OCTOBER 2020 SELF-REFLECTION GUIDE

Global Partnership Monitoring:

Drivers of results and questions for self-reflection for partner country governments on their performance



for Effective Development Co-operation

This guidance note was prepared by the <u>OECD-UNDP Joint Support Team</u>. It has also benefited from the significant comments and contributions of colleagues from UNDP Somalia, UNDP Nepal and UNWOMEN: Pau Blanquer, Piper Hart, Zohra Khan and Katherine Gifford. We gratefully acknowledge their time and contributions in improving this document.

How can reflection on your monitoring results help to translate evidence into action?

The <u>monitoring exercise</u> of the <u>Global Partnership</u> for <u>Effective Development Co-operation</u> (Global Partnership) provides evidence on progress in implementing effective development co-operation commitments; supports mutual accountability among all development partners; tracks country-level progress in implementing the four internationally-agreed <u>effective development</u> <u>co-operation principles</u> and <u>informs the SDG processes</u>.

As recognised in the <u>2020-2022 Global Partnership Work Programme</u>, achieving the Sustainable Development Goals, amidst the COVID-19 crisis, will require a global response guided by effective co-operation and partnerships. Improving how we partner and work together and taking data-driven action on the basis of the monitoring evidence is vital to inform global recovery and to reach those most in need.

Several Global Partnership stakeholders have been reflecting and acting on their monitoring results. In order to strengthen and support these ongoing efforts, stakeholders have access to **Tools** to guide self-reflection and subsequent action on monitoring results most relevant to them. This self-reflection guide for partner country governments is a key component of these tools. Furthermore, to ensure that country-level action is informed by the most pressing issues concerning the effectiveness of development co-operation in individual country contexts, stakeholders can participate in the <u>Action Dialogues (2021)</u>. These multi-stakeholder dialogues will be led by partner countries at the country-level in collaboration with their stakeholders and partners. The Action Dialogues aim to stimulate in-country reflection and dialogue on key effectiveness challenges and facilitate concrete action on monitoring evidence, and encourage behaviour change. Participation in previous monitoring rounds is not a prerequisite for participation in these multi-stakeholder dialogue initiatives.

The reform of the Global Partnership monitoring exercise is currently underway. A new monitoring proposal will be submitted for endorsement at HLM3 in 2022. Action on results and multi-stakeholder dialogues, during this reform will enable engaged stakeholders to inform how the future monitoring exercise could produce results that are more actionable.

Facilitating the use of monitoring results also provides an opportunity for renewed focus on the 'unfinished business' of the effectiveness agenda. Dedicated efforts to address monitoring evidence in a particular country or context may offer an updated perspective on which aspects remain most relevant.

What support from the Joint Support Team?

The Joint Support Team (JST) of the Global Partnership can provide support to stakeholders in using the Tools and in exploring the Country-level Action through Dialogues initiatives. All stakeholders are encouraged to approach the <u>Joint Support Team Helpdesk Support</u> for such assistance.

The JST can also assist with packaging monitoring results for consultations, multi-stakeholder and constituency-based dialogues, reports, international fora and events, as well as preparing inputs for Voluntary National Reviews (VNRs) for SDG targets reported on through the monitoring exercise.

¹ Note: The term 'unfinished business' is generally used to refer to those indicators in the current monitoring framework which refer to commitments made prior to the 4th High Level Forum on Aid Effectiveness in 2011.

Using county data for peer learning and knowledge sharing: What action has already been taken on your results?

To facilitate peer learning, exchange of good practices across stakeholders and countries and to highlight your country's good practices, the JST would appreciate notification of past, ongoing or planned efforts to reflect on and take action on monitoring results (e.g. past or planned workshops or dialogue events, commissioned reports on results, internal analysis and reflections, initiatives to disseminate results). Please let us know by writing to us at monitoring@effectivecooperation.org.

About this document

This document provides guidance to partner country governments on how to interpret and reflect on their own Global Partnership monitoring results. Recognising the diversity across partner countries, this guidance provides broad questions, intended to be helpful to all <u>partner countries which participated in the 2018 Monitoring Round</u>, to reflect on their results through the lens of their own country context and development co-operation landscape. The tools provided by this document are also useful for countries that have not participated in the last monitoring round but may wish to strengthen accountability on effective development co-operation through evidence-based multi-stakeholder dialogue.

The first part (Section 1.1) focuses on those monitoring indicators for which partner country governments can most directly influence results through their policies and practices and/or those indicators, which reflect specific commitments made by partner country governments. This is followed by Section 1.2, which looks at indicators for which *development partners'* policies and practices are the main driver of results, but for which partner country governments have a role to play in holding development partners to account as well as for, to some degree, in contributing to the enabling conditions for development partners to meet their commitments. This guidance note was developed for use in conjunction with the online data tool, *Partner Country [PC] Data Profile Tool* which generates an individual country-specific data profile and allows for comparison with other country contexts and global averages. This document provides a summary of factors that could influence performance on effectiveness and, for the indicators in section 1.1, proposes questions to self-assess whether current policies and practices may be contributing to or inhibiting effective development co-operation.

Global-level analysis of the monitoring results is contained in the Global Partnership 2018 <u>Progress Report</u>. Country profiles provide the specific country-level monitoring results and are available here.

Understanding your monitoring results

1. Reflections on monitoring indicators to <u>strengthen national development cooperation policies, co-ordination and dialogue mechanisms</u>

<u>Indicator 1b: Countries strengthen their national results frameworks</u>

Measures whether countries are setting national results frameworks that determine the goals and priorities of their own development, and putting in place mechanisms to ensure that these results are monitored and achieved².

Why is this important?

National, country-led results frameworks define the government's approach to setting development priorities and results. County leadership in establishing and defining its own results framework(s), including any related monitoring and evaluation system, contributes to greater ownership of its development path and a general orientation towards development results. This also helps to engage the full range of national development actors - including civil society, private sector, parliamentarians and local governments - in defining national priorities. Better development plans with strengthened accountability; enable better engagement and use of these results frameworks by development partners.

Further information on the indicator, how it is constructed and other key definitions can be found in the $\underline{2018}$ Monitoring Guide (pages 29 - 34).

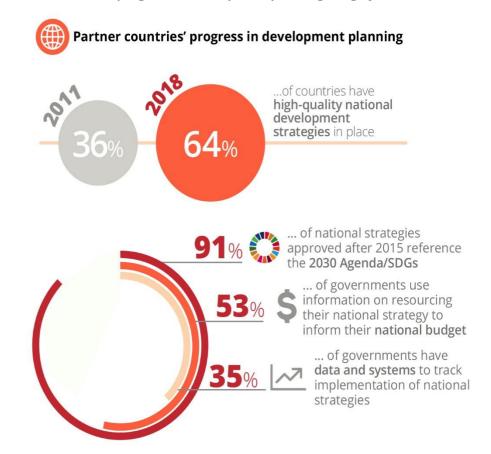
This indicator is calculated on the basis of four broad criteria, each of which have related sub-elements:

- 1b.1: Setting transparent, country-led results frameworks
 Whether results frameworks exist, are developed in an inclusive manner, and are transparent to the
 public
- 2) 1b.2: Prioritising development results
 Whether results frameworks define priorities, targets, and indicators; incorporate SDGs; and inform sector and subnational priorities
- 3) 1b.3: Monitoring results at country level Whether results frameworks are monitored regularly and transparently; through whole-of-government engagement; and rely on government's own systems and data to monitor progress
- 4) 1b.4: Using the results information

 Whether results frameworks inform budgeting and guide priorities in development co-operation

² Indicators 1a and 1b of the Global Partnership monitoring framework track stakeholders' progress on "focus on results" and "country ownership", two of the four internationally-agreed development effectiveness principles. Indicator 1b assesses whether national results frameworks are in place in partner countries to define and track the country's development priorities, targets and results. Reciprocally, Indicator 1a assesses the alignment of development partners with these country-defined frameworks and overall development objectives and results, including their reliance on countries' own statistics and monitoring systems to track progress. This relationship between the indicators' assessment of both partner country and development partner behaviour, necessitates that progress made by one is mirrored in the actions of the other.

Figure 1: Partner countries' progress in development planning is significant



What can influence results on the above indicator?

Putting in place country results frameworks and taking a comprehensive approach to improving the entire cycle of development planning and results-based management. As shown in Figure 1, the 2018 monitoring results revealed that, on the whole, partner country governments have invested in improving the quality of their national development strategies. Analysis from the 2018 round also showed that such strategies increasingly have a clear results orientation and that stronger alignment is being forged between national strategies and sector and/or subnational strategies. However, most countries need to improve linkages between planning and the resources for implementation, as well as invest in national statistical systems to monitor implementation.

- 1. Do your country's results mirror or diverge from global trends (can be found using this tool) that show countries are strongest in the planning stages? Based on your country's individual results, which areas covered by this indicator need the biggest investments and more focused attention?
- 2. Does your country have a country-led results framework (CRF)? If so, does it include priorities, targets and indicators and were these developed using good practices of results-based management?
- 3. To what extent is there a system in place to monitoring the implementation of results frameworks? What efforts are underway to strengthen such monitoring systems?
- 4. To what extent do CRFs/national development strategies take into account resource availability and in turn inform budgeting processes?

- 5. Do your dialogues with development partners encourage them to support not only development planning, but also national statistical systems? Do development partners have access to draw on nationally-generated (government) data? Does the government collaborate with development partners and other actors in an effort to fill its own data gaps?
- 6. Are there official guidelines/standard operating procedures to guide the development of national strategies and results frameworks? If so, does it provide guidance on the engagement of various actors and which stakeholders are referenced?

Embedding the SDGs into national results frameworks. Embedding SDG targets and indicators into national strategies and results frameworks can provide the basis for a country's SDG implementation roadmap and can also be used as a shared results framework between partner countries and development partners. The processes and dialogues for this also offers a concrete basis for bringing together relevant stakeholders at the country level for more inclusive partnerships and collaboration to accelerate SDG-related implementation.

- 1. What constraints have you faced in your efforts to embed SDGs into your national development strategies, policies and results frameworks (including at the level of targets and indicators), and are they more technical (capacity, cost implications) or political (overall leadership and commitment)?
- 2. Have your dialogue and engagement practices with development partners drawn on the SDGs as a potential shared framework for results? Does your government require or encourage development partners to align their programmes (including results and resources frameworks) in your country to SDG targets and indicators?

Indicator 7: Mutual accountability mechanisms

Measures whether mutual assessment reviews of development co-operation commitments take place at the country level.

Why is this important?

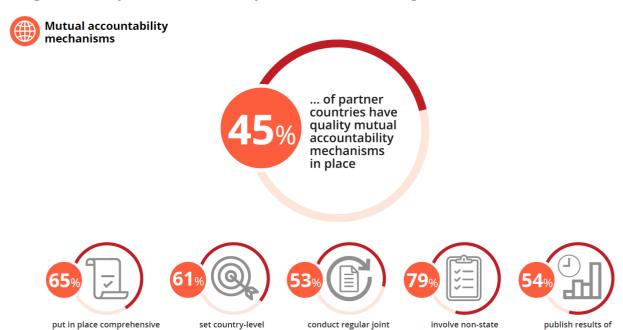
Development impact is enhanced when all parties are mutually accountable and take responsibility for delivering on their respective commitments and contributions. Strong mutual accountability and multi-stakeholder dialogue mechanisms can help accelerate progress on the SDGs.

Further information on the indicator, how it is constructed and other key definitions can be found in the $\underline{2018}$ Monitoring Guide (pages 38 - 40).

A country is considered to have quality mutual accountability mechanisms in place when at least four of five key elements are present:

- 1) A policy framework that defines the country's development co-operation priorities
- 2) Targets for the country and its development partners
- 3) Regular joint assessments of those targets
- 4) Active involvement of other stakeholders; and
- 5) Public availability of the results of those reviews

Figure 2: Quality mutual accountability mechanisms are evolving



effectiveness targets

policies for development

co-operation

What can influence results on the above indicator (individual components)?

Policy framework for development co-operation. A common policy framework enables effective development co-operation and improves results by reducing the risk of duplication and fragmentation. It identifies the vision and objectives for development co-operation in the country, the roles and responsibilities of different actors, and the mechanisms to support mutual accountability. It can take the form of a national development co-operation policy, but may also be embedded in a national development strategy.

assessments

actors in assessments

assessments

- 1. If your country does not have a policy framework for development co-operation, what are the bottlenecks or constraints to formulating such a policy? If such a policy framework exists, does it define the roles and responsibilities of all official development partners and other development stakeholders?
- 2. Whether your country has a standalone policy or is it embedded in broader national development strategy, was the policy framework approved by parliament or another legislative body? How is accountability for the implementation of the policy defined and enforced?
- 3. To what extent is it comprehensive by covering multiple types of development finance (beyond ODA), considering, for example, not only quantitative targets for mobilisation but also the policy and institutional architecture that needs to be in place for partnerships with the various development actors to be effective so that diverse types of resources are used to their respective comparative advantage?

Country-level targets. Targets are critical to track each stakeholder's progress on effective development cooperation commitments. However, fewer partner countries (61%) had established targets for both the government and their development partners, a decline from 2016, when 77% of partner countries had such targets in place.

- 1. If your government has not set clear and specific targets for effective development co-operation for itself and its development partners, what are the constraints to doing so?
- 2. If your government set clear and specific targets for effective development co-operation for itself and its development partners, do the targets provide the basis for assessing each party's performance in implementing their effectiveness commitments drawn from international agreed commitments? Have they been established jointly with relevant development stakeholders and through national processes?
- 3. How specific are the targets in terms of covering different types of development co-operation and a wide range of actors?

Regular mutual assessments of progress. Regular assessments, held as part of national development planning and co-ordination processes, are critical to track progress on country-level targets for effective development co-operation. These mutual assessments can also contribute to SDG reporting. Results from the 2018 monitoring round found that such assessments contribute to domestic reporting on the SDGs in 67% of partner countries, with about half of partner countries using the assessments to inform Voluntary National Reviews (VNRs)³.

- 1. If your government leads regular (at least every two years) mutual assessments towards the targets, to what extent are they part of the broader institutional development planning and assessment processes, and/or foreseen by policy? Are they undertaken jointly by the government and development partners at a senior level? Are the results fed into evaluation and learning processes, to inform future planning? What actions were taken in response to these assessments, and can you point to any improvements?
- 2. Do you see an opportunity for joint assessments of progress on effective development co-operation commitments to contribute to your country's domestic SDG reporting and/or VNR processes? Why or why not?

Inclusive assessments. Mutual assessment reviews of development co-operation commitments incentivise synergies among development stakeholders as well as knowledge sharing and peer learning to inform action towards improved co-operation.

- 1. Is national government and all official development partners involved in assessments of progress towards effective development co-operation and multi-stakeholder dialogues on the same? If some official development partners are not included, is that due to a decision by the government (if so, why), or have they chosen not to participate (and why)? Is it foreseen by policy that different actors need to be engaged in these assessments?
- 2. To what extent are other actors involved in joint assessments/multi-stakeholder dialogues on effective development co-operation?

³ <u>Voluntary National Reviews</u> (VNR) are a process through which countries assess and present progress made in achieving the <u>Sustainable Development Goals</u> and the pledge to leave no one behind. The purpose of these reviews are to present a snapshot of where the country stands in SDG implementation, with a view to help accelerate progress through experience sharing, peer-learning, identifying gaps and good practices, and mobilizing partnerships. In 2020, 51 countries have signed up to conduct a VNR review.

3. To what extent are existing dialogue platforms used for these mutual assessments of development co-operation commitments?

Publicly available results of assessments. Transparency is critical for building trust and strengthening accountability, and providing information publicly increases expectations for continuous improvements. Partner countries are increasingly providing timely, public information about the results of mutual assessments. According to the results of the latest monitoring round, some partner countries use their information management systems to this end.

- 1. How often does your government make available the results of such assessments? Through which channels are they made available, and do these channels facilitate easy access by the public to ensure transparency? Is there an institutionalised process for making results publicly available, and does it specify the timeframe for sharing results?
- 2. Do you see an opportunity to utilise information management system(s) to support the tracking of mutual assessments and dissemination of their results?

SDG Indicator 5.c.1 (Indicator 8): Systems to track public allocations for gender equality and women's empowerment

Monitors the proportion of countries with systems to track and make public allocations for gender equality and women's empowerment (GEWE). Indicator 8 is the source of reporting against SDG target 5c.

Why is this important?

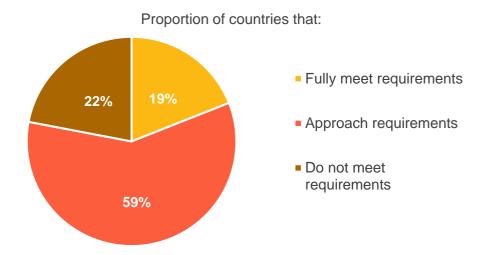
This indicator highlights the importance of establishing a policy framework with clear gender equality objectives; allocating in support of policy commitments; a system to track these resource allocations; and a mechanism to follow through to execution and impact. It also emphasises the importance of making the data publicly available. These elements are key for a sound, gender responsive public financial management (PFM) system. By tracking and making public allocations for gender equality and women's empowerment, governments promote greater transparency and drive accountability. Tracking budget allocations with a gender perspective also makes it possible to apply a gender lens to development co-operation funds channelled through national budgets. The monitoring of this indicator provides evidence of national efforts to strengthen the links between budgetary decisions and implementation of gender responsive legislative and policy commitments.

Further information on the indicator, how it is constructed and other key definitions can be found in the 2018 Monitoring Guide (pages 41-45).

A country is considered to have a system to track and make public allocations for GEWE when it meets all three criteria, for which the Global Partnership collects data:

- Criterion 1: if a country has well-identified gender-responsive policies/programs, including in areas where gender equality is not the primary objective, and corresponding resource allocations to support implementation
- 2) Criterion 2: if a government has mechanisms to track resource allocations for GEWE throughout the public financial management cycle
- 3) Criterion 3: if a government has made information publicly available on allocations for GEWE in a timely and accessible manner

Figure 3: Status of partner country governments' national systems to track and make public gender-related allocations



What can influence results on the above indicator?

This indicator is constructed through the above three criteria; each criterion is assessed through a set of questions. There is a threshold level of 'yes' responses required to meet each criterion. Respondents to the questionnaire need to have an understanding of national budgeting systems and efforts to integrate gender equality into these. The primary data holders are ministries of finance and a multi-stakeholder dialogue, including national gender machineries/national statistical offices, is encouraged. In addition, the following broader factors and guiding questions can be considered:

Political/senior leadership and commitment to GEWE. Nearly all partner countries (90%) have policies or programmes in place to address gender-equality goals (Vähämäki and Verger, 2019). Yet fewer than half (43%) report allocation of adequate resources for gender-equality activities. Ensuring not only strong policy frameworks but also the necessary resources for implementation will be aided by visible political and senior leadership to meet GEWE goals, setting the stage for a cascading effect through the various technical systems and institutional mechanisms.

- 1. To what extent do GEWE commitments by senior political leaders address the need for adequate resources to support action?
- 2. Do political/senior leaders in the ministry of finance demonstrate commitment to gender responsive policies and resource allocations?
- 3. Are there policies and accountability mechanisms at the senior level across government ministries to implement GEWE policies?
- 4. To what extent are existing mechanisms and forums for dialogue on GEWE policy implementation adequate in holding national leaders to account? Do these include multiple stakeholders, such as parliaments, civil society and others?

A mainstreaming approach. Responses from partner countries to the 2018 monitoring round showed that countries that do well in areas related to gender equality do not take a standalone approach, but rather a mainstreaming one to integrate gender in each step of their budget planning, execution and reporting processes.

- 1. To what extent does your government take a comprehensive approach to integrate gender equality throughout the budgeting and PFM processes?
- 2. Is there specific guidance and capacity strengthening support provided to officials involved in PFM processes (across sectors, ministries, national/sub-national levels of administration)?
- 3. Are efforts to improve GEWE throughout the budget cycle part of your country's broader reform efforts with regard to PFM systems?

Data transparency. The transparency of fiscal data is an essential part of monitoring policy implementation, supporting stronger systems of accountability. However, 42% of reporting countries indicated that they do not make financial allocations for gender equality publicly available in a timely and accessible way.

- 1. To what extent does your government make information on budget allocations and expenditures for gender equality available through websites, citizen reporting and/or public budget reports?
- 2. When publicly available, are there mechanisms or forums for scrutiny and feedback on the allocations and expenditures for gender equality?
- 3. Are efforts underway to strengthen the timeliness and accessibility of public budget data, including allocations and expenditures for gender equality and women's empowerment?

Indicator 9a: Quality of countries' PFM systems

Assesses improvement in key aspects of a country's PFM systems by using selected dimensions of the Public Expenditure and Financial Accountability $(PEFA)^4$ assessment

Why is this important?

Achievement of national, regional, and global development goals is contingent on country leadership in the implementation of development efforts. Government systems able to manage resources effectively and efficiently help ensure greater development effectiveness. The strength of a partner country's PFM systems is also expected to be a relevant factor in development partners' use of country systems.

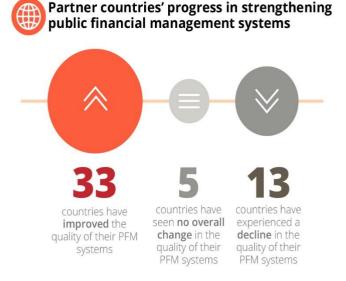
Further information on the indicator, how it is constructed and other key definitions can be found in the 2018 Monitoring Guide (pages 79-81).

This indicator is composed of the following nine PEFA dimensions, with the score of a country (progress, decline or no change) calculated using the two most recent PEFA assessments:

Budget	Aggregate expenditure outturn
	Expenditure composition outturn by function
	Budget classification
	Public access to fiscal information
	Timing of legislative budget approval
Procurement	Procurement methods
Audit	Coverage of internal audit
	Audit coverage and standards (external)
Financial reporting	Completeness of annual financial reports

⁴ Public Expenditure and Financial Accountability Framework (https://www.pefa.org/about).

Figure 4: Progress in strengthening public financial management systems



What can influence results on the above indicator?

Technical factors. The PEFA assessments which are the basis for Global Partnership reporting on this indicator are structured in a way that assesses specific stages and technical areas of countries' PFM systems and processes. Global Partnerships analysis of aggregate results did identify trends across participating partner countries, such as the fact that on the whole partner countries are making the most notable progress in budget planning, but that gains are less apparent in budget execution and reporting. However, the detailed PEFA reports specific to your country should be utilised to identify your own country's most significant PFM weaknesses, enabling a targeted focus on reforms to those areas. There is a significant body of global technical resources⁵ available on different aspects of PFM which can be drawn on and adapted to individual countries.

- 1. How recent is your country's PEFA assessment? Has your country's government reviewed its own PEFA results? Have existing national PFM reform programmes been adapted to reflect PEFA assessment findings? Is the regular renewal of PEFA assessments foreseen by policy?
- 2. If your country has a PFM reform programme, is it multi-sector and integrated as a key part of overall SDG implementation plans and national strategies? Does your country's development co-operation structures, dialogues and policies forge linkages between effectiveness and progress on improving PFM systems, also bringing together the effectiveness and PFM "communities"?

Country context. While PFM reforms need to take into account technical aspects of relevant systems, processes, and policies, experience has also shown that strictly technical solutions may not achieve desired results if local political and administrative contexts are not adequately taken into account (CABRI, n.d.).

1. To what extent are your country's PFM reform efforts tailored to local contextual challenges? Do reform strategies pursue technical reform measures alongside investment in change management and capacity/institutional development?

⁵ For example, technical resources on budget processes and PFM can be found on the websites of the World Bank, Public Expenditure and Financial Accountability (PEFA), Collaborative Africa Budget Reform Initiative (CABRI), and the International Budget Partnership.

- 2. Where PFM reforms have not yielded expected results, to what extent is there a robust review process to identify both technical and non-technical causal factors and adapt approaches in turn?
- 2. Understanding your monitoring results: reflections on monitoring indicators to hold development partners accountable to ensure commitments are met with action

Country ownership and use of country systems

SDG 17.15.1: Extent of use of country-owned results frameworks and planning tools by providers of development co-operation

Why is this important?

The extent to which development partners guide their development efforts in line with country-owned priorities and development results is a critical aspect of country ownership and results focus. Furthermore, the Global Partnership assessment of use of country-owned results frameworks and planning tools is recognised by the UN Statistical Commission as a measure of progress towards SDG Target 17.15 on respect for partner countries' policy space and leadership to establish and implement policies for poverty eradication and sustainable development.

Further information on the indicator, how it is constructed and other key definitions can be found in the 2018 Monitoring Guide (pages 46-52).

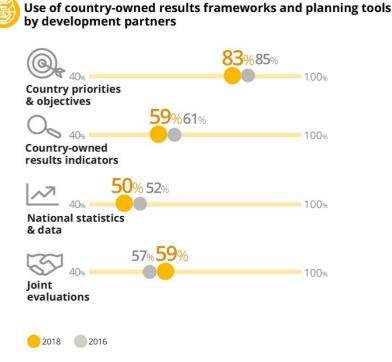
This indicator measures the extent to which, and the ways in which, all concerned development partners use country-led results frameworks to plan development cooperation efforts and assess their performance. SDG indicator 17.15.1 is an average of three Global Partnership indicators:

- 1) 1a.1: Alignment to country priorities and objectives
- 2) 1a.2: Use of country-owned results indicators
- 3) 1a.3: <u>Use of government statistics and data</u>

In addition to the above, the Global Partnership monitoring also collects data on:

Indicator 1a.4: Government involvement in final evaluation

Figure 5: Alignment to country objectives, use of results indicators, national statistics and data and involvement of governments in project evaluations



What can influence results on the above indicator?

Partner country context. There is a logical correlation between the availability/strength of partner country results frameworks and the expectation that development partners align their programmes with them. However, partner countries can take action to encourage development partners to align with their national strategies by considering a range of different entry points for interaction and dialogue. These include, for example, not only national strategies and results frameworks but also sector-level coordination and planning; joint cooperation strategies; and programme/project planning and approval processes.

Corporate requirements and practices of development partners. The degree to which development partners align with national result frameworks is also a function of their internal practices, including whether they have robust internal results-based management (RBM) practices. Analysis from the 2018 monitoring round also found that when development partners have a country strategy in place and there is closer alignment of development partners' country strategies with partner countries' results frameworks, this often translates into better alignment also at the level of projects.

Strengthening monitoring and evaluation systems and existing statistical systems. The need to use and strengthen national statistical systems is a shared and interlinked challenge for partner countries and their development partners. Two-thirds of partner countries reported in 2018 that they lack national statistical capacity to track implementation of the national development strategy. Alongside partner country efforts to strengthen statistical capacity and national monitoring and evaluation systems, development partners can play an important role in strengthening statistical systems by using them.

Predictability and forward planning

Indicators 5a and 5b: Annual and medium-term predictability

Indicator 5a assesses annual predictability of development co-operation, by measuring the proportion of development co-operation that was disbursed as scheduled by development partners at the beginning of the year.

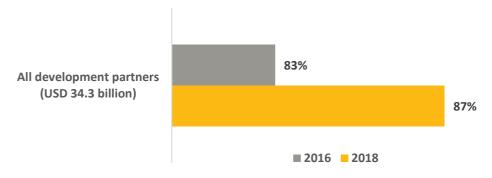
Indicator 5b measures medium-term predictability of development co-operation, by assessing whether development partners have shared forward – looking plans with partner governments. These plans must include indicative annual amounts of development co-operation support to be provided over 1-3 years.

Why is this important?

Unpredictable development co-operation has a negative impact on the management of public finance and undermines efforts by partner countries and development partners to achieve development results (Mokoro Ltd, 2011). Medium-term predictability is a requirement of effective development planning. When development partners share forward expenditure plans on development co-operation with partner country governments, this information can be used for effective planning of medium-term policies and programmes and in the formulation of national budgets that are subject to parliamentary oversight. Including development co-operation funding in partner country budgets helps to align these resources with partner country priorities, contributes to strengthening domestic budgetary processes and institutions, and strengthens domestic oversight of development resources (CABRI, 2008).

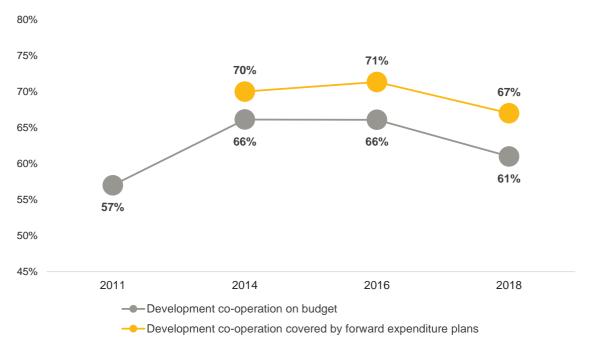
Further information on these indicators, how they are constructed and other key definitions can be found in the 2018 Monitoring Guide (Indicator 5a pages 53 – 55; Indicator 5b pages 35-37).

Figure 6. Share of development co-operation disbursed within the same year for which it was scheduled to be disbursed



Source: Making Development Co-operation More Effective: 2019 Progress Report

Figure 7. Shares of development co-operation covered by forward expenditures plans and recorded on national budgets



Indicator 6: development co-operation on budget

Assesses the share of development co-operation funds scheduled for disbursement by development partners that is recorded in the annual budgets of partner countries and submitted for legislative approval.

Why is this important?

Including development co-operation funding in partner country budgets helps to align these resources with partner country priorities, contributes to strengthening domestic budgetary processes and institutions, and strengthens domestic oversight of development resources (CABRI, 2008). Both underestimated and overestimated development co-operation funding on national budgets weaken the ability of government to account effectively for development co-operation to their domestic stakeholders.

Further information on the indicator, how it is constructed and other key definitions can be found in the 2018 Monitoring Guide (pages 56-57).

What can influence results on the above indicator?

Establishing relationships between a development partner and a partner country. Analysis of 2018 monitoring data shows that more forward expenditure plans are made available to partner countries where development partners have a country strategy in place, or where a higher share of development co-operation is disbursed directly to the public sector. In those cases, there is a greater likelihood that the development partner shares medium-term projections with the partner country on a regular basis.

Enabling factors in partner countries. Policies and systems that are in place in partner countries can influence the degree to which development partners are incentivised and supported to make their forward spending plans available, which positively influences Indicator 6 results. Partner country governments can take steps to facilitate development partners' efforts in this regard, such as by providing clear guidance on relevant

national systems and processes, and providing systems to do so. For example, the 2018 monitoring results found that a higher share of development co-operation is recorded on the national budget in countries that have an aid information management system (UN, 2018).

Technical and structural factors in development agencies. Previous research (OECD, 2011a; OECD- UNDP 2016 and 2018) found that the adoption of certain structures and processes, such as longer-term development co-operation instruments and country partnerships and structures— resulted in increased predictability. Furthermore, shorter-term and fragmented country programming was found to inhibit predictable behaviour (Canavire-Bacarreza, Neumayer and Nunnenkamp, 2015). Engaging in dialogue with development partners about their own corporate practices and any flexibility therein to adapt to partner country systems can help improve predictability and bring a greater share of co-operation on budget.

<u>Indicator 9b: Development partners use public financial management systems (PFM systems) to deliver development co-operation</u>

Share of development co-operation disbursed to the public sector that used PFM systems

Why is this important?

When partner countries' own procedures and systems are used in the delivery of development co-operation, there is a potential pay-off of increased investment in strengthening these systems, coupled with improved efficiency and ownership of the development programmes delivered. The use of country systems allows development programmes to be better integrated with countries' own expenditures, reducing duplication of effort and increasing the leveraging effect of development co-operation resources and the sustainability of activities and results.

Further information on the indicator, how it is constructed and other key definitions can be found in the 2018 Monitoring Guide (pages 58-61).

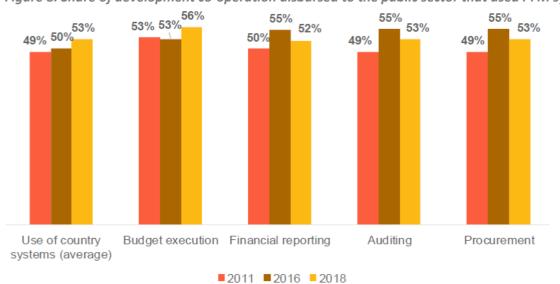


Figure 8. Share of development co-operation disbursed to the public sector that used PFM systems

Source: Making Development Co-operation More Effective: 2019 Progress Report

What can influence results on the above indicator?

Partner country characteristics. Past analysis (OECD/UNDP, 2016), indicates that to some extent development partners' decisions to use country systems were affected by the quality of a country's budgetary and public financial management. In addition to efforts to strengthen their domestic systems, partner countries can also encourage their use by development partners through complementary means. For example, some partner countries have made a concerted effort to provide guidance to development partners on how their systems work.

Strong partnerships between partner country governments and development partners. The 2018 monitoring results show that a partner country government's relationship with a development partner is a strong determinant of the use of country PFM systems and that development partners that have increased their funding to the public sector have also increased their use of PFM systems between 2016 and 2018. Furthermore, data from the 2018 Monitoring Round suggests a positive correlation between the length of time that a development partner engages in a country and the likelihood it uses its PFM systems. In addition, some development partners have internal guidance and corporate policies which impacts on the degree to which they use partner country PFM systems and it can be useful to explore this as part of dialogue with development partners on use of country systems.

Untied aid

<u>Indicator 10: Untied aid</u> [the commitment to untying of ODA applies only to DAC members, and applies to LDCs and some other partner countries; see OECD, 2019b]

Proportion of ODA with no attached condition for aid to be used to procure goods or services from the provider country

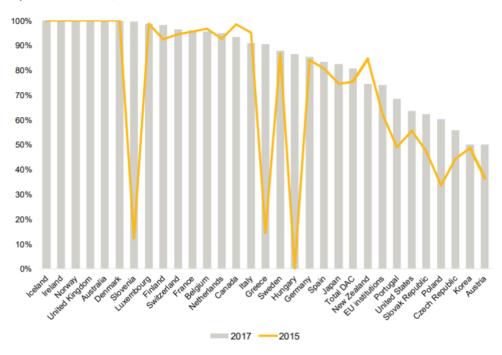
Why is this important?

Untying ODA increases the effective use of funds in terms of value for money and promotes partner country ownership and alignment, as this gives the recipient of the funds the freedom to procure goods and services from anywhere in the world, including from domestic stakeholders (OECD, 2019a).

Further information on the indicator, how it is constructed and other key definitions can be found in the 2018 Monitoring Guide (pages 82-83).

Figure 9: Proportion of untied aid among DAC members

Proportion of untied ODA, 2015-17



Source: Making Development Co-operation More Effective: 2019 Progress Report

What can influence results on the above indicator?

Procurement policies and practices of both development partners and partner country governments. Progress on untying is to some extent a result of development partners' corporate procurement policies and procedures. However, partner countries can promote untying through their efforts to strengthen procurement systems through policies and practices that incentivise development partners to procure ODA-funded goods and services by contracting partner country companies and individuals.

Transparency of development co-operation

Indicator 4. Transparent information on development co-operation is publicly available.

The indicator measures whether information on development co-operation has been made publicly available at the global level. It is based on three different systems and standards that provide online data on development cooperation - the OECD-DAC Creditor Reporting System (CRS), the OECD DAC Forward Spending Survey (FSS), and the International Aid Transparency Initiative standard (IATI).

Why is this important?

The availability of information on resources provided through development co-operation is vital to enhance the impact of development co-operation and to enable the participation of citizens in the long-term development of the country. Accessibility of this information at country level is also important. Governments who have access to information on development co-operation can use this for development planning, budgeting, execution, and monitoring and evaluation.

Further information on the indicator, how it is constructed and other key definitions can be found in the $\underline{2018}$ Monitoring Guide (pages 74 – 78).

Indicator 4 is composed of two elements. A global element presents the performance of each development partner in reporting to three channels: the OECD DAC Creditor Reporting System (CRS), the OECD DAC Forward Spending Survey (FSS), and the International Aid Transparency Initiative (IATI) Standard. A complementary element, for which results are shown in the Partner Country Data Tool, looks at the extent to which information on development co-operation is captured in partner countries' information management systems. The result shown is the percentage of development partners providing development co-operation that are included in the government's management information system or other data management tools.

What can influence results on the complementary element of the above indicator?

Technical characteristics and user friendliness of partner country information management processes and systems. The degree to which development partners provide the required up-to-date information to these systems will vary depending on the way the system is set up, the technical support available, and overall efforts by the government agencies in charge of the systems to facilitate and reduce the burden of reporting.

Use of the data for decision-making, co-ordination and accountability. At the same time, the ultimate purpose of such information management systems is that the data is analysed and used, both for decision making by governments but also to serve broader accountability purposes of citizens having access to information on development co-operation resources provided by development partners. Providers will be more incentivised to report fully and regularly to such systems when there is evidence of the use of data they provide.

Understanding your monitoring results: reflections on indicators 2 and 3

The Partner Country Data Tool also provides your country's results on Indicator 2 and 3. Indicator 2 measures the extent to which governments and development partners contribute to an enabling environment for CSOs and the extent to which CSOs are implementing the development effectiveness principles in their own operations. A separate <u>self-assessment guide</u> has been developed and includes reflection questions for partner country governments to guide their action to enhance dialogue and collaboration with civil society. Indicator 3 measures the quality of public-private dialogue and whether the basic conditions for dialogue are in place in the country. Similarly, a separate <u>self-assessment guide</u>, which includes attention to the role of partner country governments, is available.

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