# Future of Development Cooperation Coalition
# Kigali Consultation
## May 2026

*On May 16, 2026, the Future of Development Cooperation Coalition held a public consultation in Kigali, Rwanda organized by the African Center for Economic Transformation with the African School of Governance as its partner in this effort. Across a high-level roundtable at the African School of Governance and a structured, interactive workshop, the consultation brought together over 90 participants. Participants included a broad range of senior officials from government ministries; representatives of multilateral and bilateral organizations including the United Nations and multilateral development banks; the private sector; philanthropy; civil society; academics; think tanks; and students and youth groups. They represented over 20 countries across Africa, Europe, North America, South Asia, and the Middle East. These notes are shared here not as a comprehensive record of the far-reaching dialogue, but to highlight key areas of concern, agreement, and divergence.*

*Note: All quotes in text boxes are from participants in the consultation.*

## Recurrent Themes – A Summary

The Kigali consultation reflected on the evolution of development cooperation, highlighted a number of imbalances in development cooperation and the global economic playing field, underscored the important roles of all levels of government across the continent, and stressed the need to understand the continent's culture, context, and history. In particular, the following themes recurred across the discussions:

- A sense that current development cooperation efforts are poorly aligned with national priorities, frequently fragmented, and in need of better coordination;
- Preference for more private sector engagement and locally-led development models;
- The need to approach institutional strengthening within African cultural and historical contexts;
- The desire to drive country ownership and agency in ways that move beyond rhetoric;
- An emphasis that politics and political-economy issues are central to effective development cooperation;
- A conviction that domestic resources can be much more effectively utilized;
- A recognition that youth, human capital, and education are foundational development priorities;
- The belief that the potential of regional integration and intra-African cooperation remain largely untapped, but are not without significant hurdles; and,
- A shared sense that climate finance remains an underserved dimension of development cooperation.

## Recurrent Themes - A Deeper Dive

### Misalignment, fragmentation, and coordination failures persist

A persistent thread throughout the consultation was concern about the practical dysfunction caused by misalignment between development partner programming and national priorities, with this misalignment cited as a primary obstacle to more effective development cooperation. Additionally, participants cited a lack of concessional finance, a failure to fulfill previously agreed commitments, limited political will and vision, and unclear lines between public and private roles and responsibilities in development cooperation. Frustration was also expressed about a persistent gap between rhetoric and reality when it comes to issues of multi-actor alignment in the development space.

> *"Everyone is speaking about coordination, but they are not coordinating."*

A number of participants cited what they felt were systems that demand layers of bureaucracy and reporting while failing to credibly measure actual impact. It was also noted that in many situations where multiple development actors are involved it can be challenging to find a credible person or individual to play a coordinating role.

By contrast, areas where development cooperation is seen to be working included locally-led and locally-financed projects, effective knowledge-sharing partnerships, infrastructure investments, micro-level investments in small businesses, and people-centered cooperation approaches. There was a strong call for better sharing of lessons learned with appropriate national officials to allow for greater scaling of effective approaches.

There were a variety of divergent views on accountability and governance: participants debated whether democratic governance in Africa achieved sufficient development outcomes, while acknowledging that a certain level of governance capability is crucial for effective collaboration. The tension between political legitimacy and operational efficiency in governance was unresolved among participants and it has long been a critical debate related to development cooperation.

### Private sector engagement and locally-led development hold a lot of promise

> *"If we ignore the private sector, it will be at our own peril."*
>
> *"We need to see how we make sure that the private sector is more pressed into this development journey."*

Participants repeatedly emphasized that effective development cooperation must align with, and actively support, the structural diversification of production, the development of value-added industries, and quality employment creation. There was strong agreement that the private sector is an indispensable partner in this process. However, there was also a persistent concern expressed that the public and private sectors are often disconnected, limiting the effectiveness of development cooperation. In some cases, the absence of clear government direction was seen as stalling private initiative.

Rwanda was cited by several participants as a positive example of a nationally-led development trajectory that can serve as a model for development cooperation. In highlighting achievements of this approach, they pointed to the country's homegrown accountability systems, health advances and nearly universal health insurance coverage, and frontier innovation. Ethiopia was cited as an example of a setting where value-added local manufacturing has gained traction. Development resources, participants argued, should support, not supplant, local actors. Ecosystem thinking and approaches that produce systemic gains were identified as important design principles. Value chain clustering, where growth across multiple sectors is reinforcing, was raised as a practical mechanism for coordinated growth. The importance of clear baselines and goals for development agendas was also noted.

## Redefining institutional strength in African contexts is vital

There was a substantive debate around the concept of institutional strength, with participants directly challenging the assumption that there are universal models for effective institution strengthening. Participants argued that effective institutional architecture needs to be shaped by culture, history, and local political realities. Participants were particularly explicit that externally derived institutional models have not served African populations well.

There was however general agreement that strong institutions should be understood functionally as transformative, transparent, adaptable, and capable of demonstrably improving people's lives in the medium- and long-term.

> *"We have strong informal institutions; the issue is that people try to universalize the definition of strong institutions."*

There was also a robust discussion on the role of development cooperation in strengthening and reforming government institutions. Some suggested that it is inherently counter-productive to have outside partners engaged in such capacity building, while others suggested that cooperation around institutional strengthening could be of value if based on genuine partnership rather than being imposed. Participants also noted that ad-hoc technical assistance and training alone would not deliver the deeper governance skills needed for sustainable institutional functions.

## Country ownership, agency, and self-determination is a foundational starting point

> *"Development partners should prioritize working with governments that know what they want to do and how they want to do it, and stop thinking that they are the ones that know."*

A foundational and frequently revisited concern was the gap between the language of country ownership and its practice. Participants argued that genuine ownership is ultimately structural, requiring African governments to define goals, set terms, and lead implementation. Pre-consultation survey data identified locally-led development as a top priority, with grassroots engagement, autonomy, and partnership cited as key priorities. Development is  a country's responsibility. There was also widespread agreement that development cooperation should be reframed from an approach of "we are here to help" to "we are here for partnership."

There was significant discussion on the extent to which development partners pursued agendas misaligned with, or that displaced, country priorities. In general, in cases where countries lack a clear development vision or plan, they are likely more vulnerable to externally-driven programming. Participants also suggested that genuine country ownership requires not only national government leadership but also the effective involvement of sub-national and community actors, allowing for a shift from top-down, state-centric models to people-centered cooperation. The strength of the government vision and leadership was also cited as important for the private sector, who takes their cues from natinoal leaders.

## Power dynamics and political economy must not be ignored

> *"…development cooperation is not non-political. It's very political. And I think that driving donors or development partners out of their current way of thinking into thinking differently is probably the biggest challenge that we Africans have."*

There was general consensus that there are structural power imbalances embedded in the global development architecture. Participants pragmatically observed that development cooperation is a fundamentally political activity and therefore understanding power dynamics and political economy is vital. They maintained that a rigorous political economy lens is essential for designing effective cooperation frameworks, and called for analysis that asks who holds power, how rents are distributed, what sustains governing coalitions, and which actors benefit from productive transformation. This exercise is useful at both the national level, i.e., elite incentive mapping, and the broader cooperation level.

The ongoing fragmentation of the global development system was also identified as a factor making effective development cooperation more challenging. On the current global landscape, some argued, the interests and motives of different development partners vary more widely than ever before, making alignment with national interests and priorities all the more essential. Participants stressed a preference for systemic, not incremental, change to the system of development cooperation. There was also some discussion about how the colonial legacy still negatively influences many institutions on the continent, limiting African agency. In that context, it was also noted that the narrative about how high-income countries have built their wealth often neglects how much they benefitted from extractive practices in Africa and elsewhere. Some participants also cautioned that while the colonial legacy has undeniably played a part in Africa's challenges, it was also necessary to look at endogenous failures in addressing local development challenges with clear eyes.

## Domestic resources and the evolving financing landscape offer new opportunities

The financing dimension of development cooperation received considerable attention, with participants identifying the decline in concessional finance as a challenge that demands reassessing development capital sources and management. There was general agreement on the potential of domestic resources like pension funds, bank deposits, insurance assets, and sovereign wealth funds. Catalytic financing instruments, such as credit guarantees, can enhance pricing and attract more international private capital.

Diaspora capital was recognized as a significant but underutilized asset, given that Africa's diaspora community is increasingly wealthy, better educated, and hopeful about the continent's future. The Rwandan experience in this area was particularly commended. There was also a strong sense that regional financial institutions could play a stronger role in managing and deploying African capital, including reserves, rather than routing capital through Western banking systems. The African Union's efforts to establish the Global Reparation Fund was also discussed within debates on accountability and resource flows.

> *"Foreign financing should not in any way be used to substitute or replace essential domestic services."*
>
> *"Help comes after the drought."*

The need to do more with less, pool resources across actors, and prioritize innovation that is adaptable and sustainable was consistently emphasized. Participants also noted that better use of domestic resources and international flows are not mutually exclusive, and there was a clear emphasis that external funding should not serve as a substitute for the development of essential social services.

## Youth, human capital, and education are strategic priorities

Across both the pre-consultation survey and the substantive discussions, investment in youth and human capital emerged as a top consistent priority. Youth empowerment and job creation ranked as the second-most frequently cited priority in the pre-consultation survey, followed closely by capacity building and education. This is particularly important given Africa's demographic trajectory, with youth being more than 60 percent of the continent's population – representing both a structural opportunity and an obligation for development cooperation to address at scale.

There is an important distinction between capacity building practices and building genuine state capacity. Participants warned that training programs and technical assistance do not automatically develop the institutional and governance capabilities needed for sustained change. The debate about who designs and delivers education and skills development, and whose interests they serve, links to the broader issue of country ownership: externally determined human capital investments risk misaligning with African countries' own priorities. Participants also emphasized ethical leadership, boldness, and speaking truth to power as important qualities within human capital systems.

> *"We [must] educate young people to unleash their power to be contributing citizens to the societies where they live."*
>
> *"Human capital is critical – we need people who can design their own programs and take risk. No one can understand the Rwandan economy more than Rwandans."*

## Regional integration and intra-African cooperation – there is a long way to go

Regional economic integration was identified as a strategic priority, and a number of participants thought that it can be better supported by development cooperation. The African Continental Free Trade Area (AfCFTA) is the most significant vehicle for continental market unification, with participants expressing that, if fully realized, it will unite the continent. However, there was a persistent concern that intra-African trade remains substantially below its potential and that coordination failures and geopolitical tensions among African countries undercut its effectiveness, as has general geo-political jockeying for influence on the continent.

Participants pointed to AfCFTA-enabled value chains, sector clustering, and regional partnerships as concrete pathways to economic transformation that development cooperation could more actively support. In this context, the role of diaspora communities, remittances, and cross-border investment was also highlighted, along with South-South cooperation frameworks as alternatives or complements to traditional North-South modalities. Participants also looked to the potential for regional financial institutions, particularly the African Development Bank and Afrieximbank, as possible anchors for regional economic governance.

Conversely, the fragmentation of regional integration efforts and the lack of a credible continental coordinator were cited as structural weaknesses that limit the collective negotiating position of African countries within the global development architecture. Participants also identified the limited impact of trade between small economies as making integration more challenging.

## Climate finance is insufficiently prioritized

Climate finance was consistently identified as an area where the current development cooperation architecture falls short. There was a general perception that the scale,

> *"Climate finance is not yet seen as a key aspect of development cooperation."*

flexibility, and country alignment of climate financing has not matched the structural urgency of climate action.

Participants linked climate action to tangible country leadership, emphasizing that climate finance, cross-sector collaboration, and institutional structures are interconnected aspects of an effective national response. South Africa's domestically financed nuclear energy program was cited as an example of African actors assuming greater ownership of energy transition decisions. The broader point that development cooperation needs to treat climate finance as integral to its core mandate was articulated with reference to both the scale of Africa's climate vulnerability and the transformative economic opportunities a well-financed green transition and critical minerals value chain could represent.

## Conclusion

The strongest messages from the consultation were clear: the development cooperation system needs significant improvement if it is to better align with national priorities, feed into effective country ownership, and help drive social and economic transformation. There was an eagerness for more contextually appropriate support for institutions and capacity, and approaches to development cooperation that recognize its political-economic complexities. There were strong expressions of confidence in Africa's future, citing demographic advantages, the AfCFTA, and domestic development efforts.