

Preliminary findings from 2016 Progress Report

Seoul, 8 October 2016

Contacts

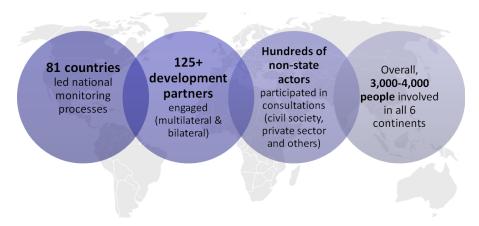
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PRELIMINARY FINDINGS FROM 2016 PROGRESS REPORT

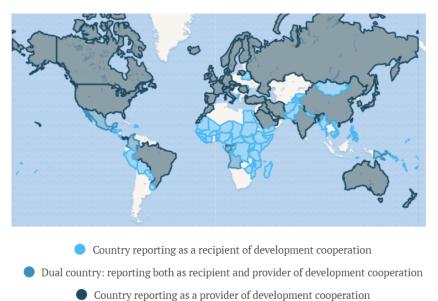
Engagement in the 2016 Monitoring Round

Participation

The 2016 Progress Report mobilised an unprecedented number of governments, development partners and non-state actors. The participation levels compared favourably to similar monitoring rounds on development co-operation effectiveness carried out during the last decade – including the 2011 Paris Declaration survey. The number of development partners reporting to this exercise has increased significantly, with a doubling since 2010 (see Annex B).



There was good geographical representation of all regions and development partners. 125 countries reported either as recipient or as provider of development co-operation (see Annexes A and B for full list).



Coverage

The 2016 monitoring round covered an important share of development co-operation, representing close to three-quarters of development assistance programmed to these 81 participating countries. These countries assessed whether **USD 72 billion** in development co-operation commitments was aligned to national priorities and whether it used country-defined results frameworks and monitoring and evaluation systems for implementation. Countries also assessed whether **USD 44 billion** in development co-operation flows used country systems, were predictable, and where included in national budgets submitted to parliaments.

Key Findings

The overall analysis suggests that:

Countries have made progress in planning for development results; recording development finance in budgets submitted to parliaments; tracking public allocations for gender equality; and in setting up arrangements for regular consultation with civil society and other actors in drawing up national development strategies. However, more needs to be done in emphasizing the focus on results during implementation of policies and programmes; strengthening public financial management and procurement systems (individual success stories mixed with declines in quality in other countries); and in ensuring an enabling regulatory environment and more meaningful and sustained engagement with civil society and the private sector.

Development partners showed a good level of alignment to national priorities and focus on results at the level of projects and programmes, as well as strong engagement and support to enable civil society's contributions to development. Most partners recorded good levels of transparency, experiencing improvements since 2014. Most partners also made some progress in using partner countries' public financial management systems, and increasing annual predictability of development co-operation. In contrast, countries' procurement systems were used less often, and the level of use of country-led results frameworks and monitoring & evaluation systems to track project success is moderate. Untying aid continues to hover around the 80% peak reached in 2010, with no further improvement.

Specific analysis of the findings for each indicator organized according to the four Global Partnership principles is presented below, disaggregated by countries' and development partners' performance where relevant.

FOCUS ON RESULTS

Alignment with priorities and results set by developing countries – Indicator 1

COUNTRIES' PERFORMANCE

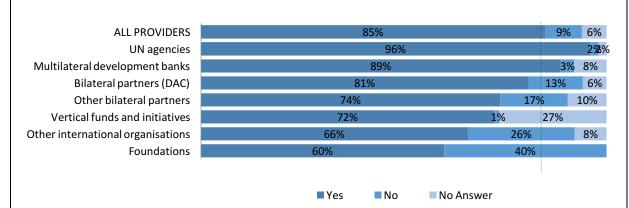
DEVELOPMENT PARTNERS' PERFORMANCE

Countries have taken the lead in defining development priorities: 99% of participating countries have defined priorities, targets and indicators as a basis for national development efforts.

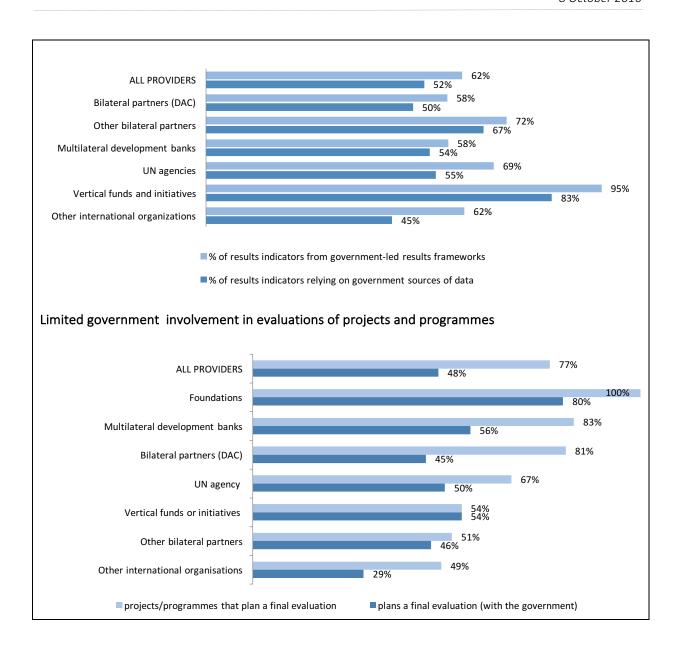
Consistent with countries' progress, 85% of development partners' new interventions draw their objectives from country-led results frameworks (particularly national development plan and sector strategies). However, at later stages of implementation (e.g. monitoring progress, evaluation), development partners do not plan to rely to the same extent on countries' own frameworks (monitoring indicators and data) nor engage the government in tracking and measuring results.

Development partners' performance in using country-led results frameworks

Good focus on country-defined priorities when designing new interventions (% of interventions)



Moderate use of country results information to monitor new interventions



COUNTRY OWNERSHIP

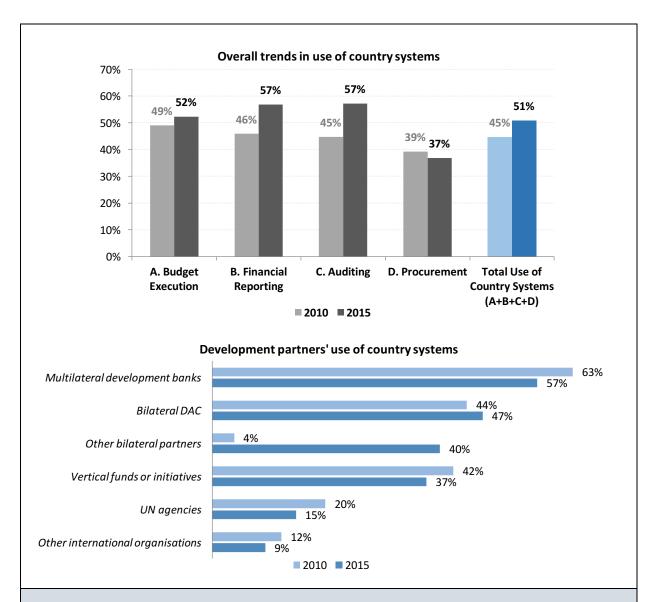
Strengthening and use of Country systems - Indicator 9

COUNTRIES' PERFORMANCE

Quality of public financial management systems (PFMs) has increased in 18% of the 60 countries for which CPIA data is available compared to 2010. However, 58% of countries show no substantial change and for 23% the quality of public financial management declined.

DEVELOPMENT PARTNERS' PERFORMANCE

Progress in use of country systems remains slow. 51% of disbursements for the government sector used country systems in 2015. Overall, improvements in the quality of PFMs lead to higher use of country systems by development partners — with the exception of very aid-dependent countries, where higher use of country systems is explained by the need to support the government budget.

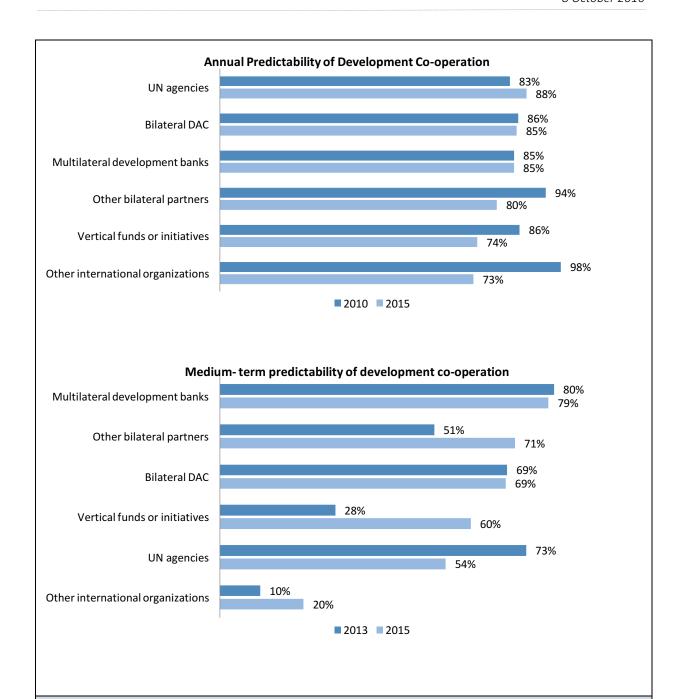


Predictability of development co-operation funding - Indicator 5

DEVELOPMENT PARTNERS' PERFORMANCE¹

Progress is stagnating on annual and mid-term predictability. Annual predictability was maintained at 83% but remains short of the target of 90%. Medium-term predictability levelled at 71% while the target is 85%. Development partners are still not able to provide information on their forthcoming cooperation flows 3 years ahead, which is much needed for developing countries' planning purposes. The move towards project-based interventions and, more generally, volatility of development cooperation, might explain the lack of progress. Limited progress in predictability and in sharing with developing countries accurate estimates of projected disbursements was found to be hampering progress in other commitments, such as including development co-operation on budget.

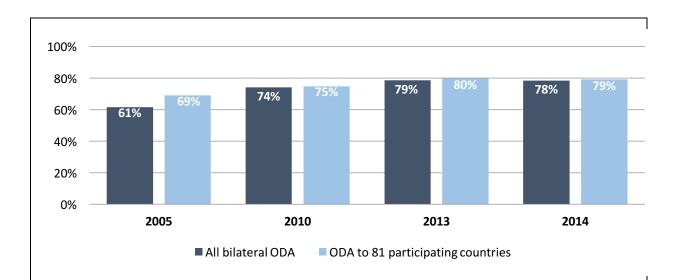
¹ This indicator does not assess countries' performance.



Untied aid - Indicator 10

Untied aid seems to have reached a ceiling, hovering around 80% since 2009. With some exceptions, most development partners reaching that level seem to experience difficulties to go beyond this threshold. There are differences between ex-ante and ex-post untying, where more progress is still needed at *de facto* untying – for DAC bilateral partners, even when development co-operation is formally untied, half the amount of development co-operation in procuring goods and services is still going back to suppliers in the development partner's own country. This calls for addressing structural constraints related to engaging suppliers from broader locations and particularly from developing countries.

Share of untied aid (2005-2014)

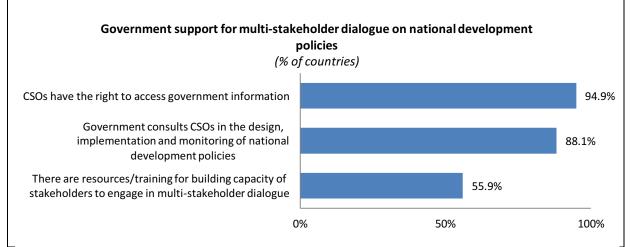


INCLUSIVE PARTNERSHIPS FOR DEVELOPMENT

Inclusiveness of Development Partnerships (enabling environment for CSOs) - Indicator 2

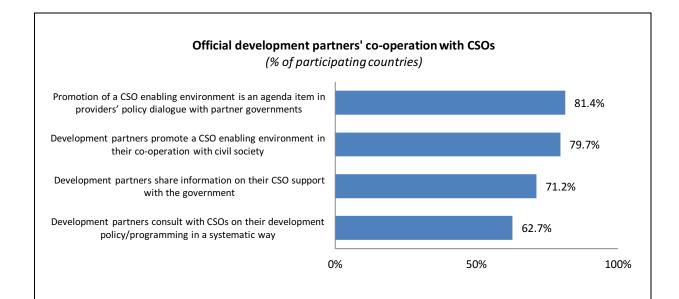
COUNTRIES' PERFORMANCE

In most countries governments are taking measures to promote dialogue with civil society organisations (CSOs) on national development policies. In 94% of countries, CSOs have the right to access government information. Almost 90% of governments consult CSOs in the design, implementation and monitoring of national development policies — even if consultation efforts could be more systematic. More action needs to be taken to build capacity of CSOs to engage in multi-stakeholder dialogue.



DEVELOPMENT PARTNERS' PERFORMANCE

Most development partners are also contributing to an enabling environment for CSOs by dialoguing on this issue with country governments and by consulting with CSOs on their development policy and programming. However, there is most room for improvement in sharing information with governments on their CSO support and consulting CSOs in a systematic manner.

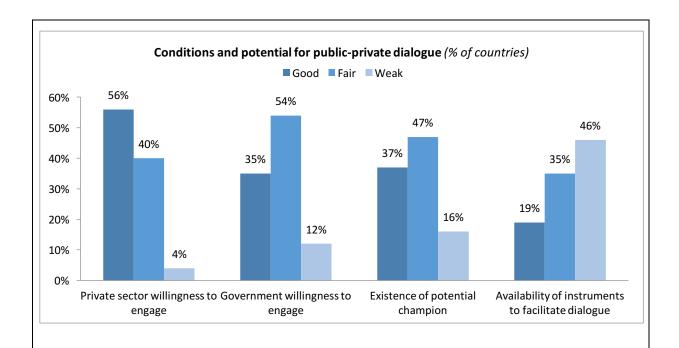


Inclusiveness of Development Partnerships (quality of public-private dialogue) – Indicator 3

COUNTRIES' PERFORMANCE²

Both governments and private sector actors are willing to engage in dialogue, but these partnerships do not always materialise due to lack of high-level leadership (or absence of champions/facilitators), and weak instruments and logistics to facilitate such dialogue. The latter factor affects the quality of public-private dialogue in close to half of the reporting countries, signalling the need for development partners to support governments in creating effective instruments and platforms for effective public-private dialogue.

² This indicator does not assess development partners' performance.



TRANSPARENCY AND ACCOUNTABILITY

Transparency - Indicator 4

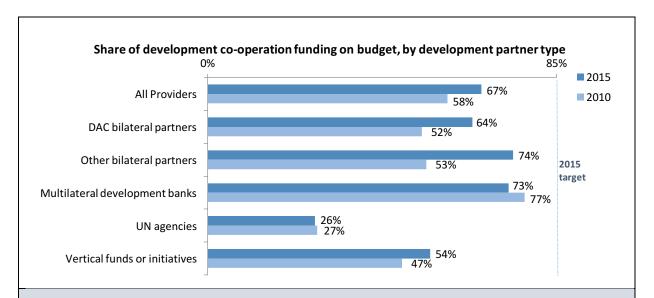
DEVELOPMENT PARTNERS' PERFORMANCE

Driven by the significant progress made by some publishers as well as the incorporation of many new publishers, there has been an increase in the supply of publically available information on development co-operation. Progress has been most notable in the timeliness and comprehensiveness of the information that is made publicly available, while the publication of forward-looking information continues to present a challenge for many development partners. Moving forward, investments in corporate processes and information management infrastructure with adequate capacity may help to improve the supply of publically available information on development co-operation. As the quantity and the quality of this data continues to improve, more attention will need to be given to the use of the data, especially at the country level.

Development co-operation on budget - Indicator 6

DEVELOPMENT PARTNERS' PERFORMANCE

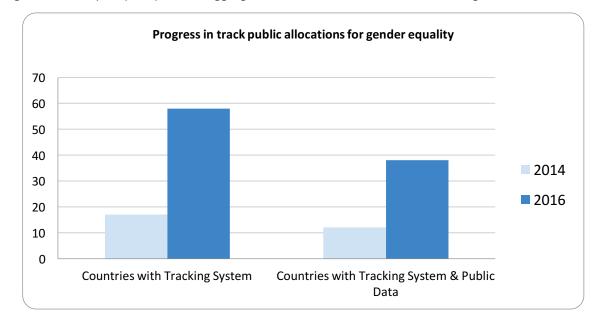
Progress is continuous but the Busan target (85%) is not met. 67% of development co-operation funding scheduled by partners for the public sector is on budget (a notable increase of 13% compared to 2010). The share of funding recorded in budgets that exceeded the partners' forecasts increased from 17% to 27% since 2010. This signals important mismatches in information and hinders effective planning, budgeting and execution if development efforts.



Gender equality and women's empowerment - Indicator 8

COUNTRIES' PERFORMANCE²

73% of countries indicated having one of the three basic elements that are associated with 'having in place systems to track resources allocated for gender equality and women's empowerment', and nearly half of countries reported all three conditions for having a system in place. This represents a very positive trend since Busan and a notable stepping-stone towards gender-responsive budgeting. The number of countries reporting on this Indicator increased overall (from 35 to 79), with increases in both countries with systems in place and countries with systems in place that make data public. Additionally, of the sub-set of countries that reported on the indicator in both monitoring rounds, those with transparent systems doubled from 10 to 20. Going forward, more progress is needed in making these systems transparent – critical for management and accountability purposes – and in linking gender budget tracking with the policy planning and budgeting process, including strengthening of availability of quality, sex-disaggregated data to allow for effective tracking.

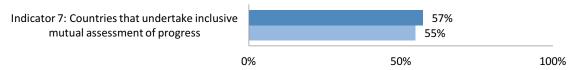


Mutual Accountability - Indicator 7

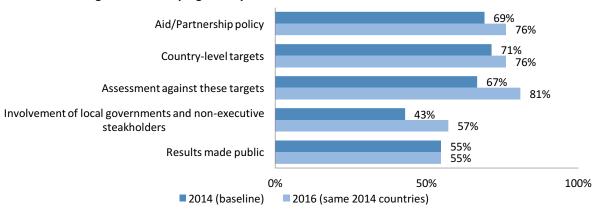
COUNTRIES AND DEVELOPMENT PARTNERS' PERFORMANCE

An increasing number of countries have national aid policies in place that are approved by parliament, with country level targets that are mutually agreed and regularly reviewed. However, the review of progress against these targets does not adequately engage local governments and non-executive stakeholders, nor are results of these reviews made public.

Overall progress in establishing inclusive mutual assessment reviews



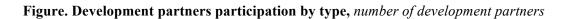
Progress in developing the key elements for inclusive mutual assessment reviews

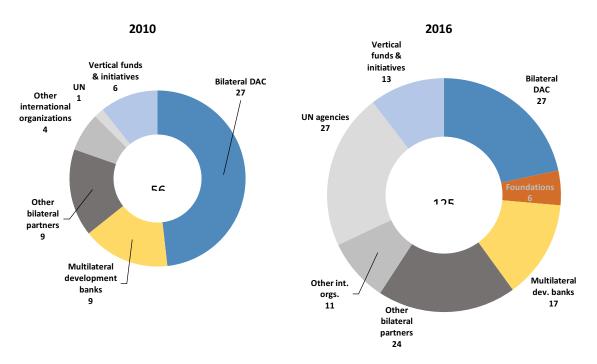


ANNEX A. ENGAGEMENT OF DEVELOPMENT PARTNERS

| N. of partner countries reported | Development partners |
|----------------------------------|---|
| 15-69 | World Bank; EU Institutions; Japan; World Health Organisation; UNDP; United States; Germany; UNFPA; UNICEF; Canada; Switzerland; France; Australia; Food and Agriculture Organisation; IFAD; OPEC Fund for International Development; African Development Bank; Asian Development Bank; Sweden; WFP; United Kingdom; IOM; Korea; Denmark; New Zealand; Norway; UN Women; Global Fund; International Monetary Fund; Kuwait |
| 4-14 | Global Alliance for Vaccines and Immunization; Netherlands; Spain; UNAIDS; Belgium; International Labour Organisation; Italy; China; Islamic Development Bank; Finland; UNESCO; United Nations Industrial Development Organization; Austria; Global Environment Facility; Inter-American Development Bank; Ireland; Luxembourg; UNEP; Arab Bank for Economic Development in Africa; UNODC; Chinese Taipei; UN Habitat; UNHCR; United Arab Emirates; BOAD; Development Bank of Latin America (CAF); European Bank for Reconstruction and Development; India; SFD; UN AGENCIES; United Nations Office for Project Services |
| 3 or less | Czech Republic; Organization of American States; South Pacific Community; Saudi Arabia; Turkey; UN Peacebuilding Fund; Adaptation Fund; African Capacity Building Foundation; Arab Fund; BIDC; ECOWAS; International Atomic Energy Agency; Lithuania; Portugal; South Pacific Regional Environment Program; UNCDF; African Union; Aga Khan Development Network; Angola; Bill & Melinda Gates Foundation; Brazil; Caribbean Development Bank; Carter Center; Central American Bank for Economic Integration; Christoffel Blindenmission; Colombia; Congo; Council of Europe Development Bank; El Salvador; Equatorial Guinea; European Investment Bank; Forum Fisheries Agencies; Gabon; Heinrich Boll Foundation; Iceland; International Finance Corporation; International Tropical Timber Organization; Iran; Iraq; IUCN; Mexico; Monaco; Morocco; Nordic Development Fund; OEI; Pacific Environment Community Fund; Pacific Regional Infrastructure Facility; Panama; Papua New Guinea; Romania; Rosebud Trust; Deakin; Russia; SAARC Development Fund; Slovak Republic; Slovenia; Southern African Development Community; UEMOA; UN CERF; UN Joint Programme on Local Governance; UN Mine Action Service; UN Volunteers; UNCTAD; UNECE; UNOCI |

Note: Development partners were sorted by number of participating countries that reported on their program.



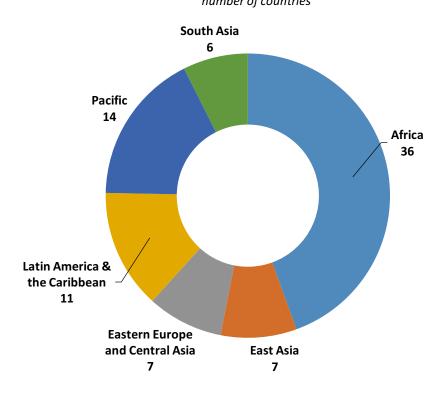


ANNEX B. Participating countries and territories by region

| Region | Reporting countries and territories |
|------------------------------------|---|
| Africa | Angola; Benin; Burkina Faso; Burundi; Cameroon; Central African Republic; Chad; Comoros; Congo; Côte d'Ivoire; Democratic Republic of the Congo; Egypt; Ethiopia; Gabon; Gambia; Guinea; Kenya; Liberia; Madagascar; Malawi; Mali; Mauritania; Mozambique; Niger; Nigeria; Rwanda; Sao Tome and Principe; Senegal; Sierra Leone; Somalia; South Sudan; Sudan; Tanzania; Togo; Uganda; Zimbabwe. |
| East Asia | Cambodia; Lao People's Democratic Republic; Mongolia; Myanmar; Philippines; Timor-Leste; Vietnam. |
| Eastern Europe and Central Asia | Albania; Armenia; Belarus; Kosovo*; Kyrgyzstan; Moldova; Tajikistan. |
| Latin America & the Caribbean | Bolivia; Colombia; Costa Rica; Dominican Republic; El Salvador; Guatemala; Honduras; Paraguay; Peru; Saint Vincent and the Grenadines; Uruguay. |
| Pacific | Cook Islands; Fiji; Kiribati; Marshall Islands; Micronesia; Nauru; Niue; Palau; Papua New Guinea; Samoa; Solomon Islands; Tonga; Tuvalu; Vanuatu. |
| South Asia | Afghanistan; Bangladesh; Bhutan; Nepal; Pakistan; Yemen. |

^{*} This document or any map included in the herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

Reporting countries by region number of countries



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