Following the last meeting of Working Party on Aid Effectiveness (19-20 October) it was agreed that a Joint Venture on Monitoring the Paris Declaration would be established in order to comply with the commitments made in the Paris Declaration (paragraphs 9 & 11).

It was also agreed that membership of this group would be limited so as to improve its efficiency. In this connection, and following extensive consultations, membership currently includes:

* 11 Donors -- Austria, Canada, France, Germany, Japan, Norway, UK, US, EC, UNDP and World Bank.
* 8 partner countries -- Bangladesh, Cambodia, Ghana, Mali, Nicaragua, Senegal, South Africa & Vietnam.

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Joint Venture Monitoring the Paris Declaration

AGENDA FOR THE FIRST MEETING
21-22 November 2005

The meeting will be held at the OECD La Muette Room 4
19 rue Franqueville
75016 Paris

Day 1 – 21 November (full day)

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<td>Questionnaire (1/3) – Overall design &amp; components.</td>
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Day 2 – 22 November (half day)

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<td>Other business &amp; next steps</td>
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ANNOTATIONS TO THE AGENDA

Agenda item 1 – Adoption of the agenda
1. The Chair will introduce the agenda and set out the objectives of the meeting.

Agenda item 2 – Questionnaire (1/4): overall design & components of the questionnaire
2. This agenda item focuses on basic approach adopted by the questionnaire and the 5 components of the questionnaire package presented in Room Document 1: (i) Explanatory note; (ii) Donors’ questionnaire; (iii) Government’s questionnaire; (iv) Consolidated questionnaire; (v) Technical guidance. Following an overview presentation by the Secretariat on the approach adopted, members will be invited to come to closure on the following key issues for discussion:
   - Are members confident that the design of the questionnaire(s) and proposed monitoring approach meets the main objective of the survey: track and encourage change at country level? And, how can the overall design of the questionnaire be improved?
   - Following the addition of a Government’s questionnaire, has the right balance been struck between reporting requirements for donors and partner countries?
   - And how could this information feed into CDF and CPIA scoring?

Agenda item 3 – Questionnaire (2/4): Key issues on questionnaire (morning session)
3. Agenda Item 3 focuses on key issues for discussion on the donors’ questionnaire and technical guidance note. The morning session covers: General Issues for discussion, Indicator 3, Indicator 7, Indicator 4, Indicator 9 and Indicator 6. The other indicators will be covered in the afternoon session.

General issues for consideration
   - Should `Total aid disbursed’ include aid through vertical funds – if so how? Who should report on these?
   - How to handle aid disbursed through NGOs (which may be funded in a variety of ways including domestic financing other than government ODA, financing direct from donor HQs, or financing by donors at country level)?
   - What about organisations such as the MCA which do not have a country presence?
   - What about aid disbursed to regional organisations?
   - Is the definition of fiscal year clear and simple to use?
   - Total aid does not include debt relief since the focus of the Paris Declaration is on improving aid management, nor does it include emergency humanitarian assistance. Are they any other categories that should be excluded?
Indicator 3: Aid reported on budget

- This requires donors to notify partner governments sufficiently in advance that the information can reasonably be incorporated in the budget process.

- What counts as notification to partner governments? Does the government need to set out what it wants in terms of a) timing of notification, b) what sorts of aid it wants reported for inclusion in the budget (i.e. what should count as `aid to the government sector’)? NB. This could include aid to NGOs and the private sector (e.g. for industry umbrella organisations).

- If aid is passed from one donor via another to the government which donor should record this? And when does aid disbursed from one donor to another count as disbursed – i.e. when the first donor disburses it or the second? Is it best to exclude inter donor flows and focus only on donor – government interactions?

- How best to identify aid on budget – would it make most sense for the recipient government to provide this figure for donors as a whole? Note that waiting for audited accounts will introduce considerable delays.

Indicator 7: In-year predictability of aid

- See above under Indicator 3 for what counts as `scheduled aid’ and also as `disbursed’ aid.

- Should donors (and partner governments?) be requested to include a narrative explanation in cases where aid was not disbursed on schedule?

- How delayed could a disbursement be and still count as being `on schedule’?

- Are the definitions for this indicator sufficiently robust to cover everything from project aid to general budget support?

Indicator 4: Coordinated technical cooperation

- Volume of Technical Cooperation is used as a proxy for total volume of donor capacity development support. Is the definition proposed the best one?

- What counts as `a co-ordinated programme’? Is the proposed approach sufficient?

- What counts as `consistent with partner’s national development strategies’?

Indicator 9: Programme-based approaches

- Programme based aid has (a) country leadership, (b) single comprehensive framework, (c) formalised donor coordination processes, and (d) efforts to use local systems. All four of these must be satisfied to count as programme based aid. Donor coordination processes under (c) cover reporting, budgeting, financial management and procurement. Do all four of these have to be used to satisfy this criterion?
• Can this definition of sector support be improved on (health sectors in particular consist of a number of sub-sectors, and some sector programmes may span more than one ministry)? Should it include earmarked budget support?

**Indicator 6: Number of parallel PIUs**

• Is it necessary to define both integrated and parallel Project Implementation Units?

• Can the proposed definitions for integrated and parallel PIUs be improved upon?

• How to handle PIUs which are funded by more than one donor so as to avoid double counting?

**Agenda item 4 – Questionnaire (3/4): Key issues on questionnaire (afternoon session)**

4. Agenda Item 4 covers key issues for Indicators 10a, Indicator 10b, Indicator 5a, Indicator 5b and Indicator 8.

**Indicator 10a: Joint Missions**

• What counts as a donor field mission? Can the proposed definition of donor field mission be improved upon?

• What counts as a joint mission? Are missions necessarily joint when delegated cooperation is being practised?

• How to avoid double counting of joint missions when aggregating up returns from individual donors?

**Indicator 10b: Joint Country Analytic Reports**

• What counts as a country analytic report? Can the proposed definition be improved upon?

• What counts as a joint report?

• How to avoid double counting of joint analytic reports when aggregating up returns from individual donors?

**Indicator 5a: Use of countries PFM systems**

• What counts as using a government’s Public Financial Management system? The Guidance Note breaks this down into budgeting, financial reporting and auditing – do these cover the most important aspects of the system? Should aid have to use all three to be counted?

• How much aid does a donor have to put though a government’s PFM system to count as using it?
Indicator 5b: Use of countries Procurement systems

- What counts as using a government’s procurement system? The Guidance Note breaks this down into specification, tendering, selection and contracting – do these cover the most important aspects of the system. Should aid have to use all four to be counted?

- How much aid does a donor have to put though a government’s procurement system to count as using it?

Indicator 12: Mutual accountability

- What would be an appropriate definition for mutual accountability?

Indicator 8: Untied aid

- Should there be any additional reporting for this indicator other than the regular reporting under the DAC Recommendation on Untying?

Agenda item 5 – Questionnaire (4/4): Field testing.

5. At the last informal meeting of the Group on Monitoring, it was agreed that field testing of the questionnaire would be fundamental in improving the design of the questionnaire. How can this best be done? One way, would be for a small team from the Joint Venture undertake a consultative mission to representative countries in the 4 main geographic areas covered by the Survey: (i) Francophone Africa (e.g. Senegal or Mali); (ii) Anglophone Africa (e.g. Ghana or Zambia); Asia (e.g. Vietnam) and Latin America (e.g. Nicaragua). These missions would provide an opportunity to:

- Consult aid practitioners (donor & government) at field level on the design, definitions of the questionnaire.

- Draw from local experience in applying definitions that could then feed into the technical guidance note in the form of case studies.

- Inform countries on opportunities and challenges related to the monitoring exercises.

- Are there alternative proposals, bearing in mind the need to achieve an efficient, effective and swift result?

6. In responding to this item, members are invited to comment on what criteria should be applied in selecting the countries for field testing? And which 4 countries should be selected?

Agenda item 6 – Monitoring Plan (1/3): Guiding principles for monitoring indicators

7. Paragraph 11 of the Paris Declaration invites the Working Party on Aid Effectiveness to elaborate a medium term plan to monitor progress against the indicators and commitments made in the Declaration. To this end, the Secretariat is inviting members’ comments on Room Document 2. It sets out three things: (i) Guiding principles for monitoring the indicators; (ii) A suggested outline for the Monitoring Plan and; (iii) A timeline for Monitoring Indicators in 2006 and 2008.
8. This agenda item focuses on the first of the 3 components: guiding principles to guide the monitoring plan. In this connection, members are invited to reach closure on the following issues for discussion:

- Are members in agreement with the guiding principles as they are set out?
- If not, what amendments should be made?

**Agenda item 7 – Monitoring Plan (2/3): Outline of the monitoring plan.**

9. The second component of Room Document 2 is a suggested outline for the Monitoring Plan. Members are invited to reach closure on the following issues for discussion:

- Are members in agreement with the outline as it is currently set out?
- If not, what amendments would you suggest?

**Agenda item 8 – Monitoring Plan (3/3): Timeline**

10. The last component of Room Document 2 is a timeline for the Monitoring Plan. Members are invited to come to closure on the following issues for discussion:

- Are members in agreement with the timeline?
- If not, what amendments would you suggest?

**Agenda item 9 – Communication strategy (1/2): Letter to HLF participants**

11. Effective and timely communication on Monitoring the Paris Declaration is critical in ensuring that countries build the Survey into country level dialogue processes. To this end, the Secretariat in close collaboration with the World Bank presents in Room Document 3 draft letter that could be issues to all participants of the Paris High Level Forum on Aid Effectiveness. In this connection, members are invited to reach closure on the following questions:

- Are you in basic agreement with the idea of issuing a letter to all HLF participants?
- Are you in agreement with the content of the letter as it is currently drafted? If not, what amendments would you make to it?
- Who should sign this letter? And when should it be sent?

**Agenda item 10 – Communication strategy (2/2): Web-based Survey**

12. A brief presentation by the Secretariat on a Web-based application form that will significantly decrease the transactions costs for managing the survey at country level. Following this presentation, members will invited to respond to the following questions:

- Do you agree that a Web-based survey is desirable?
- How might it be improved?
Development of such an application will require additional resources? Are you prepared to fund or co-fund its development?

**Agenda item 11 – Work programme of the Joint Venture**

13. Following the last meeting of the Working Party on Aid Effectiveness minor revisions have been made to the work programme of the Joint Venture on Monitoring the Paris Declaration [DCD/DAC/EFF(2005)21]. Members are invited to endorse it or suggest amendments.

**Agenda item 12 – Other business and next steps**

14. Members are invited to deal with unresolved business, including the confirmation of the co-chairs, and set a date for the next meeting.