

**DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE**

DAC Peer Review Reference Guide, 2019-20

This version of the reference guide replaces DCD/DAC(2017)10. It was adopted at the DAC Senior Level Meeting on 22 February 2019 following a peer review methodology meeting on 4 October 2018 and subsequent discussion at DAC meetings on 16 November 2018, 5 December 2018 and 21 January 2019.

This reference guide will be applied starting with the review of Austria in 2019. Experience with applying this updated framework in 2019 and 2020 will contribute to consideration of further revision, with a view to applying changes to the 2021-2022 cycle.

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DAC peer review reference guide

Background

1. The Development Assistance Committee (DAC) of the OECD conducts reviews of the development co-operation efforts of each Committee member roughly every five years. The Development Co-operation Directorate (DCD) provides analytical support, and develops and maintains, in close consultation with the Committee, the methodology and analytical framework within which the peer reviews are undertaken.
2. The objectives of DAC peer reviews are to improve the quality and effectiveness of development co-operation policies and systems, and to promote good development partnerships for better impact on poverty reduction and sustainable development in developing countries. DAC peer reviews therefore promote individual and collective behaviour change of DAC members to ensure their development co-operation policy framework and systems are fit for purpose. This is achieved through:
 1. holding DAC members accountable for the commitments they have made, and reviewing their performance against key dimensions of development co-operation and other domestic policies with an impact on developing countries; and
 2. learning from and sharing good practice.
3. DAC peer reviews assess the performance of a given member across government, not just that of its development co-operation ministry or agency, and examine both policy and implementation. They take an integrated, system-wide perspective on the development co-operation and humanitarian assistance activities of the member under review.

Purpose of the DAC peer review reference guide

4. The reference guide provides a solid, explicit and transparent analytical framework for reviewing the performance of DAC members. In setting components and indicators, it refers to internationally agreed benchmarks¹, DAC good practice papers and guidelines, criteria for the admission of new DAC members and nationally selected commitments, wherever possible. It takes into account the changing development landscape, including recent international commitments (e.g. the 2030 Agenda for Sustainable Development, Addis Ababa Action Agenda, Paris Climate Agreement, Sendai Framework for Disaster Risk Reduction, the Grand Bargain and the Nairobi Outcome Document), the mandate and overarching objectives of the DAC [[DCD/DAC\(2017\)26/REV2](#)], and emerging issues (e.g. efforts to mobilise additional development finance, including through blending, total official support for sustainable development, resilience).
5. While the reference guide provides benchmarks and conditions that define a good and effective development co-operation actor, there is no “one size fits all” model. Therefore, each peer review is situated in its own context, which is presented at the beginning of the peer review report, and the reference guide applies in a flexible manner. Recommendations are adjusted to each specific situation with the view to support efforts made by the reviewed member to build quality development co-operation and humanitarian

1. Some of which apply to European Union members only.

assistance policies and systems. The guide is applied bearing in mind the international commitments endorsed by individual members, and is under constant review.

6. The two objectives of accountability and learning continue to apply equally to peer reviews.

7. The reference guide should be read in conjunction with the *Information Note on the DAC Peer Review Process* [DCD/DAC(2019)15] which describes the review process and the roles and responsibilities of participants.

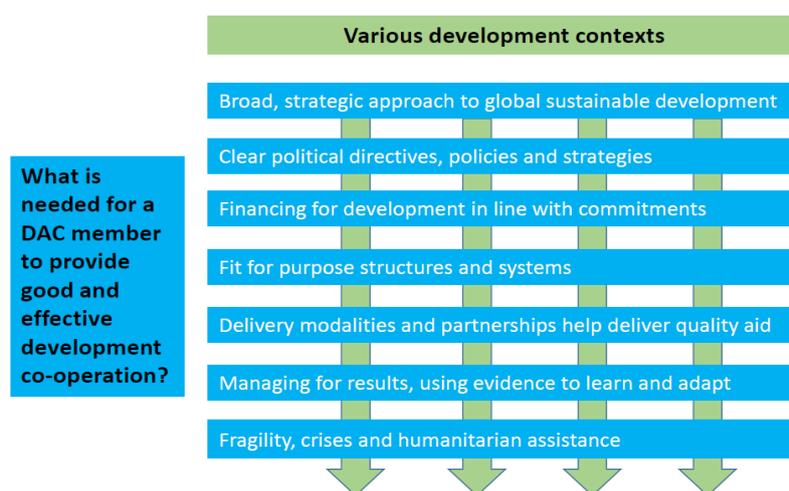
8. The purpose of the reference guide is, therefore:

1. to serve as a reference for the preparation of the memorandum preceding a review (see the Guidance on DAC country memorandum [DCD/DAC(2019)16]);
2. to prepare both the examining team and the reviewed member for discussions at headquarters and in the field;
3. to provide a consistent approach to drafting the report; and
4. to facilitate the identification of lessons after individual reviews, and thematic or issue synthesis following a series of reviews.

Content and structure of the reference guide

9. The reference guide is organised according to seven key dimensions essential for delivering effective development co-operation and humanitarian assistance in various development contexts (Figure 1).

Figure 1. Key dimensions of the DAC Peer Review Reference Guide



10. As noted above, the reference guide reflects the changing development landscape and emerging topics, as expressed for example in the 2030 Agenda and the Global Partnership for Effective Development Co-operation. These aspects are translated into a focus on:

- commitments made through agreements on the Sustainable Development Goals, financing for development, disaster risk reduction, climate and humanitarian assistance, and development effectiveness and impact;

- a broad range of partnerships and modalities and a comprehensive capture of members' work at global, regional and country levels;
- member systems and capabilities, across government, for delivering effective development co-operation.

11. The 2030 Agenda is an integrated and indivisible framework, which calls for action by developed and developing countries to achieve sustainable development. The first chapter of this reference guide explores the member's efforts to address global public goods, and the extent to which the member ensures that its global action, development co-operation objectives and domestic policies are coherent and in line with the 2030 Agenda. Later chapters explore how the member achieves multiple objectives, utilises a range of channels, and balances its multilateral and bilateral efforts in the context of national ownership of, and responsibility for, the development process.

12. The content of the member's own development co-operation policy framework and the extent to which it is delivered remains the starting point to review DAC members' development co-operation policies and systems.

13. For each dimension, a series of components of analysis are proposed with corresponding indicators. Each chapter considers these issues from the perspective of headquarters and the field and contains a series of references. Core references refer to those agreements that establish concrete recommendations or commitments. Other references generally refer to standards, principles and good practices, including those emerging from the DAC subsidiary bodies.

14. The peer review process consults a wide variety of stakeholders. The perspective of partner countries will continue to be an important part of the process, in particular for dimensions related to development co-operation delivery, partnerships, results, and development finance. The examining team should bear in mind that information gathered should be cross referenced across these stakeholders to strengthen the evidence base of the review.

15. To understand changes in the system over time, it is important to know what steps have been taken to implement the DAC recommendations from the previous peer review.

16. For practical reasons, the DAC member being reviewed is referred to as the "member".

Table 1. DAC peer review reference guide

Components of analysis

Dimension	Components of analysis
1. Global efforts for sustainable development The member has a broad, strategic approach to global sustainable development, encompassing global challenges, policy coherence for sustainable development and awareness raising at home	1.1. Efforts to support global sustainable development 1.2. Policy coherence for sustainable development 1.3. Global awareness
2. Policy vision and framework Clear political directives, policies and strategies shape the member's development co-operation and are in line with international commitments, including the 2030 Agenda.	2.1. Framework 2.2. Principles and guidance 2.3. Basis for decision-making
3. Financing for development The member's international and national commitments drive its ODA volume and allocations and its other financing efforts to support the 2030 Agenda.	3.1. Overall ODA volume 3.2. Bilateral ODA allocations 3.3. Multilateral ODA allocations 3.4. Financing for sustainable development
4. Structure and systems Organisational structures and management systems for development co-operation are fit for purpose, with appropriate capabilities.	4.1. Authority, mandate and co-ordination 4.2. Systems 4.3. Capabilities throughout the system
5. Delivery modalities and partnerships The member's approach to delivering in partner countries and through partnerships is in line with the principles for effective development co-operation.	5.1. Effective partnerships 5.2. Country level engagement
6. Results management, evaluation and learning The member plans and manages for results, in line with the SDGs, building evidence of what works and using evidence to learn and adapt.	6.1. Management for development results 6.2. Evaluation system 6.3. Institutional learning

7. Fragility, crises and humanitarian assistance

The member contributes to reducing the risk of crises and conflict, minimising the impact of shocks and conflicts, managing forced displacement flows and supporting affected populations, and increasing resilience to shocks and stresses, including through prevention. (Section A)

The member contributes to minimising the humanitarian impact of shocks and crises; and saves lives, alleviates suffering, and maintains human dignity in crisis and disaster settings. (Section B)

A

7.1 Strategic framework

7.2 Effective programme design and instruments

7.3 Effective delivery and partnerships

B

7.4 Humanitarian assistance strategic framework

7.5 Effective humanitarian programming

7.6 Effective delivery, partnership and instruments of humanitarian assistance

7.7 Organisation fit for purpose

7.8 Communication

1. Global efforts for sustainable development

Purpose

This chapter looks at how DAC members are demonstrating global leadership on issues important to developing countries and addressing global public goods and challenges. It explores how the member ensures that its global action, development co-operation objectives, and domestic policies are coherent and in line with the 2030 Agenda. As public support is key to political action, it also asks how members are working to raise awareness of global development issues at home.

The member has a broad, strategic approach to global sustainable development, encompassing supporting global public goods, addressing global challenges, ensuring policy coherence for sustainable development and raising global awareness.

Components of analysis	Indicators
1.1. Efforts to support global sustainable development	<i>The member's support for global sustainable development includes engaging on particular global public goods and challenges</i>
Support for global agendas and commitments	The member government supports the application and monitoring of global frameworks for sustainable development.
Priority issues for global engagement	The member has identified a prioritised set of global public goods and challenges that it is well placed to engage with at a regional or international level, balancing its own interests with the interests of developing countries. The issues selected are aligned to the goals and processes set out in the 2030 Agenda and may include, inter alia: <ul style="list-style-type: none"> ● International peace and security ● Refugees and migration ● Climate, environment and resilience ● Financial stability and illicit financial flows ● Access to global technology and knowledge ● Global health.
Leadership	The member shows leadership, influencing global processes that affect sustainable development.

1.2 Policy coherence for sustainable development	<i>The member ensures its policies are coherent with sustainable development</i>
Commitment to policy coherence for sustainable development	The member is committed to coherent policies and legislation for sustainable development, consistent with international commitments and endorsed at the highest political level.
Priority issues for policy coherence	The member identifies and analyses its existing and proposed policies and regulations which may impede and/or support opportunities for developing countries to pursue their development aspirations and achieve the Sustainable Development Goals. It uses evidence of impact on developing countries (for example, of trade, security, financial regulations, investment, climate change, and migration policies). The member can show that it has its own institutional mechanisms, including cross-government mechanisms, for addressing policy coherence for sustainable development. A plan for addressing and monitoring policy coherence for sustainable development is established and monitored through cross government mechanisms. The member can demonstrate examples of policy change or enforcement which benefit developing countries.
1.3 Global awareness	<i>The member promotes global awareness and citizenship</i>
Efforts towards raising global awareness and citizenship at home	The member has a wide-reaching communication, awareness-raising and development education policy directed to its citizens, private sector, local authorities and NGOs. The policy involves relevant stakeholders, including education authorities. The member promotes whole-of-society contributions to global public goods and sustainable development.

Core references

OECD (2008), "Ministerial Declaration on Policy Coherence for Development."

OECD (2010), "Recommendation of the Council on Good Institutional Practices in Promoting Policy Coherence for Development", OECD Council, 29 April 2010, Paris, France.

OECD (2012), "Recommendation of the Council on Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas", OECD Council, 25 May 2011, amended on 17 July 2012, Paris, France.

OECD (2010), "Recommendation of the Council for Further Combating Bribery of Foreign Public Officials in International Business Transactions", [OECD Council, 26 November 2009, amended on 18 February 2010, Paris, France.](#)

United Nations Framework Convention on Climate Change (2016), "[Paris Agreement.](#)"

United Nations Office for Disaster Risk Reduction (2015), "Sendai Framework for Disaster Risk Reduction 2015-2030."

United Nations (2015), "Addis Ababa Action Agenda of the Third International Conference on Financing for Development."

United Nations (2015), "Transforming our World: The 2030 Agenda for Sustainable Development", A/RES/70/1.

United Nations (1992), United Nations Framework Convention on Climate Change, <https://unfccc.int/resource/docs/convkp/conveng.pdf>.

Other references

FATF (2012), "International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation."

OECD (2018), *Policy Coherence for Sustainable Development 2018: Towards Sustainable and Resilient Societies*, OECD Publishing, Paris.

OECD (2016), *Better Policies for Sustainable Development 2016: A New Framework for Policy Coherence*. OECD Publishing, Paris.

OECD (2016), *Engaging with the Public: 12 lessons from DAC Peer Reviews and the Network of DAC Development Communicators*.

United Nations (1994), United Nations Convention to Combat Desertification in those countries experiencing serious drought and/or desertification, particularly in Africa, http://www2.unccd.int/sites/default/files/relevant-links/2017-01/UNCCD_Convention_ENG_0.pdf.

United Nations (1992), "Convention on Biological Diversity."

United Nations (2016), "New York Declaration for Refugees and Migrants" (A/RES/71/1).

References to findings from peer reviews of the member by other OECD policy communities that impact developing countries, and to established OECD standards, as relevant.

2. Policy vision and framework

Purpose

A policy vision and framework for development co-operation articulates what a government is intending to achieve and why, in the broader context of external action in support of sustainable development. This chapter examines the principles, priorities and approaches that underpin the development co-operation policy. It assesses the evidence and rationale that guide decisions.

Clear political directives, policies and strategies shape the member's development co-operation and are in line with international commitments, including the 2030 Agenda

Components of analysis	Indicators
2.1. Framework	<i>Clear policy vision aligned with the 2030 Agenda based on member's strengths</i>
Vision	The member has a clear, top-level statement of the purpose of development co-operation, including humanitarian assistance, and where development co-operation sits within the member's political and strategic context. The policy vision serves as an over-arching framework for all development co-operation activities across government and is aligned with the 2030 Agenda.
Scope	The member's policy framework supports lasting sustainable development results in accordance with global and regional needs, countries most in need and partner country development priorities. The policy statement includes clearly-defined thematic and geographic priorities which draw on the member's strengths.
2.2. Principles and guidance	<i>Policy guidance sets out a clear and comprehensive approach, including to poverty and fragility</i>
Comprehensive approach	The member's policy recognises social, economic and environmental aspects of sustainable development. Specific policy guidance is provided, and used, on cross-cutting issues such as gender equality and women's empowerment, good governance, human rights, resilience, environment and climate change – drawing on international guidance. Such guidance requires that the impact of programmes on, and potential for benefiting, gender equality and other cross-cutting issues, is examined.
Poverty reduction and leaving no-one behind	The member's development co-operation policy sets out a clear approach to poverty reduction and leaving no-one behind, with a particular focus on the poorest, most vulnerable and furthest behind – those who are often the hardest to reach.

2.3. Basis for decision-making***Policy provides sufficient guidance for decisions on channels and engagements***

Country, regional and global engagements and global public goods	The member presents a clear rationale for deciding when to engage at country, regional, or global levels. Decisions about investments are consistent with the member's broader commitment to sustainable development. Funding allocations are guided by evidence and a stated commitment to effective development co-operation principles.
Inclusive development partnerships	The member articulates a clear vision of the role of different actors – national, regional and local governments, multilateral and regional agencies, development banks, civil society organisations, knowledge institutes, parliaments and the private sector – and presents a rationale to guide partner identification. Its partnerships are relevant to global, regional or country-level sustainable development challenges, and support links with other complementary policies, initiatives and processes. The member recognises the diversity and complementarity of each actor. It supports an enabling environment, and space, for civil society and engages with civil society organisations both at strategic and operational levels.
Multilateral co-operation	The member has a multilateral development policy or strategy with clear criteria that factor in the member's own priorities, synergies between multilateral and bilateral assistance, evidence of effectiveness and impact, and the performance assessments of different multilateral agencies, thus providing a rationale for engaging with, and allocating aid to, multilateral partners. The member has a responsible, coherent approach to its engagement with multilateral organisations. The member participates in joint efforts to make the multilateral system and its individual multilateral agencies more effective.

Core references

High Level Forum on Aid Effectiveness (2011), Busan Partnership for Effective Development Co-operation.

OECD (2012), "Recommendation of the Council on Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas", OECD Council, 25 May 2011, amended on 17 July 2012, Paris, France.

OECD (1989), "Recommendation of the Council concerning an Environmental Checklist for Possible Use by High-Level Decision-Makers in Bilateral and Multilateral Development Assistance Institutions", OECD Council, 22 February 1989, Paris, France.

OECD (1986), "Recommendation of the Council on Measures Required to Facilitate the Environmental Assessment of Development Assistance Projects and Programmes", OECD Council, 23 October 1986, Paris, France.

OECD (1985), "Recommendation of the Council on Environmental Assessment of Development Assistance Projects and Programmes," OECD Council, 20 June 1985, Paris, France.

United Nations (2014), "SIDS Accelerated Modalities of Action (S.A.M.O.A.) Pathway", Outcome of the Third International Conference on Small Island Developing States (SIDS Conference), 4 September 2014, Samoa.

United Nations Office for Disaster Risk Reduction (2015), "Sendai Framework for Disaster Risk Reduction 2015-2030."

United Nations Framework Convention on Climate Change (2016), "Paris Agreement".

United Nations (2015), "Addis Ababa Action Agenda of the Third International Conference on Financing for Development", adopted at the Third International Conference on Financing for Development, 16 July 2015, Addis Ababa, Ethiopia.

United Nations (2015), "Transforming our World: The 2030 Agenda for Sustainable Development", A/RES/70/1.

Other references

"Declaration on Integrating Climate Change Adaptation into Development Co-operation", adopted by Development and Environment Ministers of OECD Member Countries on 4 April 2006, Paris, France.

Global Partnership for Effective Development Cooperation (2016), "Nairobi Outcome Document."

OECD (2018), *Multilateral Development Finance: Towards a New Pact on Multilateralism to Achieve the 2030 Agenda Together*, OECD Publishing, Paris.

OECD (2016), *Handbook on the OECD-DAC Gender Equality Policy Marker*. OECD Publishing, Paris.

OECD (2016), *Private Sector Engagement for Sustainable Development: Lessons from the DAC*, OECD Publishing, Paris.

OECD (2015), *Multilateral Aid 2015: Better Partnerships for a Post-2015 World*. OECD Publishing, Paris.

OECD (2014), *Mainstreaming Cross-cutting Issues: 7 lessons from DAC Peer Reviews*. OECD Publishing, Paris.

OECD (2013), *Accountability and Democratic Governance: Orientations and Principles for Development*. OECD Publishing, Paris.

OECD (2013), *Multilateral Aid Report*. OECD Publishing, Paris. (8 good practice lessons for good multilateral donorship on p. 56 and principles to reduce the proliferation of multilateral channels on p. 61).

OECD (2012), *Partnering with Civil Society: Twelve Lessons from DAC Peer Reviews*, OECD Publishing, Paris.

OECD (2009), *Integrating Climate Change Adaptation into Development Co-operation: Policy Guidance*. OECD Publishing, Paris.

OECD (2002), *Integrating the Rio Conventions into Development Co-operation*. OECD Publishing, Paris.

OECD (1999), "DAC guidelines for gender equality and women's empowerment in development co-operation."

World Bank and OECD (2013), *Integrating Human Rights into Development: Donor Approaches, Experiences, and Challenges*. 2nd ed., Washington, D.C.

3. Financing for development

Purpose

This chapter looks at the official development assistance (ODA) figures, including the overall level and components of aid, the level of bilateral and multilateral aid, and geographic and sector allocations of bilateral aid. Most members set targets and undertake international commitments for the level of their aid. While national targets sometimes differ from international ones, it is important to examine whether, and how, the DAC member is meeting its own stated goal towards meeting international commitments. In line with the commitments of the Addis Ababa Action Agenda, and the emerging total official support for sustainable development concept, this chapter will also look at the efforts that the DAC member is undertaking to mobilise finance additional to ODA for sustainable development.

The member's international and national commitments drive ODA volume and allocations and its other financing efforts to support the 2030 Agenda

Components of analysis	Indicators
3.1. Overall ODA volume	<i>The member makes every effort to meet ODA domestic and international targets</i>
ODA targets	The member has a clear statement of the ODA levels that it wants to achieve (total ODA, ODA/GNI, ODA to specific regions, country income groups, sectors or objectives). The statement is in line with the international commitments it has endorsed.
ODA trends and plans to meet targets	The actual volume of ODA reflects the statement of intent. Member has a clearly defined plan and timeline to meet its targets, and regularly evaluates its overall performance.
ODA reporting	The member complies with all DAC Recommendations on aid, and its statistical reports are in conformity with ODA rules. The member meets the DAC Recommendation on untying aid, and accelerates its efforts to untie aid to the maximum extent.
3.2. Bilateral ODA allocations	<i>Aid is allocated according to the statement of intent and international commitments</i>
Geographic allocations	The member's policy commitments and strategic priorities, including on countries most in need (such as least developed countries, low-income countries, small island developing states, land-locked developing countries and fragile and conflict-affected situations), are reflected in geographic and humanitarian assistance allocations. The member promotes effective division of labour, based on an assessment of its comparative advantages.
Thematic allocations	The member's policy and thematic priorities (including cross cutting issues, fragility, disaster risk reduction and humanitarian) are reflected in sector allocations at partner country level and globally. These take into account partner countries' priorities, other partners' involvement, and the need for sector concentration based on actors' comparative advantages.

3.3. Multilateral ODA allocations	<i>The member uses the multilateral aid channel effectively</i>
Multilateral allocations	The member allocates multilateral aid in accordance with its goals and strategy, international reform agendas (e.g. UN funding compact), and good practice principles. It regularly reviews the balance between core, earmarked and other bilateral funding to assess whether some earmarked funding can be allocated upstream through core resources.
3.4. Financing for sustainable development	<i>The member promotes and catalyses development finance additional to ODA</i>
Approach to financing sustainable development	In line with the Addis Ababa Agenda for Action and where appropriate, the member effectively uses an array of official financial instruments (including aid for investment, and private sector instruments) and non-financial instruments, to support resource flows – including domestic resource mobilisation – that promote sustainable development. The member encourages investments by other actors (e.g. the private sector, sovereign wealth and pension funds) in sustainable development.
Mobilising additional development finance	The member promotes the role of aid as a catalyst to bring private investment to support development efforts in partner countries (e.g. help improve the enabling environment or support partnerships). The member's use of <i>inter alia</i> private sector instruments and blending, including by development finance institutions, contributes positively to sustainable development.
Tracking and reporting beyond ODA flows	The member tracks the totality of its official resource flows to promote sustainable development, regardless of whether these are reportable as ODA and makes this information available to all key stakeholders. It reports transparently on the leveraging effect and additionality of its official instruments.

Core references

High Level Forum on Aid Effectiveness (2011), Busan Partnership for Effective Development Co-operation.

United Nations (2011), "Istanbul Declaration: Renewed and strengthened global partnership for the development of least developed countries", Outcome of the Fourth United Nations Conference of the Least Developed Countries, 13 May 2011, Istanbul, Turkey.

OECD (2014, 2016, 2017), "OECD DAC High Level Meeting Communique."

OECD (2014), "DAC Recommendation on Untying Official Development Assistance (ODA) to Least Developed Countries and Heavily Indebted Poor Countries", OECD Council, 25 April 2001, last amended on 21 July 2014, Paris, France.

OECD (2011), "Revision to the 1995 Aide Memoire on the Accession of new DAC members and full participants (in Annex 1)".

OECD (1978), "Recommendation on Terms and Conditions of Aid," OECD Council, 28 February 1978, Paris, France.

United Nations (2014), "SIDS Accelerated Modalities of Action (S.A.M.O.A.) Pathway", Outcome of the Third International Conference on Small Island Developing States (SIDS Conference), 4 September 2014, Samoa.

United Nations (2015), “Addis Ababa Action Agenda of the Third International Conference on Financing for Development”, adopted at the Third International Conference on Financing for Development, 16 July 2015, Addis Ababa, Ethiopia.

European Commission (2016), “The New European Consensus on Development 'Our World, Our Dignity, Our Future': Joint Statement by the Council, and the Representatives of the Governments of the Member States meeting within the Council, the European Parliament and the European Commission.”

Other references

European Commission (2018), 2017 Annual Report on the implementation of the European Union’s instruments for financing external actions in 2016. Publications Office of the European Union, Luxembourg.

OECD (2018), *Multilateral Development Finance: Towards a New Pact on Multilateralism to Achieve the 2030 Agenda Together*, OECD Publishing, Paris.

OECD (2018), Making Blended Finance Work for the Sustainable Development Goals, OECD Publishing, Paris.

OECD (2018), DAC Aggregates and Creditor Reporting System.

OECD (2017), "Clarifications to the statistical reporting directives on in-donor refugee costs."

OECD (2017), Addressing Forced Displacement through Development Planning and Co-operation: Guidance for Donor Policy Makers and Practitioners, OECD Development Policy Tools, OECD Publishing, Paris.

OECD (2017), *Development Co-operation Report 2017: Data for Development*, OECD Publishing, Paris.

OECD (2016), DCD/DAC(2016), Reporting Directives.

OECD (2016), Private Sector Engagement for Sustainable Development: Lessons from the DAC. OECD Publishing, Paris.

OECD (2015), Multilateral Aid 2015: Better Partnerships for a Post-2015 World. OECD Publishing, Paris.

OECD (2013), Multilateral Aid Report. OECD Publishing, Paris. (8 good practice lessons for good multilateral donorship on p. 56 and principles to reduce the proliferation of multilateral channels on p. 61).

4. Structure and systems

Purpose

This chapter looks at whether the member's institutional arrangements support its objectives for development co-operation. It focuses on the system as a whole and assesses whether the member has the necessary capabilities in place to deliver its development co-operation effectively in support of sustainable development.

Organisational structures and management systems for development co-operation are fit for purpose, with appropriate capabilities

Components of analysis	Indicators
4.1. Authority, mandate and co-ordination	<i>Responsibility for development co-operation is clearly defined, with the capacity to make a positive contribution to sustainable development outcomes</i>
Authority and leadership	The member has a clear understanding of where leadership, responsibility and accountability for development co-operation sits in a whole-of-government context.
Co-ordination	The development co-operation system is well co-ordinated and led with clear, complementary mandates, as part of a whole-of-government approach – at headquarters and in partner countries.
4.2. Systems	<i>The member has clear and relevant processes and mechanisms in place</i>
Policy/programme approval mechanism	The member has clear and transparent processes and procedures in place to make decisions on programming, policies and partnerships. This includes reviewing the delegation of financial and programming authority.
Quality assurance	The member has systems to assure the quality of its development co-operation, including independent and reliable auditing processes and mainstreaming of cross-cutting issues.
Procurement, contracting and agreement-making	Systems for procurement, contracting and agreement-making support the member to implement its policies and commitments in a fair and efficient way.
Risk management	The member has adequate and relevant systems and processes in place to assess and adapt to risk (strategic, reputational, programming, security). Analysis of risks and opportunities informs control and due diligence mechanisms, including those relating to sexual exploitation and abuse and implementing the OECD recommendation for development co-operation actors on managing risks of corruption.
Innovation and adaptation	The leadership and internal system promotes a culture of experimentation and adaptability to changes in the development landscape. The member has capabilities to introduce, incentivise, measure the impact of, and potentially scale, innovation in development co-operation policies and programmes.

4.3. Capabilities throughout the system

The member has the necessary skills and knowledge to manage and deliver its development co-operation, and ensures these are located in the right places.

Staffing levels, composition and location

The member ensures that its system as a whole has appropriate staff diversity, numbers and capacity to deliver on its objectives, and that these are at the right levels and right locations, including devolution of appropriate responsibilities to the field. Depending on the member's development co-operation objectives, this includes capacity for:

- Informed, responsive and flexible field presence in significant partner countries
- Knowledgeable and influential engagement with multilateral organisations, the private sector, NGOs and knowledge institutions
- Engagement with the member's other government agencies and other national actors, where relevant, in order to draw out expertise for the benefit of partner countries
- Engagement with other development agencies to support learning, co-ordination and understanding of complementarities
- Delivery against thematic and cross cutting objectives.

Human resource management

The member's human resource management system supports induction, retention of, and skills development for development co-operation staff, including for locally recruited staff. Staff receive specific training including on gender and diversity, and incentives to be based in fragile or crisis contexts.

Core references

High Level Forum on Aid Effectiveness (2011), "Busan Partnership for Effective Development Co-operation."

OECD (2009), *Better Aid: Managing Aid – Practices of DAC Member countries*, OECD Publishing, Paris.

OECD (2016), "Recommendation of the Council for Development Co-operation Actors on Managing the Risk of Corruption", OECD Council, 16 November 2016, Paris, France.

OECD (forthcoming), "Recommendation on Preventing and Managing the Risks of Sexual Exploitation and Abuse in Development Co-operation", OECD Council, forthcoming, Paris, France.

Other references

OECD (2015), "Human Resource Management in States affected by Fragility and Conflict", OECD Development Policy Papers, No. 2, OECD Publishing, Paris.

OECD (2011), *Revision to the 1995 Aide Memoire on the Accession of new DAC members and full participants (in Annex 1)*.

5. Delivery modalities and partnerships, globally, regionally and at country-level

Purpose

This chapter looks at the principles which guide a member's partnership approach across its development portfolio and how it uses its financial, diplomatic and technical resources in its global engagement and in partner countries. The approach and principles demonstrated should be consistent with the member's development co-operation policy and international commitments on development effectiveness agreed in Busan in 2011 (ownership of development priorities by developing countries, a focus on results, inclusive development partnerships, and transparency accountability to each other), and progressed through the Global Partnership for Effective Development Co-operation.

The member's approach to delivering through partnerships and in partner countries is in line with the principles of effective development co-operation

Components of analysis	Indicators
5.1. Effective partnerships	<i>The member's approach to partnerships for development co-operation with a range of actors (national and local government, UN agencies, development banks, CSOs, foundations, knowledge institutions, media, private sector) are consistent with development effectiveness principles</i>
Predictability and flexibility in programming and budgeting	The budgeting and approval process allows for multi-year predictability with partners, while keeping some flexibility. Programming processes allow adequate flexibility to respond to changing contexts. Transaction costs are minimised and monitoring focuses on results, balancing financial accountability and learning.
Joint approaches	The member prioritises programme-based approaches and joint programming, and participates, as appropriate, in delegated co-operation mechanisms, and multi-stakeholder partnerships. It makes efforts to avoid aid fragmentation. The member promotes collaboration between its partners, including through triangular co-operation.
Accountability and transparency	The member has systems to provide adequate and timely information on its development co-operation programme and accountability for results, in line with its transparency commitments. Its funding is clear, transparent and publicly available. It enables engagement with a wide range of partners, whilst delivering value for money for the taxpayer. The sharing of this data is used to improve effectiveness and outcomes.

5.2. Country level engagement	<i>The member's engagement in partner countries is consistent with its domestic and international commitments and principles of effective development co-operation</i>
Country ownership	The member applies the principles of ownership of development priorities by developing countries and mutual accountability in all its work at country level, and uses partner countries' own strategic frameworks, and public financial management, procurement and statistical systems in supporting activities managed by the public sector.
Predictability	The member regularly provides three- to five-year indicative forward expenditure to its partner countries on a rolling basis and/or implementation plans, as committed in Busan.
Transparency and accountability to each other	All support funded through the member's ODA reaching each partner country is tracked and information is made available to the partner government, parliament and civil society, for example through publication. The member promotes and uses country-led co-ordination arrangements to deliver more harmonised and aligned aid.
Responsiveness and inclusiveness	The member's programming is based on context analysis and understanding. The member has an appropriate mix of aid delivery instruments and partners so that it can adjust to partner countries' needs and capacity. The member supports locally-led change, including at sub-national and local levels. The member uses participatory processes and institutions that ensure all relevant stakeholders can contribute to decision-making, in particular marginalised groups and individuals.
Conditionality	The member is transparent about policy conditions it places on its development assistance and these are publicly available. Conditions are agreed with the partner country on the basis of the national development strategy or results framework.

Core references

Global Partnership for Effective Development Cooperation (2016), "Nairobi Outcome Document."

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6. Results, evaluation and learning

Purpose

This chapter looks at how DAC members focus on results and use of results and evaluation for decision making, accountability and learning, while assisting its partner countries to manage for development results.

The member plans and manages for results, building evidence of what works and using evidence to learn and adapt

Components of analysis	Indicators
6.1. Management for development results	<i>A results-based management system is being applied</i>
Results oriented policies and strategies	The member states the objectives of its development co-operation policies and programmes in terms that can be measured and assessed, and makes explicit reference to the achievement of development results with a clearly articulated chain of expected results from output to impact. These objectives are consistent with internationally agreed goals, including the SDGs, and align with its partner countries' objectives for sustainable development.
Approach to results measurement	The monitoring system provides quality and disaggregated information on overarching goals, along the results chain, from output to impact. In line with SDG target 17.18, data is disaggregated to the greatest extent possible by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts. The system draws both on qualitative and quantitative information, including from evaluations, and on partner countries' own data, systems and results frameworks, minimising where possible the introduction of additional indicators and parallel reporting requirements. The member builds statistical capacity in its partner countries through co-ordinated, country-led approaches. Independent data collection efforts are limited; if necessary, they are co-ordinated with and made available to all stakeholders, in particular to the partner country.
Use of results information	The member's measurement of sustainable development results provides information that is used for learning and improving programme management, and for communicating transparently and credibly about the results of aid. The member's planning, budgeting and monitoring processes support this focus on results. Headquarters and field staff have the capacity, tools and incentives to use results information.

6.2. Evaluation system	<i>The evaluation system is in line with the DAC evaluation principles</i>
Evaluation policy and evaluation function	An evaluation policy is in place with clearly defined roles and responsibilities. There is an evaluation function with sufficient expertise to ensure quality in the evaluation process.
Independence of evaluations	The evaluation process is impartial and independent from the process concerned with policy-making and the delivery of development assistance.
Planning and budgeting for the evaluation of development assistance activities	An overall plan and a dedicated budget for the evaluation of development assistance activities is in place to ensure coverage and strategic selection of topics with appropriate evaluation types used to meet different needs (e.g. project and programme evaluations, thematic and policy evaluations, impact evaluations, and corporate evaluations). The evaluation plan is, inter alia, informed by a need-to-know.
Evaluation partnerships and strengthening capacity	The member completes evaluations in partnership with aid recipients and other development partners. The member builds evaluation capacity in partner countries.
6.3. Institutional learning	<i>Appropriate knowledge management systems are used as management tools</i>
Learning from and using results information and evaluation findings	There is systematic and transparent dissemination of results, evaluation findings and lessons. The member has feedback mechanisms in place. These involve all parties concerned and link to the overall programme management and accountability systems to ensure follow up on recommendations, use of findings and learning from evaluation.
Knowledge management	The member has a knowledge management system and uses it across the development co-operation system as a forward-looking management tool, building on results and evidence (including research whenever possible) for learning and analysis. The member learns from both failure and success. The member effectively communicates what it has achieved and learnt.

Core references

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7. Fragility, crises and humanitarian assistance

Purpose

This chapter reflects the DAC Recommendation on the Humanitarian-Development-Peace Nexus, emphasising the need for members to allocate appropriate development co-operation investments and establish coherent approaches to crises and fragility.

Furthermore, this chapter reviews members' humanitarian assistance portfolio.

The member contributes to reducing the risk of crises and conflict, minimising the impact of shocks and conflicts, managing forced displacement flows and supporting affected populations, and increasing resilience to shocks and stresses, including through prevention. (Section A)

The member contributes to minimising the humanitarian impact of shocks and crises; and saves lives, alleviates suffering, and maintains human dignity in crisis and disaster settings. (Section B)

7.A Crises and Fragility

This section looks at efforts made by members to engage in fragile, conflict and crisis contexts with a range of coherent instruments to reduce the risk of crises, disasters and conflicts, minimising the impact of shocks and conflicts, managing forced displacement flows, supporting affected populations and building capacity for recovery and resilience.

Components of analysis	Indicators
7.1 Strategic framework	<i>Clear political directives and strategies for working in fragile contexts, preventing conflicts, reducing disaster risks, building resilience and sustainable peace, responding to crises and sustaining recovery</i>
Contribution to global efforts	The member contributes to global efforts to promote and sustain international peace and stability as well as disaster risk reduction in a way that is consistent with relevant international commitments.
Strategic framework	Cross-government policies articulate the member's response to crises and its approach to managing disasters and crisis risks.
Financial resources	Appropriate resources are allocated to the different components of the member's engagement in crisis and fragile contexts in line with strategic objectives.

7.2 Effective programme design and instruments	<i>Programmes are designed coherently to address key drivers of fragility, conflict and disaster risks, and address the needs of women and the most vulnerable</i>
Whole-of-government approach	The member has a functioning whole-of-government mechanism to ensure coherence between political, diplomatic, security, development co-operation and humanitarian assistance to help prevent or respond to a crisis and sustain recovery, with identification of a clear lead entity.
Risk informed context analysis and programming	The member has mechanisms in place to analyse key drivers and risks of conflict and fragility, and to assess disaster risks. Where needed, the member's analysis and early warning help to develop or adapt programmes in order to reduce the risks of instability, crisis or disasters.
Instruments available for protracted crises and recovery	The member has an appropriate mix of instruments to support resilience to shocks, stabilisation and durable solutions for people affected by protracted crises, and countries' recovery, through long-term programming, and humanitarian assistance when necessary.
Managing forced displacement	The member helps to find durable, inclusive and conflict sensitive solutions for forcibly displaced persons according to international commitments and standards including in the member's country when relevant.
Addressing the gender aspects of conflict	The member takes into account and addresses the various gender aspects of conflict and disaster, including by supporting the participation of women in conflict prevention, and peacebuilding and mediation, and by helping to put an end to sexual and gender-based violence in all crisis contexts.
7.3 Effective delivery and partnerships	<i>Systems, processes and people work together effectively and efficiently in crisis contexts</i>
Bilateral Partnership	The member's bilateral partnership modalities, including with governments and with CSOs, are adapted to crises and fragile and conflict-affected contexts, and support peacebuilding. It has predictable, timely and flexible funding to its national, international or local partners.
Multilateral partnership	The member supports multilateral response and allocates multilateral aid in fragile and conflict-affected contexts, and in response to crises, in accordance with its goal and strategy. Regular dialogue includes feedback mechanisms and result measurement.
Co-ordination with other donors and local systems	The member co-ordinates its engagement in fragile and crisis contexts including with local systems whenever relevant and possible. The member enhances local accountability and strengthens local capacities.
Coherence between peace, development co-operation and humanitarian assistance in crisis contexts	The member's processes, delivery mechanisms and people work together effectively along the nexus between peace, development co-operation and humanitarian assistance in crisis contexts. When relevant, the member ensures co-ordination between development actors and military according to respective mandates.

7.B Humanitarian assistance

This section looks at efforts made by members to fulfil the Principles and Good Practices of Humanitarian Donorship (GHD), endorsed by 43 donors, including all members of the DAC. The chapter takes into consideration the outcomes of the 2016 World Humanitarian Summit, including the relevant provisions of the Grand Bargain (GB). The objectives of humanitarian action, as set out in the GHD principles, are to save lives, alleviate suffering and maintain human dignity during and in the aftermath of man-made crises and natural disasters, as well as to strengthen preparedness for the occurrence of such situations.

7.4 Humanitarian assistance strategic framework		Clear political directives and strategies for humanitarian assistance.
Humanitarian policy and strategic framework	The member has cross-government policy for humanitarian assistance, respecting the GHD principles, the humanitarian principles, and other international agreements, including outcomes of the 2016 World Humanitarian Summit. This policy is anchored in relevant legislation and accompanied by a realistic implementation plan.	
7.5 Effective humanitarian programming		Programmes target the highest risk to life and livelihood
Criteria for who, what and where to fund	The member bases its humanitarian funding on an objective need assessment and determination of the severity of each crisis, taking into account the capacity of potential partners to address needs and deliver results. The decision-making process and criteria are transparent, and match the priorities set out in the humanitarian strategy.	
Approach towards localising the response and affected communities participation	The member uses funding tools to increase and improve assistance delivered by local and national responders including disaster preparedness, response and coordination and enable community engagement as well as accountability to affected populations, including elements related to gender equality.	
Monitoring own performance and the impact of programmes	The member monitors and reports on its objectives and strategies. The member has tools to monitor partner progress and the impact of programmes and can accept common standard data for some reporting purposes.	
7.6 Effective delivery, partnerships and instruments of humanitarian assistance		Delivery modalities and partnerships help deliver quality assistance
Rapid response tools and mechanisms	The member has relevant mechanisms for rapid crisis response, including early warning and participatory mechanisms, emergency preparedness and civil protection.	

Response to protracted crisis	The member has relevant mechanisms to address protracted humanitarian need, including residual needs in post-crisis situations. The member co-ordinates its response with national and local systems as relevant, as well as with other donors and stakeholders in accordance with humanitarian principles.
Partnerships with the humanitarian community	The member improves the predictability, timeliness and flexibility of humanitarian funding. It simplifies administrative processes for partners and harmonises the quality of reporting. Partnership with the humanitarian community includes regular dialogue and feedback mechanisms.
Approach to civil-military co-ordination	The member has a cross-government humanitarian civil-military policy guiding the use of military, law enforcement and civil defence assets in sudden onsets and protracted crises. The member works to increase awareness of humanitarian principles amongst key military and law-enforcement personnel.
7.7 Organisation fit for purpose	<i>Systems, structures, processes and people work together effectively and efficiently</i>
Humanitarian staff and systems	The member has sufficient skilled staff in headquarters and in the field to cope with workload expectations throughout the programme cycle. The member provides staff with training on how to work effectively in fragile, conflict and crisis-affected situations, and provides capacity for monitoring programme implementation and results.
7.8 Communication	<i>Results on humanitarian assistance are communicated</i>
Communicating results	The member communicates objectives and results to major stakeholders (including taxpayers, lawmakers, partners and affected communities). The member publishes timely, transparent, harmonised and open high-quality data on humanitarian financing.

Core references

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OECD (2019), DAC Recommendation on the Humanitarian – Development – Peace Nexus.

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