

**ANNEX 6.      REPORTING ON THE POLICY OBJECTIVES OF AID [see  
DCD/DAC/STAT(97)1]**

*The DAC policy marker system*

1.        The marker system facilitates monitoring and co-ordination of Members' activities in support of the DAC policy objectives for the 21<sup>st</sup> century. These cover the areas of economic well-being, social development, environment sustainability and regeneration and democratic accountability, protection of human rights and the rule of law.
2.        Some of the DAC goals are clearly sector-focused (e.g. universal primary education, reduction of maternal mortality rate), and the CRS sector classification gives the necessary detail to collect data on aid activities in these fields. Certain aspects of environmental sustainability can likewise be captured through purpose codes (e.g. specific activities for environmental policy and planning, biosphere protection, biodiversity conservation and hazardous waste management). However, activities across all economic sectors can be targeted to environmental sustainability. Poverty reduction or gender equality measures are applied in various sectors. To identify these activities, the following markers have been defined: gender equality incorporating women in development (WID), aid to environment, direct assistance to poor people, and participatory development/good governance (PD/GG).
3.        Policy marker data are **descriptive** rather than quantitative. The system allows for the identification of activities targeted to a policy objective. It gives information on the degree to which Members implement the agreed policies in their aid programmes.

*Reporting directives*

4.        Data collection on the policy objectives of aid is based on a marking system with three values:
  - principal objective;
  - significant objective;
  - not targeted to the policy objective.
5.        **Principal** (primary) policy objectives are those which can be identified as being fundamental in the design and impact of the activity and which are an explicit objective of the activity. They may be selected by answering the question “would the activity have been undertaken without this objective?”.
6.        **Significant** (secondary) policy objectives are those which, although important, are not one of the principal reasons for undertaking the activity.
7.        The score **not targeted** means that the activity has been screened against, but was found not be targeted to, the policy objective.

8. An activity can have more than one principal or significant policy objective. To qualify for a score “principal” or “significant”, the objective has to be explicitly promoted in project documentation. Avoiding negative impact is not a sufficient criterion.

9. It is important to note that the same activity could score differently depending on the level of focus on the policy objective - it is important to examine whether the policy is the main objective or a subsidiary objective.

10. For data processing purposes, the scores are given numeric values: “2” for principal, “1” for significant and “0” for not targeted. An **empty** field indicates that the activity has not been marked (not screened against the objective).

### *Coverage*

11. Policy objective markers should be applied to all bilateral aid excluding administrative costs. In other words, they will cover both sector-allocable and non sector-allocable aid. Similarly, they cover all forms of aid (e.g. investment projects, technical co-operation)

12. If, with a view to reducing the administrative burden, some Members have decided to exclude certain activities from their marker systems, the marker field for these activities should be left empty. The Secretariat should be informed of the coverage.

### *Definitions*

13. The definitions are given below.

## GENDER EQUALITY INCORPORATING WOMEN IN DEVELOPMENT (WID)

### DEFINITION

Gender equality as a goal of development and development assistance efforts aims to achieve equality of benefit, resources and opportunity between women and men in aid recipient countries. Gender disparities may be addressed by:

- (a) mainstreaming gender equality into all development co-operation efforts; **and/or**
- (b) positive actions to promote gender equality incorporating women in development (WID) activities.

### CRITERIA FOR ELIGIBILITY

- (a) Gender equality and/or women in development (WID) is explicitly promoted in activity documentation; **and**
- (b) Gender analysis has been carried out, either separately or as an integral part of standard procedures, demonstrating the need to promote equality and/or women in development (WID); **and**
- (c) Gender analysis has been incorporated into activity design so that the activity meets a number of the following criteria:
  - Gender sensitive strategies and implementation plans are incorporated and reflected in the activity budget.
  - Specific means have been designed to help overcome identified barriers to women’s full participation in the activity.
  - Specific means have been included to help to ensure equitable participation and control by women and men over the activity output.
  - Gender sensitive indicators including impact indicators have been or will be developed for monitoring and evaluation.
  - Gender skills are used in design and will be used in implementation and monitoring.
  - Gender sensitive consultation is carried out at all levels and stages.

### EXAMPLES OF TYPICAL ACTIVITIES

Any activity may be marked against this marker if the above criteria for eligibility [(a)-(c)] are fulfilled.

- An example of an activity that could be marked as **principal** objective is support to legal literacy for women or support to male networks against gender violence. Such an activity could target women specifically, men specifically or both women and men.
- Many water projects, health projects, forestry projects, civil service projects, public expenditure reviews are likely to have a **significant** objective mark depending on the extent and way gender issues are to be addressed.
- Projects in the same sector may score differently depending on the importance of equality as an objective. For example, a social safety net project which focuses specifically on assisting women as a particularly disadvantaged group in a society thus promotes gender equality and would be marked with a principle objective score. A social safety net project which focuses on the community as a whole and ensures that women as well as men are involved would be marked with a significant objective score.

**See also Appendix: Additional guidance note on marking.**

## AID TO ENVIRONMENT

### DEFINITION

An activity should be classified as environment-oriented (score Principal or Significant) if:

- a) It is intended to produce an improvement, or something that is diagnosed as an improvement, in the physical and/or biological environment of the recipient country, area or target group concerned; **or**
- b) It includes specific action to integrate environmental concerns with a range of development objectives through institution building and/or capacity development.

### CRITERIA FOR ELIGIBILITY

- a) The objective is explicitly promoted in activity documentation; **and**
- b) The activity contains specific measures to protect or enhance the physical and/or biological environment it affects, or to remedy existing environmental damage; **or**
- c) The activity contains specific measures to develop or strengthen environmental policies, legislation and administration or other organisations responsible for environmental protection.

### EXAMPLES OF TYPICAL ACTIVITIES

The list is not exhaustive. The activities may be scored against the objective only if the above criteria for eligibility are fulfilled.

- **Social infrastructure and services:** Water resources protection; water resources policies and water management that take into account environmental and socio-economic constraints, sanitation or waste management practices that bring environmental benefits.
- **Economic infrastructure and services:** Infrastructure projects designed with comprehensive and integrated environmental protection and management components; activities promoting sustainable use of energy resources (power generation from renewable sources of energy); energy conservation.
- **Production sectors:** Sustainable management of agricultural land and water resources; sustainable forest management programmes, combating land degradation and deforestation; sustainable management of sea resources; adoption and promotion of cleaner and more efficient technologies in production processes; measures to suppress or reduce pollution in land, water and air (e.g. filters); increasing energy efficiency in industries; sustainable use of sensitive environmental areas for tourism. (**Sustainable natural resources management** is a combination of management practices that have been planned and selected on the basis of interdisciplinary and participatory assessment of ecological, social and economic impacts of alternative management options, and resolution of possible conflicts or disputes concerning the significance and acceptability of the impacts of the proposed management alternatives.)

**N.B.** Activities that can be assigned the sector code “**general environmental protection**” i.e. environmental policy and administrative management, biosphere protection, bio-diversity, site preservation, flood prevention/control, environmental education/training, environmental research **score**, by definition, **principal** objective.

## DIRECT ASSISTANCE TO POOR PEOPLE (1)

### DEFINITION

An activity should be classified as poverty-oriented (score Principal or Significant) if:

- (a) The poor have been identified as the primary target group of the activity, **and**
- (b) The activity includes specific action to remedy causes of poverty (e.g. structural reforms favouring the poor), or to deal with the consequences of poverty (e.g. direct poverty reduction).

### CRITERIA FOR ELIGIBILITY

- (a) The objective is explicitly promoted in the activity documentation; **and**
- (b) The poor have been explicitly identified through poverty assessment or the activity documentation explains the reasons why the target group is considered to be poor.

### EXAMPLES OF TYPICAL ACTIVITIES

The list is not exhaustive. The activities may be scored against the objective only if the above criteria for eligibility are fulfilled.

- **Social infrastructure and services:** Provision of basic subsistence goods and public services for the poor (e.g. adequate food, water, housing); improvements in social infrastructure designed to enhance the income earning potential and productive capabilities of the vulnerable groups (e.g. basic education and health care); provision of safety nets (i.e. temporary or permanent income support for the poor); direct employment creation for the poor (e.g. labour-intensive public works programmes); assistance to strengthen the recipient's capacity to formulate and monitor poverty reduction strategies and programmes (e.g. social dimensions of adjustment programmes); aid to NGOs working in favour of the poor.
- **Production sectors:** Micro-enterprise development programmes, informal sector programmes; legal changes to give the poor improved access to productive assets (e.g. land, equipment, credit); agricultural extension; social forestry programmes.
- **Structural reforms:** Political reforms designed to encourage the participation of the poor to improve their livelihood security; economic and institutional reforms in favour of the poor (e.g. employment creation).

- (1) **Poverty** denotes inability of an individual or a family to command sufficient resources to satisfy basic economic and social needs. Poverty results from people having insufficient assets, being unable to secure employment, facing difficulty marketing their products or services, and/or being subject to discrimination because of disability, ethnicity or gender.

As the poverty line varies from country to country (and from region to region in a country), the definition of people qualifying as poor will depend on local circumstances. Their identification will take account of lack of access to a secure livelihood and to essential services which ensure the ability to become a productive and healthy individual. Poverty can be assessed through a variety of measures, such as income/expenditure or nutritional status (especially of children), or through dialogue with poor people themselves about what they consider to be the key elements of poverty and vulnerability.

Generally, poverty may be defined as "the income level below which a minimum nutritionally adequate diet plus essential non-food requirements are not affordable".

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## PARTICIPATORY DEVELOPMENT/GOOD GOVERNANCE (PD/GG)

### DEFINITION

An activity should be classified as PD/GG-oriented (score Principal or Significant) if:

It is intended to enhance elements of participatory development, democratisation, good governance and the respect of human rights.

### CRITERIA FOR ELIGIBILITY

(a) The objectives are explicitly promoted in activity documentation; **and**  
(b) The activity contains specific measures to promote one or several of the PD/GG aspects defined as follows:

- Participatory development, i.e. establishing new systems, structures or institutions through which groups, communities or people in a country can play an active and influential role in shaping decisions that affect their lives.
- Democratisation, which integrates participation and pluralism, including the right of opposition, into the political life of the country and provides a basis for legitimacy of the government.
- Good governance, i.e. the accountability, efficiency, and effectiveness of the official sector, an independent judiciary as well as the rule of law, and effective, responsible and equitable administration at all levels of government.
- Human rights, i.e. actions specifically designed to strengthen the respect for, and to facilitate the implementation of, internationally agreed human rights.

### EXAMPLES OF TYPICAL ACTIVITIES

The list is not exhaustive. The activities may be scored against the objective only if the above criteria for eligibility are fulfilled.

- Civil service reform; support to labour unions, workers' education programmes, combating child labour; support to police forces, customs.
- Education and training programmes; decentralisation programmes.

**N.B.** Activities that can be assigned one of the following sector codes **score**, by definition, **principal** objective: public sector financial management, legal and judicial development, strengthening civil society, post-conflict peace-building, elections, human rights monitoring and education, demobilisation, free flow of information.

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## Appendix

### GENDER EQUALITY INCORPORATING WOMEN IN DEVELOPMENT (WID): ADDITIONAL GUIDANCE ON MARKING

1. This marker differs from the previous WID marker in that the focus is on gender equality (that is equality between women and men) as an objective rather than on women as a target group.
2. Nevertheless, it includes women in development (WID) activities (providing the criteria for eligibility are fulfilled). The WID specific activities are incorporated into an overall gender equality approach. The new marker is thus broader than the former WID marker. (As before, where it is appropriate, the WID sector code may be used.) Members no longer using the term WID in their internal procedures should ignore the references to women in development in the marker definition and eligibility criteria.
3. **Gender analysis** may be carried out at national (e.g. gender profiles), community or institutional levels. It may be carried out separately or as part of standard procedures (the logical framework design process etc.). Gender analysis is probably most effective when it is an integrated part of the policy, programme and project planning process.
4. Achieving a marker for gender equality as a principal objective is not “better” than achieving a marker for gender equality as a significant objective, although the former scores “2” and the latter “1”. If true mainstreaming is practised, gender equality will often be a significant objective, integrated into projects, across the range of sectors.
5. **Gender equality is explicitly promoted in activity documentation.** This means that the documentation should clearly show what steps will be taken towards this long-term goal. For example, a primary school project might be designed to benefit both boys and girls but, since a smaller proportion of girls than boys presently receive primary education, the project would take steps to increase the proportion of girls benefiting. In order to score against this marker activities should have the objective of taking steps towards furthering gender equality although full equality may be beyond the scope of this project/programme. The concept of gender equality acknowledges that different treatment of women and men may sometimes be required to achieve sameness of results, because of different life conditions or to compensate for past discrimination.
6. A principal mark is normally given where the activity would not have been undertaken without a gender equality objective. The paired example below distinguishes between principal and significant marks:
  - a) After carrying out a gender analysis it is found that the majority of farmers in a particular area are women. An agricultural extension project aims to hire and train substantial numbers of women in order that women gain equal access to extension services. This project would be marked with gender equality incorporating women in development (WID) as a **principal objective** (i.e. “2”).

b) An agricultural extension project is planned with the aim of increasing crop production in a particular area. During the pre-design phase a gender analysis pointed to the need to carry out specific actions to involve women. A homestead vegetable production co-operative was therefore set up as part of the overall project. This project would be marked with gender equality incorporating women in development (WID) as a **significant objective** (i.e. “1”).

7. Each Member, depending on their organisation and the specific circumstances, may determine the number of design criteria which need to be met to achieve a marker.

8. Members may decide whether they wish to use “gender equality” or “equality between women and men” when translating the marker into their own language.