Future of Development Cooperation Coalition
Brussels Consultation
June 2026

On June 22, 2026, the Future of Development Cooperation Coalition held a consultation in Brussels, Belgium that brought together over 60 European and other regional stakeholders with expertise in policy, research, finance, civil society, and the private sector to gather insights on how to best bolster development cooperation. The consultation was convened by the Coalition in partnership with the Center for Global Development Europe. Across an expert roundtable, workshop breakouts, and discussions, participants focused on some of the most pressing questions shaping development cooperation today: its purposes, relative effectiveness, and how it must evolve amid major geopolitical, climactic, technological, and demographic shifts. These notes are shared here not as 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 Brussels consultation reflected on the rapidly shifting landscape of development cooperation and Europe's role in advancing it. Participants noted that such cooperation has been beleaguered of late, and that much remains uncertain about its future course. They also noted that this moment of a "perfect storm" was one of opportunity for new thinking and reimagining. Participants strongly underscored the pressing need for new language and new approaches to expanding development cooperation driven by mutual benefit, rather than unilateral story based on morality and one side "bringing" something to the other. In particular, the following themes recurred:

- The need for a new narrative based on opportunity for development cooperation at a time when there has been growing public skepticism about its merits.
- The importance of looking beyond aid to the broader levers of economic and social transformation, including trade, technology, and domestic resource mobilization.
- Growing concern about fragmentation and institutional proliferation tempered with recognition that eliminating such overlap can sometimes be easier said than done.
- Significant optimism regarding Artificial Intelligence (AI) and technological innovation.
- A belief that Europe's own experience of structural transformation can serve as a potential source of insight around the challenges facing many low- and middle-income countries.

Recurrent Themes - A Deeper Dive

It is time for a new narrative for development cooperation

Perhaps the most consistent theme across discussions was concern about the narrative surrounding development cooperation, with numerous participants making the case that citizens in Europe no longer understand how development cooperation benefits them or contributes to addressing shared global challenges and opportunities. At a time of rising skepticism toward aid, strong nationalist movements in many countries, and greater emphasis on competitiveness, security, and migration in both national and geopolitical discourse, it has been easy for critics to amplify negative messages about development cooperation and minimize its successes. Several participants noted that isolated failures in development cooperation are frequently used to discredit the entire sector in ways that would not occur in other fields.

> *"We have a narrative problem. People don't see how aid benefits them...When a small business fails in the private sector, it is not seen as an example of corruption of the whole sector. In development it is."*

But there was also a sense of opportunity if action is taken to develop a more compelling narrative that demonstrates mutual benefit, shared interests, and tangible results while moving beyond outdated donor-recipient frames. Some noted that the public views development as a sacrifice rather than an investment or shared endeavor. There was also clear frustration that at a time when it feels like local development solutions are becoming more cost effective and technologically advanced, the narrative around cooperation has become so pessimistic.

Participants broadly, although not unanimously, suggested that future narratives should:

- Focus more on communities and individuals rather than institutions;
- Move away from charity-based or morality framing;
- Better communicate how cooperation benefits all parties and that European interests also benefit, as well as the global goods and the global challenges; and,
- Speak explicitly to current political concerns such as competitiveness, security, resilience, and migration.

In discussing how to construct narratives, several participants noted the importance of connecting with people's existing values and emotions – rather than trying to convince them that their existing perceptions are somehow wrong.

Some participants expressed cautioned that framing development cooperation around "mutually beneficial relationships" risks treating development cooperation as a purely transactional enterprise and shifting attention and resources from those who are most vulnerable and in need. Others made the distinction between long-term interests (that are less transactional) and short-term interests.

Focus on the levers of transformation, not transfers

Participants emphasized that development cooperation should be understood as a broad ecosystem of relationships and instruments rather than a single financial transfer mechanism. Too often, several argued, there has been an unhelpful tendency to equate development cooperation with aid. A number of interventions suggested that a measure of responsibility for this tendency lay with donors and that, over time, Official Development Assistance has become overly institutionalized and isolated from the broader drivers of transformation. One speaker wondered if Official Development Assistance would even be created if one was starting from scratch in today's world.

This, however, does not mean that grants and concessional assistance are unimportant or unproductive. Indeed, a number of participants highlighted the continued importance of these resources in fragile settings and for reaching those most in need. Rather, the general sentiment was that development cooperation should be more heavily centered than it is currently on vital transformational elements of development that include domestic resource mobilization; technology and innovation; private investment; and trade and market integration.

> *"We need to connect ourselves to the levers of transformation: domestic resources, technology, private investment, and trade; not transfers."*

In addition, and while recognizing the importance of the private sector, participants emphasized that strong public institutions remain fundamental to development. Effective states, capable administrations, and quality public services were repeatedly identified as prerequisites for durable sustainable development outcomes. Some expressed concern that the heavy focus on investment in the current policy debates risks paying insufficient attention to public sector capacity and institution-building – despite the fact that the private sector is one of the most direct beneficiaries of relatively high-functioning public sectors. This is about the risk of over-correction and balance, not favoring one sector over another.

Participants recognized significant innovation in development finance, including the growth of de-risking instruments and blended finance approaches, and called for more progress in this area.

At the same time, many questioned whether current approaches are delivering sufficient economic transformation. Participants noted that while substantial resources have been mobilized, many countries continue to struggle to achieve sustainable growth, structural transformation, and financial independence.

There was also specific discussion about barriers to financing for climate and energy transitions. Participants cited credit ratings, debt burdens, and high capital costs as obstacles preventing countries from accessing affordable financing even when technologies are increasingly cost-effective.

Several participants also raised questions about whether development cooperation has become overly financialized, suggesting that development practitioners are increasingly expected to operate as financiers rather than specialists in development and institution-building. The notion of lifting up the non-financial aspects of development was raised, including technology, policy, skills, and knowledge.

Participants expressed strong support for country ownership grounded in national priorities, local institutions, and local stakeholders rather than support for externally defined agendas. They stressed that cooperation should be based on listening, reciprocity, and trust rather than assumptions about what is best for partner countries. Several participants challenged approaches they viewed as paternalistic or neo-colonial, arguing that development cooperation should place greater value on lived experience, local knowledge, and solutions emerging from communities themselves.

Participants further raised the importance of development cooperation in building more resilience in a shock-prone world, the need to establish a more level geo-political and geo-economic playing field, and broad agreement that while progress is being made on climate adaptation and renewable energy deployment, it will need to be further accelerated.

Fragmentation and institutional proliferation must be addressed urgently

While participants acknowledged that many individual projects and programs are delivering positive results, there was widespread concern that development cooperation is failing to generate transformational change at scale. One of the primary culprits cited in that regard was fragmentation across European institutions, among European Union member states, between bilateral and multilateral channels, and among implementing organizations. Participants described the resulting duplication, transaction costs, and administrative burdens as reducing effectiveness and undercutting long-term impact.

In some ways, this proliferation of actors in the development cooperation landscape is the result of successful development. There are more and more countries that have donor agencies and a number of specialized agencies, institutions, and vertical funds have been established over the years to address specific challenges and needs. That point taken, many participants questioned whether current incentives reward collaboration, noting that institutional and political incentives often encourage organizations to pursue their own priorities rather than collective outcomes.

> *"Fragmentation is something we have to get rid of. It should not be that complicated."*

Several of the specific challenges identified around fragmentation included: a proliferation of funds and initiatives; excessive complexity and bureaucracy; multiple actors pursuing overlapping objectives; and high transaction costs for partner countries. A particular concern was raised about vertical funds and specialized institutions that continue indefinitely without clear exit strategies or sunset clauses.

Some suggested that new institutions should be designed with sunset provisions from the outset and that greater attention should be paid to creating centers of excellence rather than permanent bureaucratic structures. At the same time, participants acknowledged that reducing fragmentation would require donors to relinquish some control and place greater trust in collective institutions – something with which the public and parliamentarians are not always entirely comfortable.

The discussion again emphasized that development cooperation needs to think and operate more systematically, focusing on broader transformations rather than isolated interventions.

Several participants noted that political positions within Europe, as in much of the world, are currently highly polarized, which makes addressing the fragmentation of cooperation structures more difficult, not less. It was also noted that the overlay between multilateral and bilateral approaches to development cooperation remains difficult to rationalize and manage.

AI and technological innovation have significant potential upsides

There was considerable optimism about the potential for AI and other digital technologies in development and development cooperation. Several speakers were optimistic that AI could help close the longstanding gap between knowing what works and actually delivering results at scale.

Participants highlighted the possibility of using AI to track results more precisely, reduce costs, and improve investment and risk-management decisions. They did also acknowledge that privacy, ethical, and governance concerns would need to be addressed.

> *"AI is changing everything that is going to shape development cooperation. Globally, we don't have rules yet that ensure that it is a level playing field. That in itself requires global cooperation…it is something we all face."*

Almost all agreed that AI, in particular, will have a significant impact on the future of development cooperation. Some participants did express concern about its potential impact, noting the possibility that it could further accelerate already deep inequalities and digital divides.

Discussions highlighted the almost complete absence of agreed global rules and governance mechanisms in this space, and that technological advances could reinforce existing disparities unless accompanied by stronger international cooperation. Participants expressed concerns especially for how low-income countries and countries experiencing significant fragility will keep pace with AI potential and uses as they struggle to meet other key infrastructure challenges, including electrification and access to the internet.

Many saw AI governance as a poignant example of a challenge that no country can effectively address alone and therefore as a potential area around which renewed international cooperation could be built.

Europe has relevant lessons to share

Several speakers pointed to the European experience as an example that could and should be shared more widely as a practical example of development cooperation, noting that the experience of countries integrating first into the European Economic Community and later the European Union provided insights that remain widely applicable.

One participant reflected on their own country's experience, that was once a poor agricultural society on the verge of conflict. The combination of education and integration into the European project fundamentally and positively transformed the development prospects of the country.

> *"If we can bring the values and interests that led to the European Union, we can achieve a lot."*

Participants highlighted that the European Union itself offers a beyond aid approach – a pathway from financial support to economic integration, effectively serving as a "ladder" to economic transformation for countries embracing shared values and interests. Some participants noted, however, that while Europe provides a clear ladder to other European states, it does not do so for poor countries in other regions.

The following aspects of the European project were described as particularly relevant to development cooperation today:

- Long-term institution building;
- Structural and cohesion funds;
- The single market;
- The ability to align diverse countries around shared goals; and,
- A relatively non-nationalistic approach to collective action.

Participants also identified several areas where Europe continues to play an important role, including as a major provider of development finance, its capacity for long-term thinking, norm-setting and regulatory influence, the ability to convene diverse actors, and its rich experience with multilateral cooperation.

At the same time, participants expressed concern that Europe risks becoming more insular, reactive, fragmented, and transactional.

Private sector participants welcomed efforts to mobilize investment but questioned whether some European initiatives, particularly Global Gateway, are sufficiently focused on local economic development.

Overall, while there were disagreements regarding the approaches that work, participants agreed that the ultimate objective of development cooperation should be sustainable economic transformation, and that the degree of development cooperation's relative effectiveness will often be judged by whether it helps countries move toward greater productivity, competitiveness, and self-sustaining growth.

Conclusion

Several important themes emerged across a conversation that reinforced the notion that values and interests in development cooperation often overlap and should be understood as mutually reinforcing. The group noted that volumes of financing alone are not sufficient. What is needed are more integrated approaches, better coordination, stronger partnerships, and financing models that support long-term structural transformation rather than isolated projects.

Participants also emphasized several key shifts that will deeply shape development cooperation in the period ahead: (1) the increasing influence of geopolitics; (2) the role of Artificial Intelligence and new technologies; and, (3) the need to move beyond traditional donor-recipient roles, even as the shape of new relationships remains unclear, with some risk that they become overly transactional.

Finally, participants debated not only what needs to change, but also what should be preserved, where Europe can add value, and how development cooperation can remain relevant in increasingly contested spaces.