairing the damage that it causes. It would be worth questioning where the ‘polluter pays’ principle is here.³⁸ It is the exact opposite of the idea of climate justice, as well as any funding framework conceived from a genuine reparations perspective for the pollution generated, based on the common but differentiated responsibilities principle.

No claim can be made that credit-based finance should be ruled out as an important option to help face global and multidimensional challenges, which is the point of cooperation. The changes and figures seem to show that the degree of commitment and urgency that renewed cooperation requires is going to be heavily conditioned by rich countries’ ability to place capital in markets and financial mechanisms, rather than the political will to take on responsibilities in time to strengthen the global redistributive role that cooperation is meant to play. The DAC is responsible for creating a system in which donors are financially incentivized to provide loans instead of grants by allowing them to claim considerable ODA in exchange for little or no effort by their taxpayers,³⁹ therefore trying to silence civil society voices that have been demanding 0.7% for decades.

The first risk is that the implementation of these incentives may override a clear rationality that could establish for what type of actions, in which places and under which conditions – including financial conditions – providing a grant would be more appropriate than credit. The second is that instead of compensating for or repairing historical damages, we are sentencing people from the Global South to tackle a huge public debt in the coming decades to finance the losses and damages of something for which they are not primarily responsible.



In short, it seems that the arbitrariness, unpredictability and lack of transparency – now classic ODA problems – continue and perhaps extend to new frameworks designed to fund global challenges. It would seem that the international community justifies decolonial thinking when the latter underscores the asymmetrical nature of the power relations that currently shape the international system. Resource extraction has continued – or rather expanded – as the main economies reacted following the 2008 financial crisis, providing renewed legitimacy and powerful incentives to governments to respond to the challenges with repayable financial operations. The boom in recent years of the repayable ‘finance cooperation’ among cooperation agencies, a trend that Spanish cooperation follows, serves these interests.

As such, addressing the financial framework is a challenge that cannot be ignored given the most pressing needs. Meanwhile, addressing only the financial framework, without considering the implicit and latent political questions in international and cooperation relations, seems like a recipe for repeating the same mistakes, perpetuating multidimensional vulnerabilities and asymmetries that permeate territories and bodies. Proposals have been put forward that explicitly recognize this, such as global public investment.⁴⁰ It acknowledges that a new framework like the one it proposes – mandatory contributions to a fund permanently based on sustainability and common and shared challenges, governed by the United Nations – would only be the beginning of a series of deep changes in the distribution of global power.

While it is still essential to keep pursuing calls to increase ODA and to consider it as a contribution to global public goods – for justice and reparations – developing a new political framework that can increase differentiated responsibility and transparency requirements is crucial. This can only be achieved by redefining a funding framework which, like the current one, implicitly reflects the cooperation system’s historical contradiction, based on voluntary international solidarity and within the concept of rich countries that *help* countries that need it. Some look to the climate finance agreements, as they are based on recognizing damage that should be repaired, and see the potential for new principles that transcend the concessionality logic and where funding is viewed as obligatory contributions.⁴¹ The analysis of the figures above suggests something less optimistic.

Inevitably, we must directly address political issues, that is, which global governance debates and perspectives are arising or being blocked. Only then could we consider a new financial framework based on common but differentiated responsibilities. The invention is centuries old and called taxation but requires a certain degree of governance to implement it and a certain correlation of forces to ensure it is progressive and not regressive. National tax systems and some supranational initiatives – i.e. the European Cohesion Fund – are examples.

**RESOURCE EXTRACTION
HAS CONTINUED – OR
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TO RESPOND TO THE
CHALLENGES WITH
REPAYABLE FINANCIAL
OPERATIONS**



CRITICAL PRINCIPLES FOR IMPACT INVESTING

Impact investing is any investment that **intentionally** aims for a measurable social or environmental impact, as well as a return. Different types of actors operate based on this logic, including ethical and socially responsible banks (this segment has the highest volume yet less growth than others), private capital funds (mainly risk capital), impact funds (in 2021, new vehicles appeared and their assets under management have grown 33%, practically multiplying fivefold in three years) and foundations. At a time when the impact investing **ecosystem** is consolidating in Spain – so far mostly driven by major financial players with access to substantial capital – we find it particularly significant that the different actors involved can be urged to prioritize some elements, ensuring that said investment helps reduce poverty and inequalities rather than perpetuate them.

To this end, there are a series of **critical principles** that we believe should be put on the table for public debate and political decision-making:

- **Prioritize impact:** These financial instruments must focus on rights for people and the planet, focusing on development goals and promoting a broad finance agenda, which at least places the positive social and environmental impact and economic profitability on the same plane. The most disadvantaged people with limited access to funding should be given a more central role in promoting a more inclusive and sustainable economy with a long-term perspective.
- **Transparency and accountability:** Two types of mechanisms must also be guaranteed. The first is transparency mechanisms that allow public and private actors making this type of investment to account for their financial and impact actions and results in a clear, public, regular and comprehensive manner, including consultations with local actors and communities in their reports. Secondly, mechanisms that allow for civil society actors involved in the processes themselves are also crucial. This requires sound impact measurement instruments and mechanisms in different areas and at different levels, including the knowledge, needs and perspectives of the entrepreneurs who promote these initiatives in diverse and very complex contexts.
- **Complementarity and additionality of these funds:** Despite the growing importance of this finance modality, we must not focus solely on it and expect it to be the backbone of cooperation policies and actions. It should be viewed as a mechanism that supports existing mechanisms and should in no way replace the financial instruments and modalities currently in use. Any funds that may be provided are neither infinite nor are they awarded without costs for those who receive them. That is why the funds aimed at this type of initiative must not distract from non-repayable cooperation aid, especially when they are for considerably impoverished social sectors.
- **Public institutions' central role:** They should act as facilitators between actors, and play a complementary role to the private sector, promoting finance modalities and instruments that have a multiplier effect on private investments in terms of impact and creating a support framework for the rest of the actors and the ecosystem. In this sense, we believe that **Spanish public cooperation contributions** can be particularly valuable if they were to target one or several of the following elements:
 - Collaborate on **segmenting several investment types** that encompass the so-called impact investing based on the 'Impact – Return – Risk' trilemma to differentiate 'impactFUL investment' (i.e. investment that has an impact) from 'impact investing'. While all of these investment types can have useful elements, not all of them are conducive to a deep, sustainable and intentional impact. To this end, tackling the confusion surrounding impact must be a priority on any institutional agenda.
 - Develop specific instruments for **technical assistance** with non-repayable funds (grants) linked to investments.
 - Design instruments that support risk reduction, such as first-loss **compensation** mechanisms or co-investments, which can mitigate default risk or exchange rate variations.
 - **Catalytic capital** contribution:
 - It takes a higher risk with respect to its level of return and therefore allows third-party investment that would not be possible otherwise
 - Long-term temporary nature
 - Flexibility regarding entrepreneurs' needs
 - Prioritizes social impact over financial return
 - **Education and clear game rules** for all actors: Transparency and accountability, focusing on social impact (preventing impact washing) and the rights of people and the planet, strict due diligence processes, respecting maximum indebtedness rules

Nerea Basterra. Oxfam Intermón.



THE ISSUE OF THE COOPERATION SYSTEM'S GOVERNANCE

Debates in recent years have undoubtedly had an impact on the search for better governance mechanisms for cooperation systems. In this respect, we have to consider how the system itself has evolved, represented by the DAC since its inception, which is still the main actor of a space in dispute after legitimacy problems have been revealed and demands for greater representativeness have been made. These demands also cover the TOSSD's governance. Such demands are being driven by some Global South countries that want recognition for their South–South cooperation practices. They are questioning why they are considered 'graduated' countries and want cooperation that transcends the income criteria to establish their rules.

Once again, the cooperation system cannot be analysed separately from the international context of international relations and multilateral views and actions and disputes for international power. In recent decades, cooperation has also struggled to accommodate new transnational actors, particularly a certain type of private sector organizations in the shape of philanthropies and foundations that more or less specialize in cooperation. Accordingly, the global governance debate needs to consider a broader perspective that addresses the reasons for and changes in the emergence of public–private partnerships. Furthermore, the consequences of such partnerships for global governance must be discussed in terms of shaping political dialogue and legitimacy and political actors' representativeness.

THE DEBATE ON THE COOPERATION SYSTEM'S GOVERNANCE

In the early 2000s, the so-called emerging countries brought the issue of who should set the rules for determining cooperation's visions, objectives and metrics into the debate. This issue refers to the growing, yet still relative, loss of the monopoly that DAC had for decades, reproducing a model in which donor countries would set the rules and beneficiary countries would accept them.⁴²

The creation of the UN Development Cooperation Forum (DCF) in 2005 and the reaction from emerging countries and other non-state actors to the process launched by DAC to improve aid quality and effectiveness, which concluded with the creation of the Global Partnership for Effective Development Cooperation (GPEDC), were milestones for demands to broaden cooperation interests and representativeness to new actors, which until then, were considered secondary in the aid system. The GPEDC (2011) would set up the coordination between OECD and the United Nations Development Programme (UNDP), thereby trying to break the monopoly held by a club of rich countries in the DAC.

However, for various reasons, both the DCF and the GPEDC failed to secure consensus from all countries with the effective capacity to set common standards. In 2014, Brazil, China and India left the GPEDC, stating that it continued to be led by the DAC's vision, which failed to recognize or respect South–South cooperation experiences. Moreover, these countries considered

that the standards that were established did not cover the common and differentiated responsibilities principle. Instead, they advocated for stronger representativeness that Southern countries and their experiences had in the UN's system, specifically in the DCF.

The DCF, for its part, is a platform for exchanging experiences and has shown a certain ability to disseminate new cooperation concepts and reflections, particularly with the reports from the Secretary-General on trends and progress in international development.⁴³ However, given that it is not supported by all members and that its negotiation and decision-making processes are considered inefficient by the high-level bureaucracy and the UN's own complex participation system, the DCF has failed to establish itself as an alternative for the cooperation system's governance.⁴⁴

The tension between representativeness and efficiency is clear. The current governance framework is therefore fragmented and still far from being resolved. This undoubtedly also has something to do with the international geopolitical context, with the clash between blocs and new alliances that emerge in the current context of international power struggles. In this context, the cooperation system's fragmented and disputed governance hinders it from becoming a political mechanism for redistributing power and resources according to the logic of new sustainability paradigms for development dictated by the times.

The TOSSD is also attempting to broaden its scope through a new governance framework. In the absence of recently published data, since the latest available data are from 2021 and were featured in this report's 2022 edition, the TOSSD has made changes to its governance that require analysis.

The TOSSD initiative endeavoured to considerably broaden its scope and reach, discussing a new governance framework throughout 2022 that would overcome its representation and legitimacy limitations. At the end of 2022, a draft terms of reference was published for the International Forum on TOSSD⁴⁵ (IFT). It intends to be a space where political and technical issues are decided concerning this new metric proposal on resources for sustainable development, replacing the hitherto existing Task Force. The main problem that could arise is that the IFT's governance proposal remains unchanged in the division imposed by its own methodology between provider and recipient countries in such a way that, once again, sustainable development issues are foisted upon the least developed countries, despite not playing the main role in causing them.

The TOSSD may succeed in shifting its governance from an especially technical space like the DAC to one with better representativeness at the heart of the United Nations as it intends. Deciding to allocate seats to countries categorized simultaneously as provider and recipient countries – following the framework proposed by South–South cooperation – is also important. While certainly a step forward, doing so would not ensure that any decisions made will fundamentally change a relationship that, to this day, is still based on the concessionality framework imposed by the DAC for ODA, which is the only part of the TOSSD considered methodologically complete and accepted.



The limitations for achieving a more democratic, participatory governance are also related to the financial framework that is adopted. There is still a long way to go to overcome the current situation, as it represents a financial framework that continues to highlight the transfer of resources from North to South while rendering invisible the direct financial efforts made by countries from the Global South, as well as all the calculations related to extracting material and financial resources that go from the South to the North in many ways.

THE RISKS OF POLITICAL CAPTURE IN THE NEW GLOBAL GOVERNANCE

The need for global governance of global public goods requires a deeper understanding of the current distribution of global power, as most international institutions are realizing. The traditional understanding of multilateralism still has a very prominent interstate nature, one that overlooks that current power dynamics also respond to forces and subjects of a different nature than states. Both private transnational actors – with huge interests and capacity to influence decisions – and transnational civil society networks with a coordinated political agenda – albeit with less effective capacity to influence – express the need to coordinate broader governance mechanisms. The former support a new governance mechanism based on corporate interests to formalize their direct decision-making capacity, while the latter question the current multilateral framework for its democratic deficits and seek to create spaces for affected communities that are often oppressed and made invisible by their own national governments.

In 2019, Dr Harris Gleckman – with decades of experience researching policies for multinational companies and global environmental management – warned that the agreement between the UN and the World Economic Forum (WEF) would solidify a trend towards large transnational companies – not the private sector comprising small and medium-sized companies and other similar enterprises – gaining more ability to influence the UN's decision-making. This framework, which continued to consolidate in subsequent years, 'is quite different from the one prevalent during the conferences of the 1990s, when civil society organizations, farm and labour organizations, educators, scientists, women and businesses gathered to provide diversified voices to governments, which alone led international decision-making.'⁴⁶

The multilateralism to 'multistakeholderism' process continues to make headway and must be critically analysed based on the effects and impacts that different development models produce in the territories and populations.⁴⁷ More than 240 international organizations and networks sent a letter to the Secretary-General of the United Nations requesting that the agreement with WEF be terminated. The same serious risks of political capture were being observed, as the different roles of private interest and rights holders were not being taken into account. From the rights holders' perspective, democratic global governance's approach must always be to protect common goods and provide global public benefits.⁴⁸ The difficulties that the UN's system has in obtaining enough public funding should not justify taking risks with regard to the democratization of the main global governance spaces.

**FROM THE RIGHTS
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SPACES**



These transnational civil society networks openly suggest a clash of governance models. On the one hand is the model that represents the agreement between the UN and the WEF, and on the other is the model built by the Food and Agriculture Organization (FAO) with participation from the Committee on World Food Security,⁴⁹ recognized as the international forum that best represents affected communities. This is clearly not just about achieving better representation in the places that determine global governance policies. In the case mentioned, which is committed to discussing, strategizing and calling for food system-related standards and regulations, two models are pitted against each other. One based on the right to food while the other focuses on enabling the global food business to remain profitable. Ultimately, it is the framework, the content and the approach of the political agenda, as well as the mechanisms by which it is constructed, that are in dispute: whether by prioritizing democratic guarantees, by ensuring legitimate representation participation and criteria, or by qualifying these according to other criteria and interests which, while different and in conflict, are committed to negotiation mechanisms between *stakeholders*.

For decades now, there has been a demand for spaces where political actors other than governments can effectively participate in the international community, expressing the limitations of a global governance conceived solely in interstate terms. It is an age-old issue but by no means does it seem to have been resolved.

THE ANTI-DEMOCRATIC RESPONSE FROM PART OF THE GLOBAL ELITE

The COVID-19 pandemic provided further evidence of multilateralism's weaknesses and the urgent need for spaces for global governance. The UN continues to highlight the absence of a strengthened multilateral cooperation to address multidimensional vulnerabilities, particularly in the most affected countries and populations⁵⁰ in an unfavourable context. In recent years, a discourse has gained strength that explicitly opposes multilateralism and related political agendas of cooperation. Such discourse works to rebuild political projects in a nationalist tone, finding support to defend national interests and identities in the contempt and rejection of any cosmopolitan initiative. It represents a global political movement that has basically emerged from right-wing populist governments' initiatives as a reaction to globalization, democracy, feminism and liberal international order.⁵¹

It is important to remember that those behind this discourse are the elite, in no way different from those who have systematically benefited from the neoliberal era in recent decades of liberal order that they now denounce and condemn. We should ask ourselves whether, following the obvious depletion and collapse of the liberal democratic paradigm, it is precisely part of their elite that are reacting now that we are in the 'age of consequences',⁵² thereby ushering in an age of sharing out leftovers and negative effects. This sharing out drives them to create walls and use discrimination to expel surplus populations, which therefore requires new forms of authoritarianism.

DEMOCRATIC GLOBAL GOVERNANCE AGREEMENTS AND MECHANISMS THAT PROVIDE PRACTICAL, SPECIFIC RESPONSES THAT REDRAFT, REDEFINE AND RENEW THE SOCIAL CONTRACT BASED ON CITIZENSHIP AND GLOBAL COEXISTENCE MUST BE ESTABLISHED AS SOON AS POSSIBLE



Some of the causes of this wave of push-back can be explained by the limits of the liberal project itself – based on fragmented, weak multilateralism – and which leads to negative impacts on people from more powerful countries. It is often argued that these negative impacts, particularly among developed countries' middle and lower classes in the shape of deindustrialization, unemployment, and precarious wages and working conditions, constitute a kind of window of opportunity for adopting illiberal discourse. To this end, the push-back finds its fuel in the gradual shift in social and economic relations that previous decades have caused within national systems, due to the sweeping global economic transformation that occurred with the rise of a neoliberal globalization framework.

States' growing effective inability to address challenges serves to question the very idea of democracy and pursue other channels for legitimacy based on identity and challenging the international liberal regime. But as social organizations and transnational civil society networks have repeatedly denounced, a fact that is often overlooked is that the political practices that have characterized the recent decades of liberal order have also supplanted human rights and democratic practices when it has served commercial, diplomatic or geopolitical interests.

The democratizing discourse and the enlightened narrative of those promoting universal human rights seem to no longer serve the interests of some of the elite as they once did. What is now emerging in terms of discourse and the culture war is yet another element of an earlier global conflict of our times even though it was previously settled by other consensuses. It is concerning that the state actions we observe are narrowing civil and democratic space, being timid or delayed in their commitment to helping create democratic global governance spaces or addressing issues like climate finance, the rights of people who are forced to migrate, or supporting an effective, well-equipped and strong cooperation system for global justice. As anti-democratic proposals advance, responses cannot merely warn of the danger and be shocked when the weak consensuses of the past break down. Democratic global governance agreements and mechanisms that provide practical, specific responses that redraft, redefine and renew the social contract based on citizenship and global coexistence must be established as soon as possible.

In short, we are witnessing a moment defined by the need to provide political responses to the capital–life conflict⁵³ when tackling global governance matters. Values and fundamental practices like human rights and democracy have been contested for decades. Yet political and economic elites have failed to respond with global governance mechanisms that transcend national – and electoral – interests that continue to fundamentally restrict progress towards a cosmopolitan democracy. This is the main mandate for an international cooperation system of our times, which fully justifies renewal and redefinition based on a commitment to consolidating democracy in national and global terms.



DECOLONIAL AND INTERSECTIONAL COOPERATION – AGENDA AND AGENCY

The current proposals to broaden, reform and improve the efficiency of the international cooperation system and address the financial framework in which agreements and policies are established are limited by an international political structure that is reluctant to embrace today's main mandate: to cooperate to democratically and urgently govern the causes and consequences of a multidimensional crisis that threatens the sustainability of life. Every day that goes by without the international community undertaking global political agreements to take policy action in response to the decline of the developmentalist paradigm is a day in which adaptations and responses multiply and problems intensify. The most current and urgent issues are simply the result of a global power distribution that is expressed in terms of a conflict between capital and life. Many diverse voices have been drawing attention to the need to politically transform the structural pillars of current thinking and practices. Evidence seems to indicate that we are not facing an efficiency or instrumental crisis but a political crisis that needs a transformative impetus of such calibre that it is difficult to imagine it could emerge from the system itself, unless it decided to share power and repair the damage caused. Such a solution should be rooted in a decolonial and feminist approach.⁵⁴

To this end, the challenge is to address the political agenda and the agency of a new cooperation that produces and reproduces transformations in the area of global justice.

A COMEDY OF WHITE SAVIOURS: HOW RACISM MAKES AID A FARCE AND HOW IT CAN BE ADDRESSED

We live in a world that – for better or worse – has a history. And part of that history is how our ancestors created categories to classify people by the colour of their skin – their race – which still impacts our societies today. When Spain, for example, colonized the Philippines, it created at least 13 racial categories: people who were descendants of Spaniards were called *peninsulares* (if they were born in Spain) and *insulares* (if they were born in the Philippines). People with mixed ethnicities were called *mestizas* and dark-skinned Filipinos were called *indias*. These racial categories were linked to privileges and sanctions whose impacts still shape Filipino society today, from anything related to wealth distribution to skin-whitening beauty products.

The aid sector is not immune to history's aftershocks, including racism and other forms of injustice, such as *coloniality*. Just one example is enough to illustrate this. The Spanish anthropologist Andrés Narros studied the impact

of a livelihood [programme](#) in a Filipino community funded by the Spanish Agency for International Development Cooperation (AECID) for 14 years. He found that the project's origins had traces of colonialism. The project's location had been selected decades before by a Spanish ambassador because, during his visit, the local elites 'wanted to make him feel like Spain was its Motherland'. Its effects did too. Narros compared the development project with a *Komedia*: a theatrical drama 'based on foreign plots and themes' introduced in the Philippines by the Spanish and designed to strengthen traditional, conservative values. A 'development drama' where white experts play a hero who, helped by the self-centred local elite, maintain their power in the status quo rather than help reduce poverty.

RACISM IN THE AID SECTOR

Racism in the aid sector is evident in the way that race shapes unequal power dynamics among the sector's stakeholders. Racism intersects with colonialism where the West/Global North – including its practices and knowledge – is seen as superior to the Global South. Therefore, in the aid sector, those racially categorized as white occupy

positions of power while the global majority of Black, Brown¹ and Indigenous people – particularly from the Global South but also those who live in the Global North – experience inequality and oppression. This is also seen in the interactions between individuals and in organizations: [in a survey of 150 humanitarian workers of colour in the United Kingdom](#), 68% said they ‘had experienced or witnessed an incident of racism in the past year’ and 89% felt ‘that their organizations aren’t committed to diversity and inclusion’.

Racism is often described as ‘systemic’ and ‘structural’. Many organizations – in the aid sector and beyond – are still too focused on individual-based symptoms where solutions are limited to increasing team diversity or unconscious bias training. Although they could be important measures, as someone once told me, even if no racist people are working in an organization, it can still have racist actions.

SYSTEMIC RACISM

So, how can we understand and address systemic racism in organizations that work with aid and in the aid sector in general?

[Based on research that I conducted for a UK-based NGO](#), I propose a specific understanding of how systemic racism (and coloniality) appears – and can be resolved – in the aid sector. I would argue that systemic racism is the result of external and internal pressure that prompt organizations to implement seemingly inoffensive bureaucratic processes. However, these processes can have negative consequences that People of Colour (PoC) experience as racist.

Perhaps the most evident of these can be seen in funding. International NGOs face external pressure to comply with donors’ regulations and internal pressure to avoid financial and reputational risks. That leads to due diligence controls that can result in PoC-led local or national organizations not having access to funding.

From the international NGOs’ perspective, it is a question of fulfilling routine bureaucratic responsibilities. However, People of Colour experience it as an excluding, racist and colonial practice. This is particularly the case when white, Western actors from the Global North are too quick to cite instances of corruption to justify such practices, as if it were a problem that only affected People of Colour (even though northern governments have been the [most blatant corruption offenders](#) recently).

There is also racism in decision-making. Governmental bodies like AECID are often the leading donors to international NGOs, which is why the latter regularly face external pressure to conform with the former’s priorities. Governmental agencies adopt elected representatives’ policies, while politicians represent policies they believe will make voters support them. In the United Kingdom, humanitarian sector workers informally refer to ‘the *Daily*

Mail test’ when considering if a cooperation project would be condemned by a notoriously anti-aid, racist and ring-wing newspaper.

Meanwhile, internal decision-makers at international NGOs do not represent the people they intend to serve: [a study for the Center for Global Development](#) on several organizations showed that fewer than 2% of NGOs’ board members ‘had experience as a refugee or had been otherwise impacted by a humanitarian crisis’ and ‘fewer than 20% were from countries that are eligible to receive aid’.

That’s when a local worker said the following to me during an interview: ‘Who makes most of the decisions? Often expats, often white people, who are senior managers.’

Racism (and coloniality) are also present in other areas.

During implementation, where white people are always ‘experts’ and the global majority always require ‘capacity building’. The academic Robtel Neajai Pailey describes it as ‘[the white gaze of development](#)’ that ‘measures the political, socio-economic and cultural processes of Southern black, brown and other people of colour against a standard of Northern whiteness and finds them incomplete, wanting, inferior or regressive. In essence, white is always right, and West is always best.’

This is found even in human resources management, where terminology that includes words such as ‘benchmarking’ has led to a scandalous system of wage differences, where local/national workers of colours earn less than their expat counterparts (in some cases with a difference of up to [900%](#)), or where the ‘humanitarian global colour line’ determines who are employed in more [dangerous](#) or [precarious](#) positions.

Debunking racism (and coloniality) within the aid sector is a long and arduous task. Recognizing – and truly understanding – its systemic nature is only the first step. Although [many recommendations](#) have been made in recent years, and each organization will address it differently, I propose crucial changes in two fundamental areas that are rarely considered: ethics and identity.

ETHICS

Before conducting research, especially in marginalized communities, most academics are required to obtain approval from an ethics committee to guarantee that their work will not cause harm. Aid projects could be said to have a more immediate impact than research does, however, we rarely question their ethics.

We are more concerned about *doing things well* than *doing what is right*. For example, international NGOs are often concerned about being agile and acting quickly (particularly when delivering a humanitarian response); being technical



experts; being efficient (according to Western and Northern concepts); and being standardized (by imposing bureaucratic requirements).

But what about being *careful*, especially when uncertainty can lead to unwanted negative consequences? What about taking *context* into account, when local realities and knowledge are valued as much as ‘experience’? Or what about *establishing strong relationships*, because of the importance of trust and connection? Ethics standards can help us rethink seemingly inoffensive processes that lead to racist (and colonial) experiences.

IDENTITY

In the past, humanitarian sector workers used to say that one had to ‘work until there’s no more work’. However, the aid sector is growing year after year. There are now more people working in the sector than ever before (estimated at 630,000 – 40% more than in 2013). In a private meeting that I attended, NGOs’ huge revenue was described as being ‘succulent’. And more universities are offering development studies, producing thousands of (white) graduates en masse ready to join ‘the development set’.

Similarly, many Western white people in the Global North who work in the aid sector see themselves as heroes or heroines. After all, they have sacrificed a lot (for example, a more lucrative career in the private sector or because they live in high-risk areas) and it is hard for them to ‘let go’ and

really contribute to a power shift.

Tackling racism in the aid sector requires that white, Western aid sector actors from the Global North reflect seriously on how the system has shaped not only their incentives but – more profoundly – their identity. Alternative narratives are needed that do not glorify them as saviours but as allies to the Black, Brown and Indigenous global majority.

Systemic racism (as well as other types of systemic injustices like coloniality and the patriarchy) are displayed in seemingly inoffensive processes that have negative consequences, especially for Black, Brown and Indigenous communities and aid stakeholders. This can turn aid projects into a *Komedya* – a comedy or farce where white people play the main roles trying to save People of Colour, causing more harm than good in the process. But this can be addressed crucially by reflecting on organizational ethics and each person’s identity.

Some, however, believe that the aid sector is deeply rooted in white supremacy and question whether reform is possible. These are difficult questions with no easy answers and they require global, collective soul-searching by all of us to reflect on whether international cooperation can truly redeem itself from its history of racism.

Arie Barguios. Aid Reimagined.

¹In English, the term ‘Brown’ includes Arabs, Indians, Latin Americans, etc. In the USA, it includes any person that does not fit in the categories ‘Black’ or ‘white’.

POLITICAL CONSEQUENCES FROM THE DECOLONIAL, FEMINIST, ANTI-RACIST PERSPECTIVE

Any understanding of decolonial and feminist thinking makes it clear from the outset that this is a review process aimed at revealing the extent to which concepts and practices reproduce colonial and patriarchal patterns. It is indeed not merely a matter of labelling current systems decolonial and feminist to give them the appearance of being so without changing the deep, complex roots of domination with which the colonial heritage and patriarchy persist, also through cooperation. The first appeal from colonial and feminist criticism – not only in terms of cooperation but as an epistemological shift – is to unlearn much of what has been learnt and deconstruct a complex, resistant framework that has historically structured the way we speak, understand and act in the world.



This is why an initial caveat is necessary when rethinking the cooperation system and its practices from a decolonial, feminist perspective. Just as it is not a matter of adding qualifiers, neither is it a mere process of switching some definitions with others. We must recognize, for example, that cooperation and humanitarian aid have been formed based on colonial traits⁵⁵ and research, reflection and monitoring processes should be opened to understand it fully. Only by including diverse voices, committed to accepting all the consequences of unlearning and dismantling the power structures that are reproduced time and time again can a new version of cooperation emerge with a renewed, transformative political agenda. It is important and thought-provoking to state that the cooperation system needs to be redefined by repairing and transforming the current power relations that shape it. However, we cannot expect ready-made solutions that are useful for any circumstance or context. Instead, we can refer to some clear criteria to deconstruct cooperation. We briefly set them out below, suggesting the need to open up several pathways to develop transformative cooperation using these criteria and review, dialogue, research and monitor actions:

- Reverse the aid chain: Rethink all of cooperation's processes and practices by letting the South-to-North perspective prevail. Shifts in power relations can start today and be implemented at different levels where cooperation takes place, from the most strategic to the most instrumental. The steps are easy, although implementation may not be straightforward: allow communities that currently only appear as beneficiaries or as being affected to gain access to decision-making and resources. Without being naive, the power relations within countries must also be taken into account, paying particular attention to the voices of organized communities, women's organizations, human rights defender networks, and social organizations made up of affected people. Sometimes donors should stay silent until they unlearn. Sometimes doing so means starting to right the wrongs and share the power.
- Repoliticize cooperation as reparation: Considering cooperation's efficiency without changing the power relations it reproduces is like thinking that technological solutionism will resolve climate injustices: it is about trying to make sure that everything remains the same even if some things change. Cooperation does not act on circumstantial or unfortunate situations but on those generated by complex historical and political processes. Trying to change the course of these processes is very different from trying to alleviate certain hardships. Repoliticization emerges as a response to the cooperation system's historical roots shaped by a world view steeped in racism, colonialism and the patriarchy.
- Take a step back to change the world: Cooperation not only intends to stop being a mechanism that reproduces existing North-South power relations but also aspires to transform complex, multiple, multidimensional causes of the inequalities that create these relationships. Indeed, the cooperation system's contradictions and paradoxes – increasingly characterized by a gap between discourse and practice – have brought to light two inseparable issues: change needs to start within, that is, it must start with the cooperation system itself. At the same time, cooperation is



not an isolated reality nor can it be separated from other power relations that shape relations between countries, territories and communities. The steps are clear: move away from cooperation as a national and sectoral policy and increase efforts to turn it into a contribution to global public goods, promoting intersectoral coordination mechanisms at all levels (intergovernmental, multilateral, regional and global). Cooperation must promote effective policy planning schemes that account for the intersectional impacts that dynamics have on people and territories and influencing other government policies to include them.

- Establish its agenda as a mixed contribution to systemic policies and active policies: Cooperation's political agenda must go beyond the framework of intersecting sectoral and geographic priorities defined in terms of national interests. Aspiring to create a political agenda for global justice that transforms the current dynamics, which generate multiple and multidimensional inequalities, requires new action to be taken in structural policy areas. Furthermore, there is a need for diversity in active policies that contribute to changes through context-specific mechanisms tailor-made for each situation. Cooperation must place work on international taxation at the centre of its political agenda, promoting global democratic governance mechanisms and spaces that effectively prevent tax avoidance and evasion as the main democratic financing strategy for global public goods. The same can be said for gender equality and diversity-related global policies or with the multilateral spaces that tackle climate change and promote just transitions. The above requires much more than statements of intent, speeches, and settling for projects to improve the fiscal space in some countries and increase the representation of women in their governments.
- Adopt an effective policy planning framework: Transformative cooperation is only possible with a policy planning framework for sustainable development that involves all government areas. Multidimensional problems require coordinated political actions that guide different competencies and instruments towards common goals. All policies without exception contribute to development processes, either positively by extending rights, reducing environmental impacts and inequalities, or negatively by achieving the opposite effects. The coherent government action that the world needs today requires analysis of said effects and impacts; they must be handled comprehensively, avoiding talk of jurisdictional limits or collateral consequences. Integrated political action takes into account intersectionality, the different scales and dimensions of vital and societal processes and provides all the resources and capacities to refocus unidimensional policies that respond to particular interests rather than reproducing processes that dignify all lives.
- Transition towards a mandatory global solidarity fund: In financial terms, a decolonial cooperation system should understand the main idea that aid is not donor money but a global public good that belongs to affected communities that receive it.⁵⁶ This viewpoint conflicts with the equally true view that ODA consists of the money from taxpayers in Global North



countries. Finding a balance between these two approaches to ODA is not straightforward but it is not impossible either. On the one hand, considering ODA as a global tax would not only allow us to move beyond the logic of concessionality and arbitrariness but could also help resolve the conflict in terms of empowering recipient communities, as taxpayers understand that once they have paid their taxes, the money is no longer theirs and becomes part of a common, public fund. In this way, the demand for cooperation to reach the symbolic 0.7% still makes sense and remains urgent. The change to the political agenda would involve shifting views about the ODA amount, seeing it more as a mandatory contribution because of its reparative and redistributive nature in global terms. This view would move away from discourse about political will and generosity being ODA's backbone principles to create a justice instrument. Similarly, a new financial framework would have to be formulated differently from the current concessionality-based approach, which only intends to set itself apart from other financial flows by its original consideration linked to the principle that cooperation acts where the market does not reach or where the market fails to allocate or distribute goods. Cooperation as reparation is not compatible with the idea that cooperation corrects errors. The aim is to coordinate cooperation as a global justice mechanism where transfers are not a matter of goodwill but are compulsory, in the same way we accept and commit to taxes or with compulsory contributions to some international organizations.

- Include ecofeminist imaginaries: Faced with the developmentalist paradigm's decline and contradictions, cooperation must rebuild its outlook and purpose. Far from promoting a single alternative paradigm, cooperation is refocusing on different alternatives that can be paradigmatic, as well as complementary and reciprocal. The commitment to including discriminated, excluded voices in decision-making and ensuring access to instruments requires an understanding of plurality, the situated character of knowledge and politics, and contextualized solutions, in short. With regard to the major paradigmatic debates on deglobalization, decoupling and degrowth, ecofeminism argues for the need for strategies to make space for a new way of being in the world when it comes to who controls and exploits resources, their care and their distribution; unlimited economic growth as a goal, the sacred respect of limits for the reproduction of lives; revenue and income rationality and the ways in which we are interdependent and vulnerable; meritocracy and individualism, radical inclusion and human rights; and competition and negotiating particular interests, cooperation and collective responsibility in terms of common goods.

NOTES

¹J.M. Severino and O. Ray. (2009). The end of ODA: death and rebirth of a global public policy. Available at SSRN 1392460.

²J.M. Severino and O. Ray. (2012). 'La fin de l'aide publique au développement : les enjeux de l'action hypercollective'. Revue d'économie du développement, 20, 83–142 [French]. <https://doi.org/10.3917/edd.262.0083>

³The term is from T. Mélonio, J.D. Naudet, and R. Rioux. (2022). 'Official development assistance at the age of consequences'. AFD Policy Papers, (11), 1–43.

⁴<https://documents1.worldbank.org/curated/en/602761467999349576/pdf/98023-BR-SecM2015-0233-IDA-SecM2015-0147-IFC-SecM2015-0105-MIGA-SecM2015-0061-Box391499B-OU0-9.pdf>

⁵Mélonio et al. (2022). Op. cit.

⁶The Development Assistance Committee is the Organisation for Economic Co-operation and Development (OECD) unit responsible for setting rules to define ODA as a finance instrument.

⁷United Nations Economic and Social Council. (2023). Trends and progress in international development cooperation: Report of the Secretary-General – 3 January 2023. [Spanish] <http://www.un.org/development/desa/financing/sites/www.un.org.development.desa.financing/files/2023-01/2300096S.pdf>

⁸Furthermore, the methodology allows funds earmarked for operations to relieve external debt generated by official loans for purposes with little to no relation to development purposes, such as trade credits to be recognized as ODA.

⁹S. Cutts. (13 April 2022). Give credit where credit's due: Development assistance in loans should reflect donor effort, Brookings Institution blog. https://www.publishwhatyoufund.org/wp-content/uploads/dlm_uploads/2022/03/Giving-Credit-Where-credits-Due-Paper-March-2022.pdf

¹⁰<https://www.oecd.org/dac/financing-sustainable-development/development-finance-data/ODA-2020-detailed-summary.pdf>

¹¹<https://www.oecd.org/dac/financing-sustainable-development/ODA-2022-summary.pdf>

¹²<https://www.oecd.org/dac/financing-sustainable-development/ODA-2022-summary.pdf>

¹³OECD, Creditor Reporting System (CRS), <https://stats.oecd.org/Index.aspx?DataSetCode=CRS1>

¹⁴Mélonio et al. (2022). Op. cit.

¹⁵<https://www.oecd.org/dac/financing-sustainable-development/ODA-2022-summary.pdf>

¹⁶<https://stats.oecd.org/>, Accessed 31 March 2023, from:

<https://stats.oecd.org/qwids/#?x=6&y=1&f=4:36,2:1,3:51,5:3,7:2&q=4:1,36+2:1+3:51+5:3+7:2+6:2021,2020,2019,2018,2017,2016,2015,2014,2013,2012,2011,2010,2009,2008,2007,2006,2005,2004,2003,2002,2001,2000+1:2>

<https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/refugee-costs-oda.htm>

Note: These data are an extract from the total flows by donor (ODA+Other official flows+Private) (DAC1)

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