Global Partnership for Effective Development Co-operation

Making Development Co-operation More Effective

2019 PROGRESS REPORT



OECD

UNDP

Making Development Co-operation More Effective

2019 PROGRESS REPORT

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily represent the official views of the member countries of the OECD; nor those of the United Nations, including UNDP, nor of the UN Member States. This document, as well as any data and any map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area, and do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations or UNDP concerning the legal status of any country, territory, city or area or its authorities, or concerning the delimitation of its frontiers or boundaries.

Please cite this publication as:
OECD/UNDP (2019), *Making Development Co-operation More Effective: 2019 Progress Report*, OECD Publishing, Paris, *https://doi.org/10.1787/26f2638f-en*.

ISBN 978-92-64-31895-3 (print)
ISBN 978-92-64-75429-4 (pdf)

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Corrigenda to OECD publications may be found on line at: *www.oecd.org/about/publishing/corrigenda.htm*.

© OECD, UNDP 2019

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgement of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to *rights@oecd.org*. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at *info@copyright.com* or the Centre français d'exploitation du droit de copie (CFC) at *contact@cfcopies.com*.

Preface

A paradigm shift in development partnerships is critical to meeting the magnitude and complexity of development challenges. The Sustainable Development Goals (SDGs) provide a compelling vision of what is to be achieved, and the Financing for Development process an understanding of what this needs to succeed. Complementing these by addressing how we partner and work together, based on the internationally agreed upon effectiveness principles – ownership by partner countries, a focus on results, inclusive partnerships, and transparency and mutual accountability – will be essential to getting the 2030 Agenda back on track, and to ensuring that no one is left behind.

The Global Partnership for Effective Development Co-operation drives more effective development efforts. Its flagship instrument is its biennial monitoring exercise, which tracks progress towards the effectiveness principles, acting as a tool for mutual accountability and learning among partner country governments and their development partners. The exercise also provides important data and evidence to inform the SDG and Financing for Development follow-up and review processes.

As the Co-Chairs of the Global Partnership, we would like to express our sincere thanks to all those that contributed to a successful 2018 Monitoring Round. We would like to first recognise the 86 partner country governments that led the country-level exercise. We would also like to recognise the 100+ development partners, as well as the hundreds of representatives of civil society, businesses, trade unions, foundations, parliaments and local governments who engaged in the monitoring process. This is the clearest demonstration that effectiveness matters – to all of us. We express our appreciation to the OECD-UNDP Joint Support Team for facilitating the monitoring exercise and preparing this report. Finally, we would like to give thanks to the Global Partnership's outgoing Co-Chairs, Germany and Uganda, for their commitment and support throughout the monitoring process.

Our efforts must be sustained. This report represents a starting point for dialogue and action. We must now come together to ensure the data and evidence presented here are used to strengthen the quality of co-operation, maximising the impact of joint action towards implementation of the SDGs and ensuring that every dollar reaches its full potential towards ending all forms of poverty and reducing inequality. The global partnership monitoring is a country led process. In light of the evolving co-operation landscape, we will continue to adapt the monitoring process, in order to respond to context-specific needs, improve alignment to the SDG follow-up, and review process. Through these efforts, the Global Partnership will contribute to the more inclusive multilateralism, and more effective partnering, necessary to realise the "decade of delivery".

Monowar Ahmed
Permanent Secretary
Economic Relations Division, Ministry of Finance
Bangladesh

Daniel Epembe Mosango
Secretary-General
Ministry of Planning
Democratic Republic of the Congo

Thomas Gass
Ambassador, Assistant Director General
Head of South Cooperation Department
Federal Department of Foreign Affairs
Swiss Agency for Development and Cooperation SDC

Vitalice Meja
Executive Director
Reality of Aid Africa
Non-executive Co-Chair

Foreword

This is the Global Partnership for Effective Development Co-operation 2019 Progress Report. Parts I and II of this report were released in advance of the Senior-Level Meeting of the Global Partnership, which took place on 13-14 July 2019, on the margins of the 2019 United Nations High-level Political Forum on Sustainable Development. Parts I and II present results that have emerged from analysis of data collated for the 2018 Global Partnership Monitoring Round. Global Partnership progress reports enable policy makers to understand trends related to mainstreaming effective development co-operation principles into development co-operation practices at country level, and gain an outlook on key issues for the effectiveness agenda that require action over the coming years.

Parts I and II provide analysis and findings with respect to delivering against internationally agreed effectiveness commitments. A concluding Part III, informed by the discussions at the Senior-Level Meeting, reflects views of Global Partnership stakeholders on the evidence presented in Parts I and II as well as key messages to further shape the future of the monitoring exercise and effectiveness efforts.

The Global Partnership has produced progress reports since 2014 to generate evidence on implementation of internationally agreed principles for effective development co-operation that demonstrates where progress has been made and where challenges remain. The reports draw on data collated by partner countries and are one of the few sources of aggregate global data and analysis on development co-operation effectiveness. The progress reports are published jointly by the Organisation for Economic Co-operation and Development and the United Nations Development Programme. Their aims are to ensure that effectiveness remains high on the international development agenda while also supporting better policy to drive better results where they count most – on the ground.

All data presented herein, unless otherwise stated, are primary information reported by the partner country governments that participated in the Global Partnership's biennial monitoring exercise. Other complementary sources of data used in the report are the latest available data at the time of writing, and are referenced accordingly.

Acknowledgements

Making Development Co-operation More Effective: 2019 Progress Report was prepared by the Organisation for Economic Co-operation and Development (OECD) and the United Nations Development Programme (UNDP), under the auspices of the Global Partnership for Effective Development Co-operation. The OECD and the UNDP would like to thank the Co-Chairs' Offices and Steering Committee members for their engagement throughout the 2018 Monitoring Round.

This report would not have been possible without the contributions of the 86 partner country governments that led the monitoring exercise at country level, as well as participating development partners. In particular, the OECD-UNDP Joint Support Team would like to thank the national co-ordinators who managed the data collection process, as well as focal points from development agencies, civil society organisations, businesses, trade unions, parliaments, foundations and local governments who took part in the monitoring process at the country and global levels.

The report was prepared by a team comprising Jonas Bausch, Cibele Cesca, Rebekah Chew, Jonas Deusch, Piper Hart and Valentina Orrù, with the co-ordination of Regina Gallego, and under the strategic guidance of Hanna-Mari Kilpelainen and Yuko Suzuki Naab and the general direction of Paloma Duran y Laguna and Margaret Thomas.

The OECD-UNDP Joint Support Team would also like to recognise the following people for their significant contributions: Yasmin Ahmad, Rolando Avendano, Aussama Bejraoui, Marisa Berbegal Ibanez, Michael Castro, Neil Cole, Aneta Dujanovic, Cyprien Fabre, Karin Fallman, Katherine Gifford, Giorgio Gualberti, Alejandro Guerrero-Ruiz, Jenny Hedman, Zohra Khan, Silvia Kirova, Jens Kromann Kristensen, Ida McDonnell, Annelise Parr, Helena Ramos, Rachel Scott, Andrzej Suchodolski, Brian Tomlinson and Jacqueline Wood.

We would also like to thank Thomas Boehler, Emily Davis, Rafael Duque Figueira, Beakal Fasil, Hélène Gaston, Orria Goni, Anjali Karnavar, Rod Mamudi, Susan Rantalainen, Yumna Rathore, Rufei Wang and Zakaria Zoundi, as well as the many colleagues working in UNDP Country Offices for their support in the implementation of the Monitoring Round. Finally, the OECD and the UNDP would like to thank Jennifer Allain, Stacey Bradbury, Sara Casadevall Bellés, Gillian Chalmers, Stephanie Coic, Lisbel Gavara, Susan Sachs and Henri-Bernard Solignac-Lecomte for their advice and support in preparing the document for publication.

Table of contents

Preface 3

Foreword 4

Acknowledgements 5

Reader's guide 10

Abbreviations and acronyms 12

Executive summary 14

1 Overview of the 2018 Global Partnership Monitoring Round 17

Part I. How partner countries are promoting effective partnerships 33

2 Partner country government leadership has advanced national development aspirations 35

3 Partner country governments can enable more meaningful engagement to maximise a whole-of-society approach 57

4 Mutual accountability mechanisms are adapting to an evolving development landscape 81

Part II How development partners are promoting effective, country-led partnerships 91

5 Walking the talk: Development partners are not fully facilitating country leadership over development efforts 93

6 Development partners are taking steps to reinforce a whole-of-society approach to development 127

7 Development partners are strengthening transparency of development co-operation information as an important step to enhance accountability 141

Part III Reflections of Global Partnership stakeholders 155

8 Looking forward: Initial reflections of Global Partnership stakeholders 157

Annex A. Indicators' coverage 163

Annex B. 2018 Monitoring Round 165

Table

Table A.1. Global Partnership indicators and where to find analysis on indicator results in the 2019 Progress Report 163
Table B.1. Countries and territories participating in the 2018 Monitoring Round 165
Table B.2. Development partners included in the 2018 Monitoring Round 166

Figures

Figure 1.1. Principles for effective development co-operation 19
Figure 1.2. Partner countries that participated in the 2018 Monitoring Round 20
Figure 1.3. Types of development partners that participated in the 2018 Monitoring Round 21
Figure 1.4. Partner countries' progress in development planning is significant 23
Figure 1.5. Use of country-owned results frameworks and planning tools by development partners is declining 24
Figure 1.6. Decreasing forward visibility of development co-operation 24
Figure 1.7. Progress in strengthening and using public financial management systems 25
Figure 1.8. Partner country governments and development partners consult with a variety of stakeholders 26
Figure 1.9. Civil society organisations' enabling environment is deteriorating 26
Figure 1.10. Views on the quality of public-private dialogue are diverging 27
Figure 1.11. Transparency of development co-operation remains steady 28
Figure 1.12. Quality mutual accountability mechanisms are evolving 29
Figure 2.1. Partner countries are referencing the 2030 Agenda and/or the SDGs in national development strategies 37
Figure 2.2. Reference to the 2030 Agenda/SDGs in national planning is slowing 38
Figure 2.3. Quality of national development planning has improved since 2011 40
Figure 2.4. Quality of development planning is higher in low-income countries 41
Figure 2.5. Progress in establishing national development strategies and results frameworks since 2016 43
Figure 2.6. Number of countries with capacity to deliver fundamental statistics 44
Figure 2.7. The budget cycle 46
Figure 2.8. Partner countries are strengthening public financial management systems 47
Figure 2.9. Partner countries make varying progress in strengthening public financial management system elements 48
Figure 2.10. Significant progress is needed for national systems to meet requirements for tracking and making public gender-related allocations 52
Figure 3.1. Partner country governments consult broadly when designing national development strategies, but participatory processes are rarer 60
Figure 3.2. Few partner country governments make progress reports on implementation of the national development strategy publicly available 61
Figure 3.3. Deterioration of enabling environments in which civil society organisations operate 62
Figure 3.4. Divergence of stakeholder views on the enabling environment for civil society organisations 64
Figure 3.5. Civil society organisations report that consultations are not consistently used to inform national development policies 65
Figure 3.6. Diverging views on freedom of expression 66
Figure 3.7. Access to resources is not considered highly restricted 67
Figure 3.8. Elements of high-quality public-private dialogue 70
Figure 3.9. Stakeholders that participated in assessing the quality of public-private dialogue 70
Figure 3.10. Divergence of stakeholder views on the quality of public-private dialogue 71
Figure 3.11. Top ten topics addressed in public-private dialogue 73
Figure 3.12. Principles for effective private sector engagement through development co-operation 76
Figure 4.1. Less than half of partner countries have quality mutual accountability mechanisms in place 83
Figure 4.2. Mutual accountability mechanisms are increasingly inclusive 85

Figure 5.1. Development partners' country strategies strongly align to national priorities, but less so to country-owned results frameworks 96
Figure 5.2. Alignment to national development priorities in country strategies and individual projects 97
Figure 5.3. Development partners increasingly reference the 2030 Agenda in their country strategies 98
Figure 5.4. Alignment of project objectives has decreased for most development partners 100
Figure 5.5. National development strategies are the planning instruments most used by development partners to align to government objectives 101
Figure 5.6. Development partners' reliance on country-defined results, statistics and monitoring systems is decreasing 102
Figure 5.7. Decreasing use of country-owned results frameworks indicates declining respect for country policy space and leadership, especially for bilateral partners 103
Figure 5.8. Government involvement in evaluations has slightly increased, but remains mixed across development partners 104
Figure 5.9. The World Health Organization outperforms on project-level alignment 105
Figure 5.10. On aggregate, annual predictability improved for all development partners 107
Figure 5.11. Predictability is lower in least developed countries, extremely fragile contexts and highly ODA-dependent countries 108
Figure 5.12. Forward visibility is declining 109
Figure 5.13. Availability of forward expenditure plans and share of development co-operation on budget follow the same trend 110
Figure 5.14. In contrast to most other development partners, UN agencies are both increasing the availability of forward expenditure plans and development co-operation on national budgets 111
Figure 5.15. Characteristics of use of country public financial management systems 113
Figure 5.16. Use of country public financial management systems has grown since 2011 114
Figure 5.17. DAC members lead in increasing use of partner country public financial management systems 115
Figure 5.18. Lower middle-income countries show highest use of country systems 116
Figure 5.19. Despite progress, not all DAC members have yet fully untied their official development assistance 119
Figure 5.20. Official development assistance to some least developed countries is increasingly tied 120
Figure 6.1. Civil society organisations are consulted the most in preparing development partners' country strategies 129
Figure 6.2. Civil society organisations in most countries reported that development partner consultations are occasional and not inclusive 130
Figure 6.3. Main implementers of the largest development projects approved in 2017 131
Figure 6.4. Development partners and partner country governments do not systematically discuss promoting a CSO-enabling environment 133
Figure 6.5. Civil society organisations and governments in most partner countries consider development partners' funding mechanisms to be focused on implementing the development partners' own programming priorities 134
Figure 6.6. DAC assistance to civil society organisations (CSOs) (core) and through CSOs (earmarked), 2010-17 136
Figure 6.7. More transparent information on development partners' support to civil society organisations is needed 137
Figure 7.1. Dimensions of transparency assessed across the three reporting systems and standards 144
Figure 7.2. Transparency of development co-operation remains steady 145
Figure 7.3. Reporting to the Creditor Reporting System has improved for a proportion of development partners 147
Figure 7.4. Forward-looking reporting is declining 147
Figure 7.5. Improvements in reporting to the International Aid Transparency Initiative are driven by multilateral partners 148
Figure 7.6. Development partners report strong inclusiveness of mutual assessments 150
Figure 7.7. Development partners view mutual assessments as effective 151

Figure A.1. Coverage of the country-level indicators in the 2018 Monitoring Round 164

Boxes

Box 2.1. Using the Sustainable Development Goals as a shared framework for results 39
Box 2.2. Assessing the quality of national development planning 40
Box 2.3. National development planning policies and processes 42
Box 2.4. Strengthening statistical capacities for better development outcomes 44

Box 2.5. What is a public financial management system and how is its quality assessed? 46
Box 2.6. Designing context-specific solutions to strengthen public financial management 49
Box 2.7. Small island developing states in the 2018 Monitoring Round 50
Box 2.8. Assessing national government systems and transparency for meeting the 2030 Agenda goals on gender equality and women's empowerment 51
Box 3.1. Leveraging the value of each stakeholder 59
Box 3.2. Conditions that maximise effective civil society engagement and contribution to development 63
Box 3.3. Public-private dialogue in Bangladesh: The story of BUILD 72
Box 3.4. Small and medium-sized enterprise engagement is essential to inclusive public-private dialogue and to leaving no one behind 74
Box 3.5. Principles and guidelines for effective private sector engagement through development co-operation 75
Box 4.1. Assessing mutual accountability at country level 83
Box 4.2. Partner countries' information systems track development co-operation 86
Box 4.3. Mutual accountability mechanisms vary by country context 87
Box 4.4. Results of the Development Cooperation Forum survey on mutual accountability 88
Box 5.1. How development partner alignment is assessed 96
Box 5.2. The 2030 Agenda is increasingly being operationalised as a global results framework 98
Box 5.3. The Global Partnership monitoring exercise is the sole source of data to measure SDG Target 17.15 on "respect for each country's policy space and leadership"[1] 102
Box 5.4. The World Health Organization ensures strong project-level alignment 105
Box 5.5. Building statistical capacity: Strengthening national statistical systems through their use 106
Box 5.6. What does it mean to use country systems? 113
Box 5.7. Determinants of use of country public financial management systems 117
Box 6.1. Civil society organisations and the private sector as project implementers 131
Box 6.2. Co-ordinating support to civil society organisations in Samoa 135
Box 6.3. Disparities in funding for civil society organisations 135
Box 6.4. Study on how DAC members work with civil society 138
Box 7.1. Global Partnership measures of transparency 143
Box 7.2. Creditor Reporting System reporting has a new Sustainable Development Goals focus 146
Box 7.3. Using development co-operation data: Good practice examples 148
Box 7.4. The International Aid Transparency Initiative aims to increase country-level data availability and usability 149

Reader's guide

The 2018 Global Partnership Monitoring Round: The methodology

The Global Partnership monitoring exercise differs from other global accountability frameworks in that its focus is on the quality of partnering that takes place to deliver development results and outcomes, rather than on the results themselves. Recognising the unique roles and responsibilities of each actor, the Global Partnership monitoring exercise is country-led and voluntary and aims to strengthen multi-stakeholder dialogue at country, regional and global level. The exercise drives change in the way development co-operation is provided by collecting country-generated data that highlight where progress is being made and where challenges persist, and thus brings together stakeholders around concrete findings to chart a new path forward.

The Global Partnership monitoring exercise is country-led. Partner country governments, on a voluntary basis, opt to conduct the monitoring exercise in their country.[1] Each participating partner country assigns a government focal point to lead the monitoring exercise in country. While it is led by the government, the exercise aims to strengthen multi-stakeholder dialogue. The *2018 Monitoring Guide for National Co-ordinators* (GPEDC, 2018[1]) recommends that the government focal points that are leading the exercise collaborate with representatives from bilateral and multilateral development agencies, civil society, the private sector, parliamentarians, and other relevant actors in order to collect data for the exercise with the support and guidance of the Joint Support Team of the OECD and the UNDP.

Multi-stakeholder validation of country-generated data is an important part of the monitoring process, ensuring high-quality reporting and strengthening mutual understanding of progress and challenges in meeting effectiveness commitments. As a consequence, government focal points are encouraged to invite representatives from across stakeholder groups to come together during the validation phase. By embedding the process in national mechanisms and providing strong government capacity, leadership and adequate resources, more than half of the partner countries that participated (46 of 86) conducted the monitoring exercise as a comprehensive multi-stakeholder process at country level. Others (40 of 86), while eager to participate, carried out the exercise as a multi-stakeholder process to varying degrees, depending on country context and context-specific challenges.

The process of carrying out the monitoring exercise has several benefits. For partner country governments, the exercise builds national capacity to monitor effectiveness in country. It also serves as an entry point to mobilise and engage with a broad range of stakeholders on the quality of ongoing co-operation, strengthening relationships and building trust. For development partners, the exercise provides a platform to identify where progress is needed in order to work more effectively with partner countries and encourages the development of joint solutions to shared challenges. For domestic development actors, the monitoring exercise provides a unique multi-stakeholder process to engage in dialogue with government and international partners and to identify solutions for more effective development partnerships. The Global Partnership reports on progress through ten indicators that capture the essence of the four principles for effective development co-operation. Some of these indicators have their roots in the Paris Declaration on Aid Effectiveness (OECD, 2005[2]); others were introduced in 2012 to capture the

broader dimensions of the Busan Partnership agreement, as called for by developing countries. In 2017, a comprehensive review of the indicators was conducted in line with the renewed mandate of the Global Partnership to better reflect the opportunities of the 2030 Agenda.[2] Throughout this report, associated methodologies of the ten indicators are described in broad terms where necessary (often in a box) for clarification of the text. A comprehensive account of the methodology of Global Partnership monitoring is contained in the *2018 Monitoring Guide for National Co-ordinators* (GPEDC, 2018[1]), the *Technical Companion Document* (GPEDC, 2018[3]), the *2018 Monitoring Round: Mini Guide for Development Partners* (GPEDC, 2018[4]) and the *Indicative Terms of Reference for Development Partners* (GPEDC, 2018[5]).

How to read this report

All findings and conclusions presented in this report draw on data from the 2018 Global Partnership Monitoring Round unless otherwise stated or referenced. Where a comparison is drawn with 2016, this refers to data from the 2016 Global Partnership Monitoring Round. For comparisons with 2011, data from Paris Declaration monitoring (OECD, 2005[2]) are used.

For clarity on language used throughout this Progress Report and for ease of reference:

- **"Partner country or territory"** is used to refer to developing countries and territories that reported to the Global Partnership Monitoring Round in 2018.[3]
- **"Development partner"** is used to refer to official agencies, including state and local governments, or to their executive agencies that provide development co-operation. This includes Development Assistance Committee (DAC) and non-DAC bilateral partners, as well as multilateral development partners including, for example, multilateral development banks and vertical funds.
- **"Development actors"** is used to refer to the full range of development stakeholders. This includes, for example, civil society and development partners as defined above as well as non-traditional development partners (e.g. the private sector and foundations).

All percentages that refer to partner countries are to be interpreted as proportions of the overall 2018 monitoring sample of 86 participating partner countries unless otherwise specified. Some percentages describe a subset of the 86 partner countries.

Notes

[1] The Co-Chairs of the Global Partnership launched the monitoring exercise by issuing an invitation letter at ministerial level to partner countries to participate in the 2018 Monitoring Round.

[2] The review was guided by technical advice from a monitoring advisory group, lessons learnt from the 2016 Global Partnership Monitoring Round and online consultations. More information is available on the Global Partnership website at: http://effectivecooperation.org/monitoring-country-progress/global-partnership-monitoring-2-0/track-2-adapting-monitoring-to-new-challenges.

[3] Participation in this process and mention of any participant in this document are without prejudice to the status or international recognition of a given country or territory.

Abbreviations and acronyms

BUILD	Business Initiative Leading Development
CABRI	Collaborative Africa Budget Reform Initiative
CCS	Country Cooperation Strategy
CPA	Country programmable aid
CRF	Country-owned results framework
CRS	Creditor Reporting System
CSO	Civil society organisation
DAC	Development Assistance Committee (OECD)
DCF	Development Cooperation Forum (UN)
FSS	Forward Spending Survey
GNI	Gross national income
IATI	International Aid Transparency Initiative
LDC	Least developed country
MDAs	Ministries, departments and agencies
MDB	Multilateral development bank
MDG	Millennium Development Goal
NGO	Non-governmental organisation
NOD	Nairobi Outcome Document
ODA	Official development assistance
OECD	Organisation for Economic Co-operation and Development
PEFA	Public Expenditure and Financial Accountability
PFM	Public financial management
PPD	Public-private dialogue
SDG	Sustainable Development Goal
SIDS	Small island developing state
SLM	Senior Level Meeting
SME	Small and medium-sized enterprise

UMIC	Upper middle-income country
UN	United Nations
UNDP	United Nations Development Programme
UNSDCF	United Nations Sustainable Development Cooperation Framework
USD	US dollar
WHO	World Health Organization

Executive summary

Reaching the Sustainable Development Goals (SDGs) requires urgent action on effective partnerships, as called for in SDG 17. The ambition of the 2030 Agenda calls for a whole-of-society approach building on the collective actions of stakeholders to deliver sustainable solutions for people and the planet while leaving no one behind. The Global Partnership for Effective Development Co-operation spurs action for more effective partnerships to deliver long-lasting development results. Established by the Busan Partnership agreement (2011), the Global Partnership advances the effectiveness of development efforts by all actors as reaffirmed at its 2nd High-Level Meeting in Nairobi (2016).

This report presents the findings of the 2018 Monitoring Round of the Global Partnership. It assesses how effectively governments have established a conducive environment to lead national development efforts, enabling the full participation of the whole of society; and how development partners deliver their support in a way that is focused on country-owned development priorities and that draws on existing country systems and capacities. The Global Partnership's biennial global monitoring exercise reports on progress through ten indicators that capture the essence of the four internationally agreed principles for effective development co-operation and capture the quality of partnering that takes place to deliver development results: country ownership; focus on results; inclusive partnerships; and transparency and mutual accountability. Data generated from Global Partnership monitoring, building on country-led data collection, also provide evidence for SDG follow-up and review (SDG Targets 17.15, 17.16 and 5c).

Partner country governments have made significant progress in strengthening national development planning. Since 2011, the proportion of partner countries with a high-quality national development strategy has almost doubled (from 36% to 64%). Partner countries, like their development partners, are also embedding the SDGs into their planning, signalling increasing use of the SDGs as a shared results framework. Still, to reap the full benefits of strengthened development planning, strategies must be better linked to implementation resources and matched with robust monitoring and evaluation.

Development partners' alignment to partner country priorities and country-owned results frameworks is declining. Alignment of project objectives to partner country priorities, as well as reliance on country-defined results, statistics and monitoring systems, has decreased for most development partners since 2016. While multilateral development banks have increased their reliance of country-owned results frameworks, the decline is most pronounced for bilateral development partners. Availability of government data is a shared bottleneck and signals the need for concerted efforts from both partner countries and development partners to use and strengthen national statistics and monitoring systems.

Forward visibility of development co-operation at country level is weakening. Partner countries report a decrease in the availability of forward expenditure and implementation plans from their development partners. This decline is mirrored in the fall of the share of development co-operation finance recorded on partner countries' budgets subject to parliamentary scrutiny. Together, this trend puts at risk the ability of partner countries to effectively plan and budget for their development efforts, and limits accountability over national development efforts through parliamentary oversight.

Strengthened public financial management (PFM) systems have not been matched with significantly increased use by development partners. The strongest gains in strengthening PFM systems relate to aspects of budget formulation, while continued effort is needed in the areas of auditing, procurement and to ensure PFM systems respond to gender equality goals. Globally, use of country PFM systems has increased slightly, primarily driven by a notable increase in the use of procurement systems. However, Global Partnership monitoring data show that the quality of PFM systems is not the determining factor for the extent of their use. Rather, the longer development partners engage in partner countries and the larger the share they channel to the public sector, the more they tend to use PFM systems.

More systematic and meaningful consultations with development actors are needed both by partner country governments and development partners. Partner country governments and, to a lesser extent, development partners consult a broad range of national stakeholders, such as civil society, the private sector, parliamentarians and subnational governments in the preparation of their country strategies and programmes, respectively. Results indicate that these engagement opportunities could be more regular, predictable and involve a more diverse set of actors.

The enabling environment for civil society organisations is deteriorating. Civil society organisations (CSOs) report a decline in the legal and regulatory frameworks that provide protection for CSOs as well as limited freedom of expression and inadequate protection from harassment when working with at-risk populations. Furthermore, CSOs do not consider development partners' funding mechanisms to be predictable, transparent or accessible to a diversity of CSOs and report that funding received is primarily driven by the providers' own interests and priorities. Concerted action by partner countries and development partners can support CSOs as equal partners in their own right, bringing knowledge on local development needs and priorities.

Improving the quality of public-private dialogue (PPD) in partner countries requires increased capacity, strengthened relevance and the inclusion of a wider range of private sector actors. Partner country governments and private stakeholders agree that mutual trust and willingness to engage in policy dialogue exist. However, all stakeholders report limited capacity to engage. Additionally, public and private stakeholders report diverging views on relevance and inclusiveness of PPD, weakening its quality. Despite challenges, results also show that when the foundations for high-quality dialogue are in place, PPD is geared towards results and leads to joint action.

There is mixed progress in making development co-operation more transparent. More development partners report to global information systems and standards to make information on development co-operation publicly available. Information provided by development partners is also more comprehensive; however, progress on timely and forward-looking information on development co-operation is uneven. In addition, nearly all partner countries have an information management system in place for development co-operation, and most (83%) development partners report to these systems. However, there is room for improvement regarding consistency and quality of reporting at country level.

In response to the evolving development landscape and the ambition of the 2030 Agenda, mutual accountability mechanisms are becoming more inclusive. Countries for which official development assistance remains important have quality mutual accountability mechanisms in place for development co-operation. Partner countries that are less dependent on development assistance are moving to other, more holistic accountability structures. Furthermore, an increasingly diverse set of development partners is engaged in mutual accountability mechanisms at country level. However, fewer partner countries are setting targets for effective development co-operation for these diverse partners.

Shifts in development co-operation structures at country level have implications for the Global Partnership monitoring process. These structural shifts have already impacted the way the 2018 Monitoring Round was undertaken at country level, meriting further attention from the Global Partnership community ahead of its next monitoring round. The Global Partnership will carry on adapting its monitoring to reflect the opportunities and challenges of the 2030 Agenda and ensure continued relevance and cutting-edge data in a changing world.

References

GPEDC (2018), *2018 Monitoring Guide for National Co-ordinators*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf. [1]

GPEDC (2018), *2018 Monitoring Round: Mini Guide for Development Partners*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/2018MiniGuide_DevPartners.pdf. [4]

GPEDC (2018), *Indicative Terms of Reference for Development Partners*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/ToRs_Development_Partners_Focal_Point.pdf. [5]

GPEDC (2018), *Technical Companion Document*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/Technical_Companion_27_July_Final.pdf. [3]

OECD (2005), *The Paris Declaration on Aid Effectiveness*, OECD, Paris, https://www.oecd.org/dac/effectiveness/34428351.pdf. [2]

1 Overview of the 2018 Global Partnership Monitoring Round

This chapter provides an overview of the results of the 2018 Monitoring Round of the Global Partnership for Effective Development Co-operation. It presents a high-level summary of how partner countries are putting in place the building blocks for an effective, whole-of-society development effort, and how development partners are supporting these country-led efforts.

Effective partnerships are a cornerstone of the 2030 Agenda for Sustainable Development

Global development challenges, and threats to hard-won development gains, have not eased since the adoption of the 2030 Agenda for Sustainable Development. Indeed, they are ever more pressing, complex and inter-related (Biermann, Kanie and Kim, 2017[1]). The 2030 Agenda and its 17 Sustainable Development Goals (SDGs) provide a roadmap to tackle these challenges through a whole-of-society approach, one that builds on the collective actions of all stakeholders to deliver long-lasting solutions for people and the planet while leaving no one behind. Partnerships are pivotal to attaining all the SDGs. This is clearly set out in SDG 17, which calls for strengthening the means of implementation and revitalising the Global Partnership for Sustainable Development (UN, 2015[2]).

International efforts to strengthen the effectiveness of development co-operation build on over a decade of lessons, with the aim of ensuring that all available resources are mobilised and used in a way that maximises their potential. Following consecutive processes in Rome (2003), Paris (2005) and Accra (2008), the Busan Partnership for Effective Development Co-operation was endorsed in 2011 by 161 governments as well as heads of multilateral and bilateral institutions, representatives of civil society, the private sector, parliamentarians, and other stakeholders committed to strengthening the effectiveness of their joint efforts for development (OECD, 2011[3]). The Busan Partnership defined four internationally agreed principles for effective development co-operation (Figure 1.1), and marked a fundamental shift, moving beyond a focus on traditional aid to a recognition of the increasingly important roles of diverse development actors (GPEDC, 2016[4]).

The Global Partnership spurs action for more effective partnerships in order to achieve long-lasting development results

The Global Partnership for Effective Development Co-operation (hereafter Global Partnership) is a unique multi-stakeholder platform to advance the effectiveness of development efforts by all actors in delivering results that are long-lasting and contribute to the achievement of the SDGs, including the commitment to leave no one behind. The Global Partnership provides practical guidance and shares knowledge to improve development impact, and it supports country-level implementation of the internationally agreed effectiveness principles (Figure 1.1).

The Global Partnership was established by the Busan Partnership agreement and conducts global monitoring to track progress against the commitments and actions agreed in Busan. The Global Partnership's flagship instrument is its biennial monitoring exercise, which since 2013 has tracked progress towards the effectiveness principles, and is the recognised source of data and evidence on upholding effectiveness commitments. Data generated from the Global Partnership monitoring provide evidence for SDG follow-up and review. The Global Partnership is the sole contributor for data on three SDG targets: 1) respect each country's policy space and leadership (SDG 17.15); 2) multi-stakeholder partnerships for development (SDG 17.16); and 3) adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and women's empowerment (SDG 5.c).

The Global Partnership monitoring exercise has two fundamental objectives. The first is to assess how effectively governments have established a conducive environment to lead national development efforts, enable the full participation of the whole of society and maximise the impact of joint efforts. The second is to assess how development partners deliver their support in a way that is focused on country-owned development priorities and that draws on existing country systems and capacities to reduce burden and ensure sustainability of results. The 2019 Progress Report addresses these two objectives in turn. After an overview of the results (Chapter 1), Chapters 2, 3 and 4 look at the first of the two objectives, focusing on country ownership and examining how partner countries are putting in place the building blocks for an

effective, whole-of-society development effort. Chapters 5, 6 and 7 focus on how effectively development partners support such country-led efforts. Finally, Chapter 8 presents views of Global Partnership's stakeholders to the evidence presented in the report.

Figure 1.1. Principles for effective development co-operation



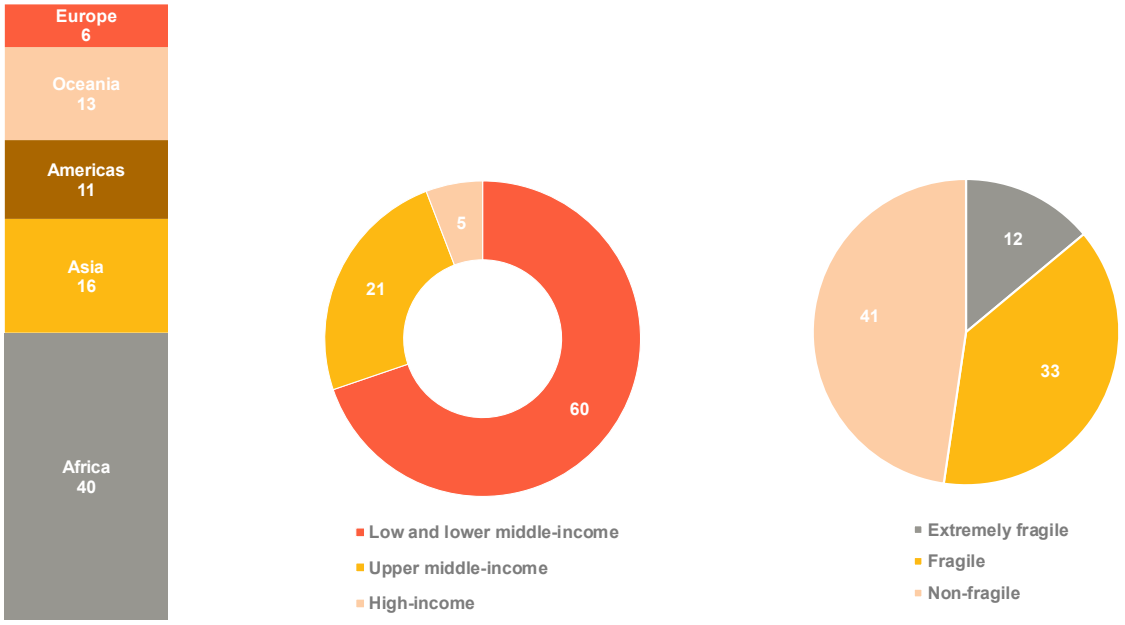
Note: CSO: civil society organisations; MDB: multilateral development bank.
Source: GPEDC (2017[5]), Effective co-operation principles website, http://effectivecooperation.org/about/principles

The 2018 Global Partnership Monitoring Round: Key facts

The data gathered during the 2018 Global Partnership Monitoring Round constitute the evidence base for the Progress Report.[1] This Monitoring Round, the third biennial monitoring round, was launched in June 2018.[2] Data collection and validation continued until March 2019. A record 86 partner countries and territories participated. Most of the participating countries are **low and middle-income countries**; more than half are **fragile contexts**; and 22 are **small island developing states**. Almost all **least developed countries** (43, or 91% of the total) participated in the Monitoring Round (Figure 1.2).

Figure 1.2. Partner countries that participated in the 2018 Monitoring Round

Number of countries by region, income and fragility classification

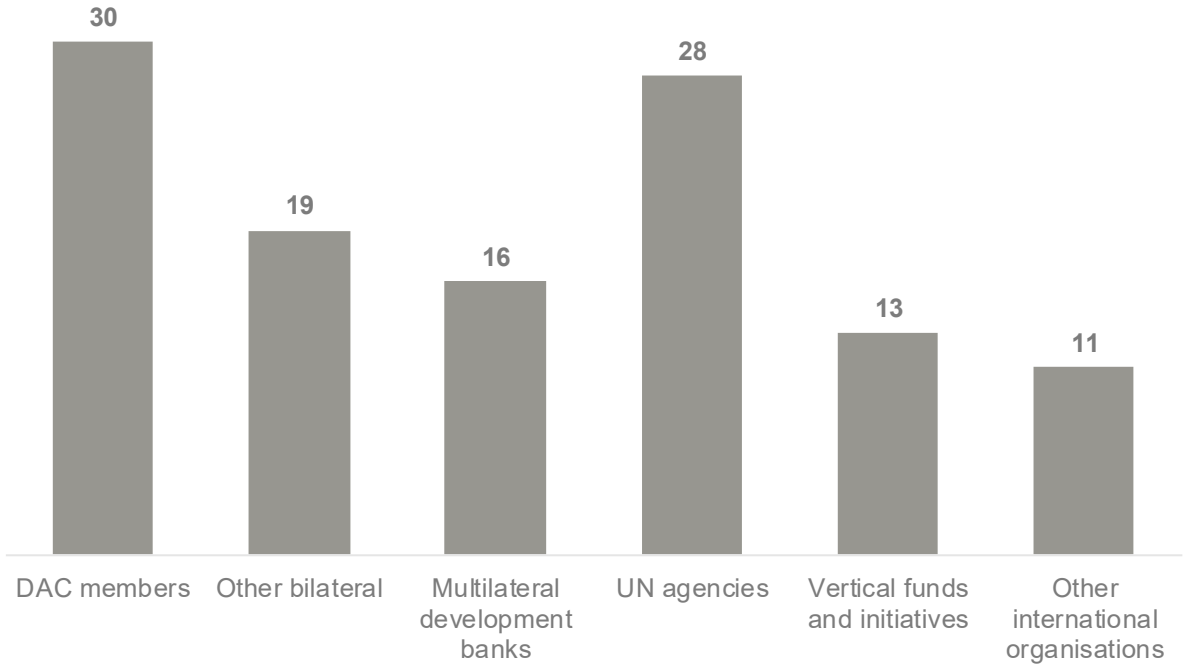


Note: All of the high-income countries that participated are small island developing states.
Sources: Income classification: World Bank (2018[6]), "Classifying countries by income", http://datatopics.worldbank.org/world-development-indicators/stories/the-classification-of-countries-by-income.html; fragility classification: OECD (2018[7]), *States of Fragility 2018*, https://doi.org/10.1787/9789264302075-en.

The 86 participating partner countries that led country-level data collection on the effectiveness of their development co-operation did so in collaboration with more than 100 **development partners** (Figure 1.3) and hundreds **of civil society organisations, private sector representatives, foundations, trade unions, parliamentarians and local governments**.

Figure 1.3. Types of development partners that participated in the 2018 Monitoring Round

Number of development partners by type of partner



Notes: "DAC members" include 29 bilateral member countries and the European Union. "Other bilateral" includes all bilateral partners that are not part of the Development Assistance Committee (DAC). "Other international organisations" are those that are not multilateral development banks, United Nations (UN) agencies or vertical funds/initiatives.

StatLink https://doi.org/10.1787/888934018830

This Progress Report covers:

- More than 3 300 projects and programmes (USD 64.7 billion[3]). Individual projects and programmes reported are the basis for assessing the extent to which development partners use country-owned results frameworks, monitoring and statistics systems.
- Development co-operation funding in the amount of USD 58.8 billion disbursed as grants and loans by development partners, including USD 37.8 billion disbursed directly to the public sector in the 86 participating countries.[4] Disbursements made to the public sector are the basis for assessing the predictability of development co-operation and the use of country systems. To avoid double counting in a situation in which one development partner disburses funds on behalf of another, reporting covers only the development partner that made the final disbursement at country level. This approach does not aim to quantify overall support provided by development partners, but rather to assess the quality of support provided.

Infographic 1.1. Global Partnership monitoring and the SDGs

Global Partnership monitoring collates country-level data to track progress on SDG follow-up and review

Country-level data generated through Global Partnership monitoring contributes to SDG follow-up and review and is the source of data to measure progress on three SDG targets. Partner countries and bilateral development partner obtain results for the indicators of SDG Targets 17.16 and 17.15. Moreover, partner countries can receive results for SDG Target 5.c.

The Global Partnership measures progress on SDG Target 17.16 on enhancing multi-stakeholder partnerships for development in support of the achievement of the Sustainable Development Goals.



SDG Indicator 17.16.1

Number of countries reporting progress in multi- stakeholder development effectiveness monitoring frameworks that support the achievement of the Sustainable Development Goals.

Global Partnership results show that 45% of the 114 countries (partner countries and bilateral development partners) that undertook multi-stakeholder development effectiveness monitoring reported progress towards inclusive, transparent and accountable multi-stakeholder partnerships.

Global Partnership monitoring informs tracking of progress against SDG Target 17.15 on respecting a country's policy space and leadership to establish and implement policies for the Sustainable Development Goals.



SDG Indicator 17.15.1

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

Global Partnership results show that the extent to which development partners rely on country-owned results frameworks and planning tools by aligning to partner country priorities and using results, statistics and monitoring systems dropped from 64% in the 2016 Monitoring Round to 62% in the 2018 round. Use of country-owned results frameworks and planning tools remains higher, on average, among multilateral (66%) than among bilateral (57%) development partners.

Global Partnership monitoring also provides data to measure progress on SDG Target 5.c on adopting and strengthening policies and legislation for the promotion of gender equality and women's empowerment.



SDG Indicator 5.c.1

Proportion of countries with systems to track and make public allocations for gender equality and women's empowerment.

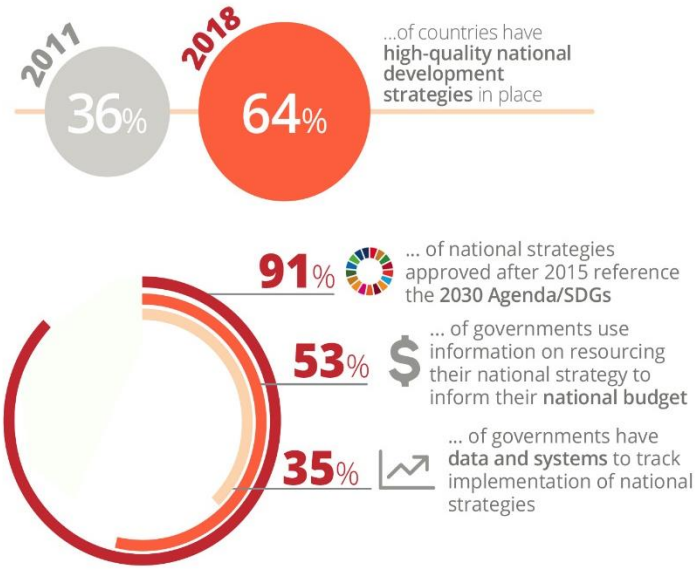
Global Partnership results show that 19% of partner countries have comprehensive tracking systems in place and make gender budget allocations available publicly. An additional 59% have taken steps to establish such systems and have some basic elements of these systems in place.

Progress in leading and supporting development efforts

Partner country governments have made significant progress in strengthening national development planning. Since 2011, the proportion of partner countries with a high-quality national development strategy has almost doubled (from 36% to 64%). Moreover, partner countries, like their development partners, are embedding the SDGs into their planning, signalling increasing use of the SDGs as a shared framework for results. Nearly all national development strategies (91%) approved since 2015 reference the 2030 Agenda and the SDGs. However, continued effort is needed to embed SDG targets and indicators to ensure national development planning charts a clear and measurable path to SDG implementation.

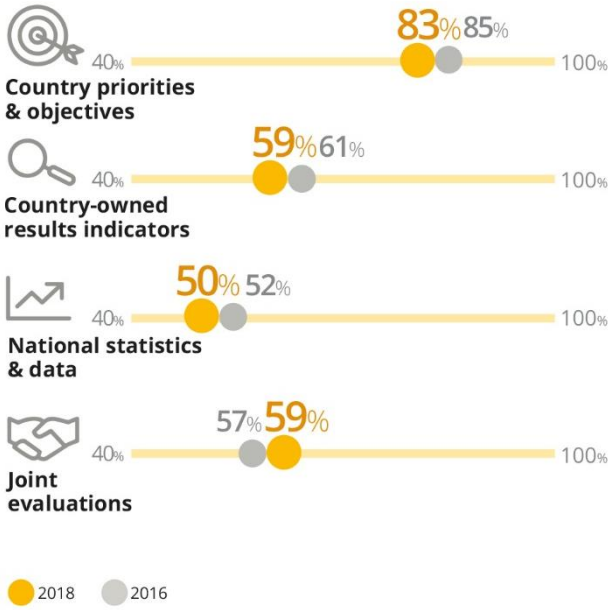
Still, to reap the full benefits of strengthened development planning, strategies must be better linked to implementation resources and matched with robust monitoring and evaluation. Only half of partner country governments (53%) use information on resourcing their national development strategy to inform their national budget. Merely one-third (35%) report having the necessary data to track implementation of national strategies, and only 19% conduct gender audits of the budget. This signals the need to step up efforts in support of strengthening national systems and capacity to ensure that better development planning translates into effective implementation and monitoring, enabling the necessary feedback loop to further strengthen partner countries' development policies and practices.

Figure 1.4. Partner countries' progress in development planning is significant



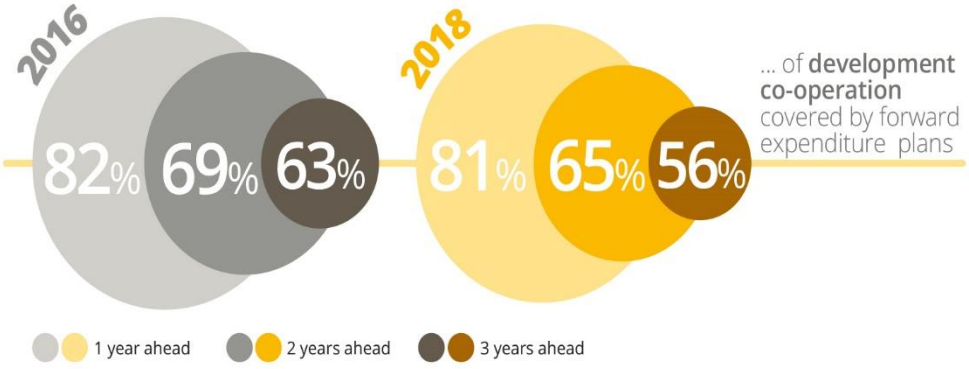
Moreover, development partners' alignment to partner country priorities and country-owned results frameworks is declining. Development partners increasingly use the 2030 Agenda for Sustainable Development and the SDGs as a framework for results around shared objectives. However, alignment of project objectives to partner country priorities, as well as reliance on country-defined results, statistics and monitoring systems, has decreased for most development partners since 2016. While multilateral development banks have increased their reliance of country-owned results frameworks (72% in 2018), the decline is most pronounced for bilateral development partners (from 64% in 2016 to 57% in 2018). Accelerated efforts to use country-owned results frameworks, and to use and strengthen national statistics and monitoring systems, will reinforce support for partner countries' policy space and leadership as called for in SDG Target 17.15. Moreover, concerted efforts are needed from both partner countries and development partners to use and strengthen national statistics and monitoring systems.

Figure 1.5. Use of country-owned results frameworks and planning tools by development partners is declining



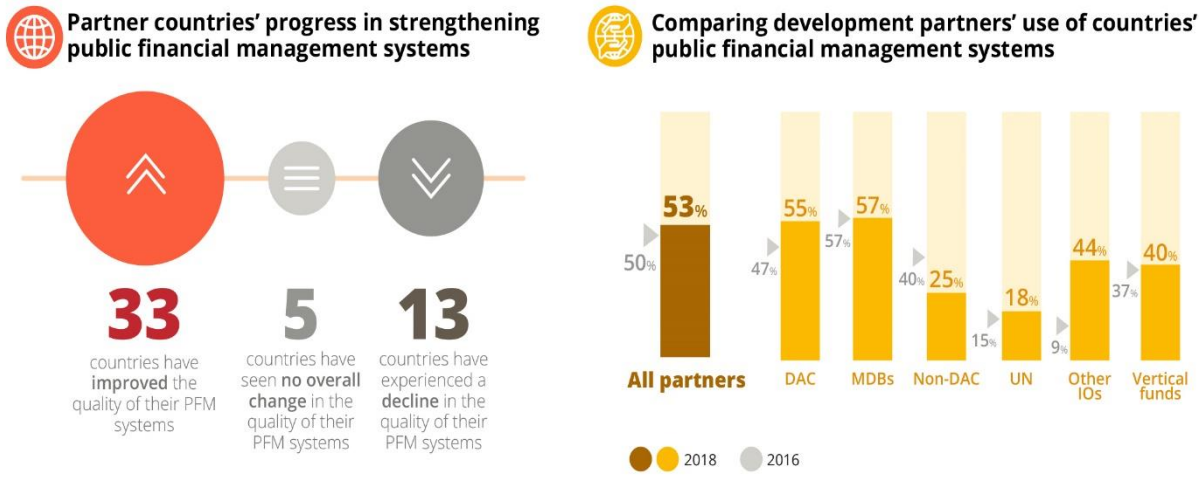
Forward visibility of development co-operation at country level is weakening. Partner countries report a limited availability of forward expenditure and implementation plans from their development partners. Medium-term predictability is decreasing, particularly for three years ahead. Data from the 2018 Monitoring Round show that, on average, partner country governments had forward visibility and could start medium-term planning on only 56% of the development co-operation funding they expected to receive from their development partners three years ahead (in 2021). This decline is mirrored in the fall of the share of development co-operation finance recorded on partner countries' budgets subject to parliamentary scrutiny – from 66% in 2016 to 61% in 2018 – undermining domestic accountability over these resources. Together, this trend puts at risk the ability of partner countries to effectively plan and budget for their development efforts, and limits accountability over national development efforts maintained through parliamentary oversight.

Figure 1.6. Decreasing forward visibility of development co-operation



Strengthened public financial management (PFM) systems have not been matched with significantly increased use by development partners. Partner countries are making steady progress in strengthening PFM systems, with the strongest gains relating to aspects of budget formulation. Continued effort is needed in the areas of auditing and procurement, as well as to ensure that PFM systems respond to gender equality goals. Globally, use of country public financial management systems has increased slightly, from 50% in 2016 to 53% in 2018, primarily driven by a notable increase in the use of procurement systems (from 37% in 2016 to 50% in 2018). However, Global Partnership monitoring data show that the quality of PFM systems is not the determining factor for the extent of their use. Rather, the longer development partners engage in partner countries and the larger the share they channel to the public sector, the more they tend to use the public sector's financial management systems. This indicates that using country systems benefits from building institutional knowledge and relies on practice and improvements over time.

Figure 1.7. Progress in strengthening and using public financial management systems

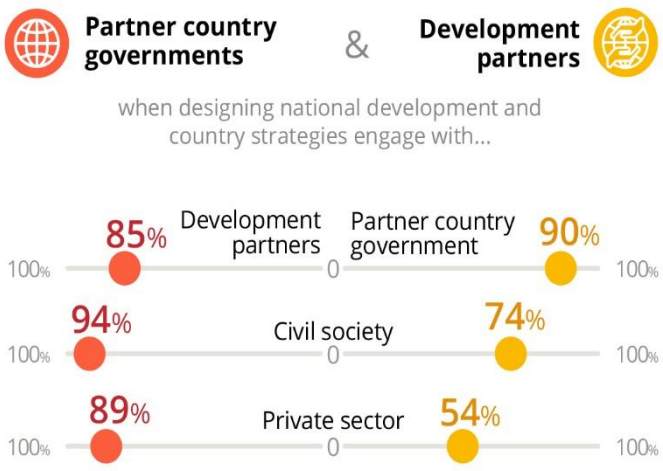


Note: PFM: public financial management; DAC: Development Assistance Committee; MDB: multilateral development bank; IO: international organisations.

Reinforcing a whole-of-society approach to development

More systematic and meaningful consultations with development actors are needed both by partner country governments and development partners. In designing national development strategies, partner country governments consult a broad range of national stakeholders, such as civil society, the private sector, parliamentarians, subnational governments and development partners. Still, quality of government consultation with civil society organisations (CSOs) has declined and the legal and regulatory frameworks to facilitate CSO operations have weakened. CSOs in only 5% of partner countries report that their input is consistently reflected in national development policies. Furthermore, results of the 2018 Monitoring Round show that of all national stakeholders, development partners consult most with CSOs and to a lesser extent also engage other partner country stakeholders in the preparation of their country strategies and programmes. However, CSOs report that these consultations are not systematic, which hinders their ability to provide quality input. Results indicate that these engagement opportunities by both partner country governments and development partners could be more regular, predictable and involve a more diverse set of actors.

Figure 1.8. Partner country governments and development partners consult with a variety of stakeholders



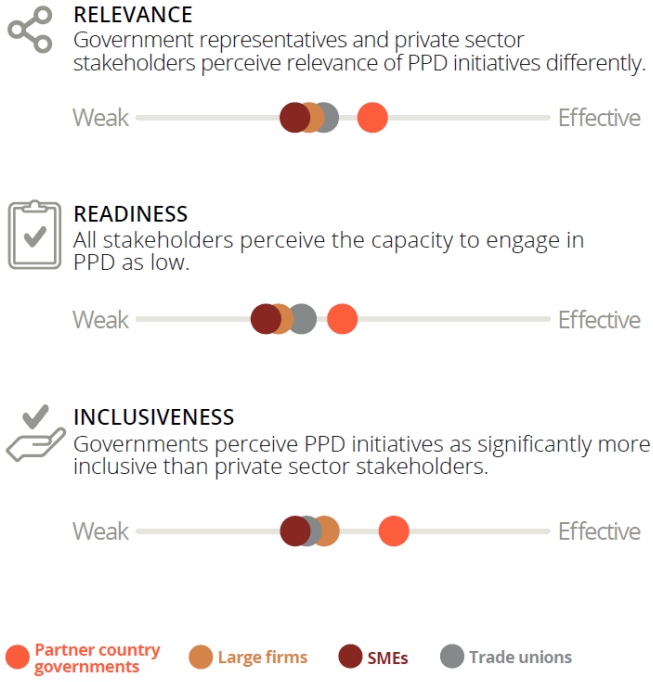
The enabling environment for civil society organisations is deteriorating. CSOs report that there has been a decline in the legal and regulatory frameworks that provide protection for CSOs. Furthermore, CSOs in 27% of partner countries report that CSO expression is either extensively or fully controlled by government. Moreover, CSOs in 32% of partner countries report that those CSOs working with marginalised and at-risk populations experience harassment from public authorities. Moreover, CSOs do not consider development partners' funding mechanisms to be predictable, transparent or accessible to a diversity of CSOs and report in most countries (82%) that funding received is primarily driven by the providers' own interests and priorities. CSOs play a fundamental role in development, and partner country governments as well as development partners must redouble efforts to foster an enabling environment for CSOs in order to deliver on the 2030 Agenda and its call for a whole-of-society development effort. Concerted action by partner countries and development partners can support CSOs as equal partners in their own right, bringing knowledge on local development needs and priorities.

Figure 1.9. Civil society organisations' enabling environment is deteriorating



Partner country governments view the quality of public-private dialogue (PPD) more favourably than private sector stakeholders. There is consensus among partner country governments and private stakeholders (large firms, small and medium-sized enterprises, and trade unions) that mutual trust and willingness to engage in policy dialogue exist. However, all stakeholders report limited capacity to engage. The most significant divergence between views is on the inclusiveness of PPD. This signifies challenges in how governments are implementing and convening public-private dialogue. Despite challenges, however, results also show that when the foundations for high-quality dialogue are in place, PPD is geared towards results and leads to joint action. Maximising private sector contributions to inclusive growth and sustainable development requires a conducive operating environment to which quality PPD is critical. Improving the quality of PPD in partner countries requires increased capacity, strengthened relevance and the inclusion of a wider range of private sector actors.

Figure 1.10. Views on the quality of public-private dialogue are diverging

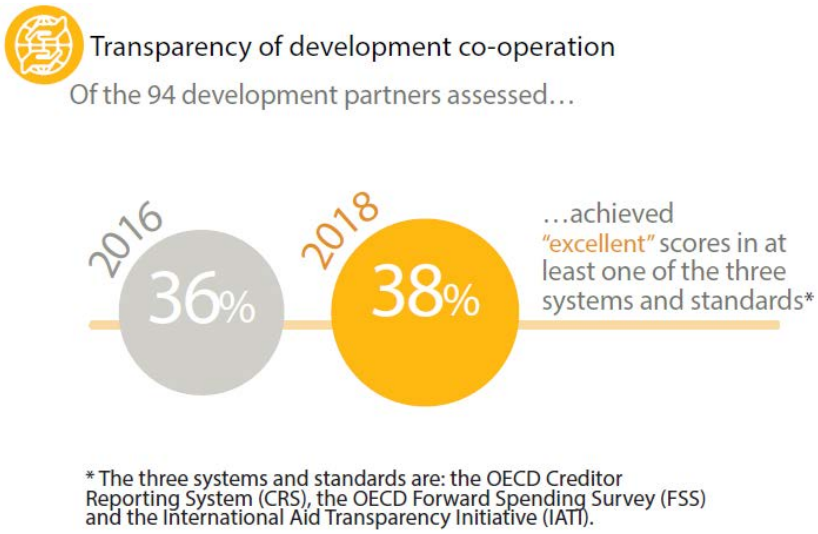


Note: SME: Small and medium-sized enterprise.

Transparency and mutual accountability in an evolving development landscape

There is mixed progress in making development co-operation more transparent. More development partners report to global information systems and standards to make information on development co-operation publicly available. Since 2016, the number of development partners reporting to the OECD Creditor Reporting System and to the International Aid Transparency Initiative has increased, signalling broadening uptake of the Busan commitment for transparent and accountable development co-operation information. Information provided by development partners is also more comprehensive; however, progress on timely and forward-looking information on development co-operation is uneven. In addition, availability of information on development co-operation at a global level complements information provided and collected at country level. Nearly all partner countries have an information management system in place for development co-operation, and most (83%) development partners report to these systems. However, there is room for improvement regarding consistency and quality of reporting at country level.

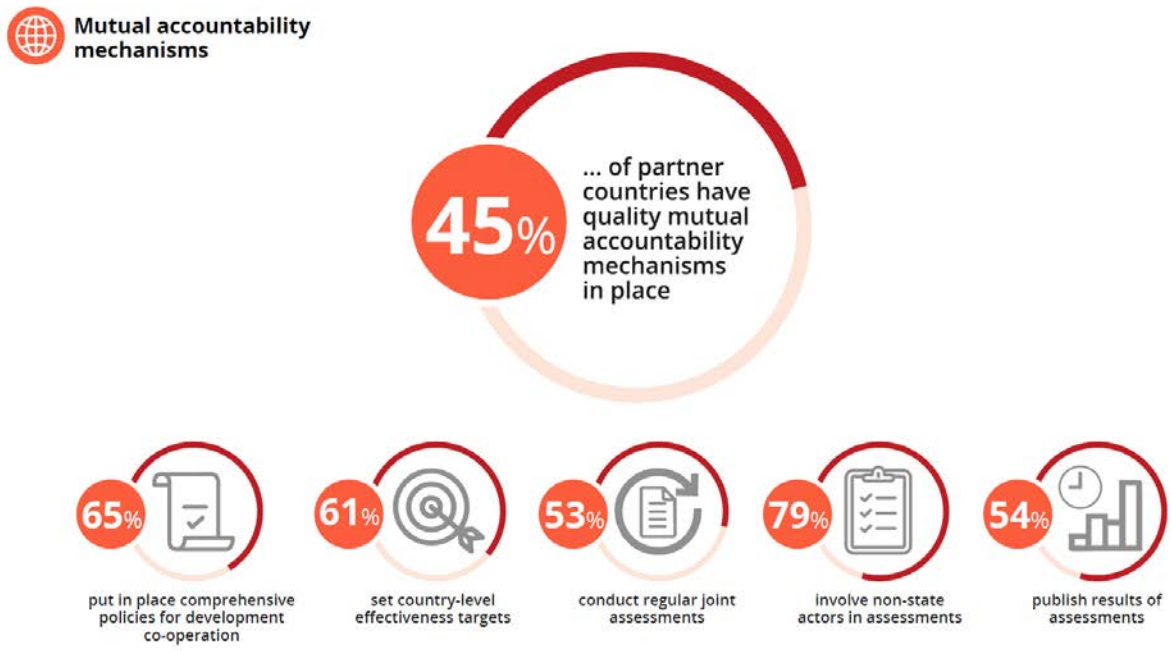
Figure 1.11. Transparency of development co-operation remains steady



In response to the evolving development landscape and the ambition of the 2030 Agenda, mutual accountability mechanisms are becoming more inclusive. Traditional mutual accountability structures are more prevalent, and have strengthened, in partner countries for which official development assistance remains important. More than half (52%) of the 42 least developed countries that reported on mutual accountability have quality mutual accountability mechanisms in place. Partner countries that are less dependent on development assistance are moving to other, more holistic accountability structures that respond to increasingly diverse sources and modalities of development finance. Overall, an increasingly diverse set of development partners are engaged in mutual accountability mechanisms at country level. However, fewer partner countries are setting targets for effective development co-operation for these diverse partners. Amidst this flux in development co-operation, to ensure that over a decade's experience and lessons on effective partnering are able to benefit new co-ordination approaches and structures taking shape, it is essential to embed the effectiveness principles, including mutual accountability, in these new frameworks, and ensure that these changes do not result in a loss of transparency and accountability.

Although the development co-operation landscape is evolving, development partners continue to value mutual accountability structures and processes. Results of the 2018 Monitoring Round show that the vast majority of development partners perceive mutual accountability assessments as a key component to improve the ways of working at country level, and this signals the need to continue to invest in these mechanisms. However, the modalities of engagement are diversifying and development partners' disbursements to the public sector are decreasing as a relative share of co-operation portfolios.

Figure 1.12. Quality mutual accountability mechanisms are evolving



Shifts in development co-operation structures at country level have implications for the Global Partnership monitoring process. Government institutions are changing the way they organise themselves to manage development co-operation, including reshaping co-ordination mechanisms and structures in response to the 2030 Agenda. These structural shifts take time, but have already impacted the way the 2018 Monitoring Round was undertaken at country level, meriting further attention from the Global Partnership community ahead of its next monitoring round. Guided by the findings of the 2019 Progress Report, the Global Partnership will carry on adapting its monitoring to reflect the opportunities and challenges of the 2030 Agenda and ensure continued relevance and cutting-edge data in a changing world.

Looking forward: Initial reflections of Global Partnership stakeholders

Stakeholders remain committed to the effective development co-operation agenda as an important accelerator for sustainable development, while acknowledging that progress to date has been uneven. In this vein, Global Partnership monitoring continues to be seen as an important tool to enhance development effectiveness. Reflecting on monitoring results, stakeholders noted that strengthened ownership and alignment are needed to accelerate sustainable development and that concerted effort is required to fully and meaningfully engage diverse development actors. Stakeholders also raised the need to move from evidence to action, starting with contextualising results, and to continue adapting the monitoring process.

References

Biermann, F., N. Kanie and R. Kim (2017), "Global governance by goal-setting: The novel approach of the UN Sustainable Development Goals", *Current Opinion in Environmental Sustainability*, Vol. 26-27, pp. 26-31, https://doi.org/10.1016/j.cosust.2017.01.010. [1]

GPEDC (2017), *Effective co-operation principles, website*, UNDP, New York, http://effectivecooperation.org/about/principles. [5]

GPEDC (2016), *Nairobi Outcome Document*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/wp-content/uploads/2016/12/OutcomeDocumentEnglish.pdf. [4]

OECD (2018), *States of Fragility 2018*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264302075-en. [7]

OECD (2011), *Busan Partnership for Effective Development Co-operation*, OECD, Paris, https://www.oecd.org/dac/effectiveness/49650173.pdf. [3]

UN (2015), *Transforming Our World: The 2030 Agenda for Sustainable Development*, United Nations General Assembly, New York, https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A_RES_70_1_E.pdf. [2]

World Bank (2018), "Classifying countries by income", http://datatopics.worldbank.org/world-development-indicators/stories/the-classification-of-countries-by-income.html. [6]

Notes

[1] Annex A provides further detail on the indicators and coverage of the monitoring exercise.

[2] The launch of the 2018 Monitoring Round was timed to align to partner country annual fiscal cycles, many of which end in December, and to allow for the completion of a comprehensive, multi-stakeholder review to strengthen the monitoring framework.

[3] This amount refers to the total budget for those projects and programmes that were newly approved during 2017 and which may also span across several years. Therefore, disbursements could be phased during subsequent years.

[4] The data covered by the 2018 Monitoring Round represent at least three-fourths of the equivalent of country programmable aid (CPA) for 59 countries (68%) and at least half of the equivalent of CPA for 70 countries (82%). The data cover less than 25% of the equivalent of CPA for only 5 (6%) of the countries. CPA is used as a reference point because it provides an approximation of the overall resources transferred by development partners to partner countries. CPA is a subset of the total gross bilateral official development assistance that is subject to multi-year planning at country/regional level. More details on CPA can be found at: https://data.oecd.org/oda/country-programmable-aid-cpa.htm

Part I. How partner countries are promoting effective partnerships

2 Partner country government leadership has advanced national development aspirations

This chapter examines the ways in which partner country governments are delivering on their responsibility to lead development efforts and facilitate a whole-of-society approach. It focuses on government efforts to put in place strong development planning and public financial management systems.

Country ownership is critical to achieving long-lasting development results (Wood et al., 2011[1]). From the Paris Declaration on Aid Effectiveness (OECD, 2005[2]) through to the Nairobi Outcome Document (GPEDC, 2016[3]), there has been growing recognition that development efforts need to be led by the countries receiving development support. This type of broad-based country ownership requires inclusive and equitable participation from all parts of society. Governments have a unique responsibility to lead development efforts, however, and they play an enabling role – among both domestic stakeholders and international partners – to facilitate this whole-of-society approach.

This chapter examines the ways in which partner country governments are delivering on this responsibility. It looks specifically at government efforts to put in place strong development planning and public financial management (PFM) systems. These systems lay the groundwork for inclusive, transparent and accountable development efforts and help to ensure these collective efforts have maximum impact.

The key findings of this chapter are:

- Partner country governments are making continued progress in strengthening the policy and institutional arrangements required to successfully lead development efforts, including integrating the 2030 Agenda into national development strategies. Since 2011, partner country governments have improved the overall quality of national development planning, putting in place strong development strategies with a clear results orientation. Governments also are strengthening PFM systems, particularly in the budget formulation stage.
- The most notable gains are seen at the level of planning, with challenges remaining in implementation. Considerable progress has been made overall, but results clearly show the greatest advances have been made in the early phases of national planning and PFM cycles. To more effectively operationalise development planning, targeted support is needed to continue to embed the Sustainable Development Goals (SDGs) into national development strategies; link development strategies with financial resources; build monitoring and evaluation capacity; and establish strong financial reporting and auditing systems.
- Further institutional strengthening of national systems and processes is needed to ensure that governments can continue to pursue sustainable development. The slow but steady progress made is consistent with the understanding that institutional strengthening takes time, requiring not only changes in the systems themselves, but also the building of capacity to use and manage systems. These further underscore the need for continued and enhanced support to build strong national systems capable of establishing and overseeing the policy and institutional arrangements that allow for more effective development co-operation and accelerated progress towards the SDGs.
- Parliamentary oversight of development co-operation resources must be maintained. While governments will continue to have a unique responsibility for development efforts, including the management of development co-operation resources, oversight by key stakeholders remains essential to ensuring that resources are used efficiently and for maximum impact. Partner country governments are strengthening legislative oversight of their budgets, yet just more than half of development co-operation is included in national budgets that are subject to parliamentary oversight. As the sources of development co-operation and implementation modalities evolve, increased focus is needed to ensure that these changes do not result in a loss of transparency and accountability.

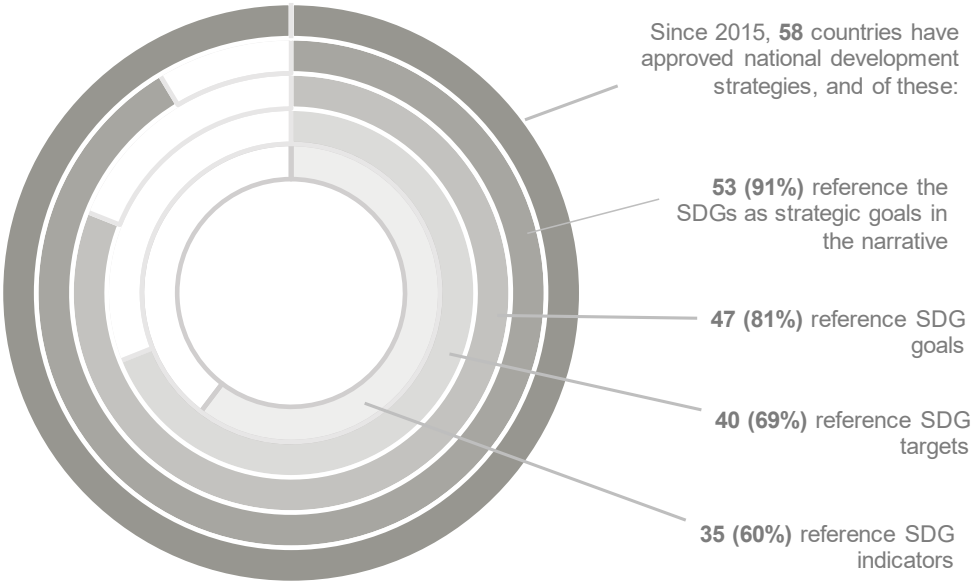
Partner country governments are broadly integrating the SDGs into their national development strategies

Embedding the SDGs into national development planning is critical to country-owned and led SDG implementation. At the heart of the 2030 Agenda is the recognition that each country has primary responsibility for its own economic and social development (UN, 2015[4]). Indeed, national ownership and leadership are critical to implementing the SDGs. By embedding SDG targets and indicators into national development strategies and policies, partner countries and their development partners can use the SDGs as a common framework, and thus facilitate stronger co-ordination in identifying challenges, developing solutions and tracking progress toward sustainable development at country level.

Partner country governments have moved quickly to integrate the SDGs into national development planning. Specifically, governments have demonstrated leadership in embedding the 2030 Agenda and mainstreaming the SDGs into national development strategies and their country-owned results frameworks that track implementation of the development strategy. Such government leadership to establish an inclusive, country-owned road map for SDG implementation is important to facilitate the whole-of-society approach needed for achieving the SDGs. The 2018 Global Partnership Monitoring Round data show that 91% (53 of 58) of national development strategies approved in or since 2015 reference the 2030 Agenda and/or the SDGs (Figure 2.1).

Figure 2.1. Partner countries are referencing the 2030 Agenda and/or the SDGs in national development strategies

Partner country governments that incorporated the 2030 Agenda and/or the SDGs in their national development strategy



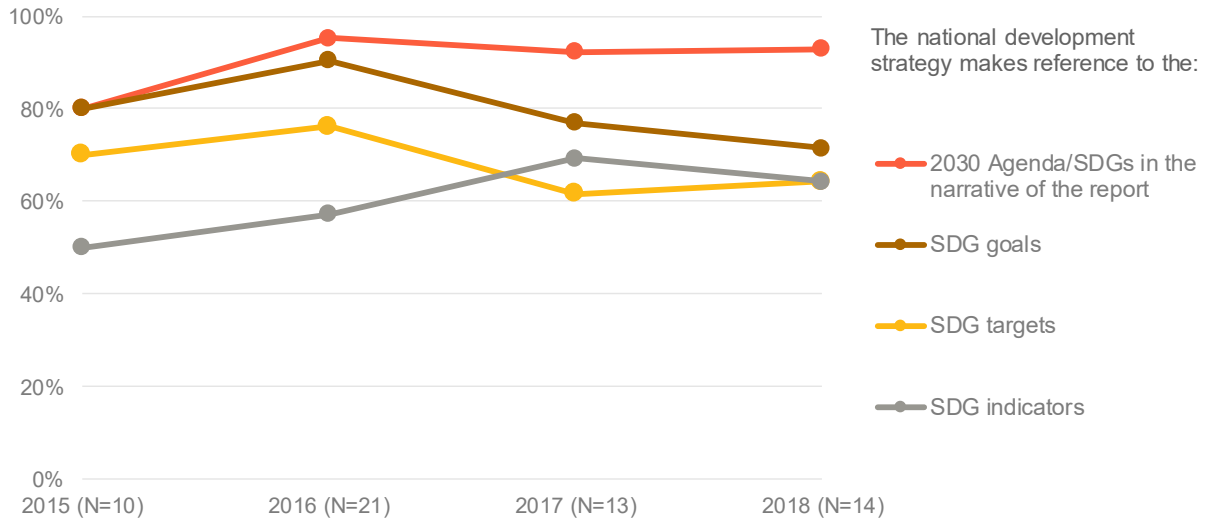
Source: Draws on assessment of the quality of national development strategies (Indicator 1b). Further information is available in GPEDC (2018, pp. 29-34[5]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf.

StatLink https://doi.org/10.1787/888934018868

While most national development strategies embed the SDGs as overarching commitments, not all of these integrate SDG targets and indicators. National development strategies that reference the 2030 Agenda and/or the SDGs do so in the main narrative text, where the partner country government presents its strategic ambitions. However, these strategies reference SDG targets and indicators less frequently in the context of the country results framework (Figure 2.1). For instance, 69% of these strategies reference SDG targets and 60% reference SDG indicators. As discussed in Box 2.1, several interconnected hurdles prevent greater reliance on the SDGs for national planning (OECD, 2019[6]). Further, when the data are disaggregated by the year of approval of the strategy, they show a slight overall decline in the number of partner countries that refer to the SDGs in national development strategies adopted between 2015 and 2018 (Figure 2.2). A slight overall decline may be due to the passage of time since the initial momentum around the adoption of the SDGs in 2015, but it would be premature to regard this slight decline as a sign of lost momentum. Nevertheless, to achieve the 2030 Agenda, countries need to delineate now in their national development strategies their path to achieving the SDGs.

Figure 2.2. Reference to the 2030 Agenda/SDGs in national planning is slowing

Proportion of partner country governments that have incorporated the 2030 Agenda and the SDGs in their national development strategy, by year of approval



Source: Draws on assessment of the quality of national development strategies (Indicator 1b). Further information is available in GPEDC (2018, pp. 29-34[5]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934018887

Box 2.1. Using the Sustainable Development Goals as a shared framework for results

Despite making strides to embrace the 2030 Agenda and/or the Sustainable Development Goals (SDGs) in their national development strategies and results frameworks, partner country governments face constraints to further progress:

- **A still-developing global SDG framework.** It has taken the international community several years to elaborate SDG indicators (i.e. with good-quality methodologies and available data), which limited the availability of SDG targets and indicators for national planning. The proportion of ready-to-use indicators has now grown to 80% in 2019, from 60% in 2016.
- **Cost implications of adopting SDG indicators.** While targets and indicators capture sustainability and interlinkages across the SDGs more effectively than was the case for the Millennium Development Goals (MDGs), the previous investment in embedding MDG targets and the complexity of some SDG indicator methodologies have increased the cost of transition to the SDGs.
- **Degree of collaboration between partner country governments and development partners.** Adoption of SDG indicators has been more successful in countries where development partners have synchronised their SDG planning cycle with the partner country and where sector-wide and joined-up approaches were used for SDG alignment and monitoring at country level. Greater collaboration has also been more effective in generating SDG disaggregated data on locally relevant dimensions to ensure that no one is left behind.
- **Difficulties incorporating the SDGs as part of results-based management approaches at country level.** Among these difficulties are development partners' current emphasis on measuring results for accountability and communications purposes, rather than for learning and decision making; limited capacity of partner country governments; and adoption of bureaucratic and rigid processes to align national results frameworks to the SDGs.

These constraints lead many development partners to prioritise results that can be easily measured and reported back to headquarters, to the detriment of SDG monitoring for SDG targets and indicators that are prioritised by partner countries.

Sources: OECD (2019[6]), "Using the SDGs as a shared framework for results: Demonstrating good practice – Findings from three case studies", https://www.oecd.org/dac/results-development/docs/Results_worksho_April_19_Session1.pdf; Vähämäki, J. and C. Verger (2019[7]), "Learning from results-based management evaluations and reviews", https://doi.org/10.1787/3fda0081-en

Partner countries are strengthening the quality, results orientation and national ownership of development strategies

Partner countries have made significant progress since 2011 in improving the overall quality of national development planning. Quality of national development strategies has shown significant improvement over time. The proportion of countries with a national development strategy assessed as high quality has almost doubled since the Paris Declaration monitoring in 2011 (OECD, 2012[8]), when it was 36%, to 64% in 2018. Over this eight-year period, 21 countries (out of the 56 that reported in both 2011 and 2018) went from having a national development strategy assessed as low or medium quality to one assessed as high quality. Box 2.2 discusses how development planning quality is assessed. Figure 2.3 illustrates the changes in quality between 2011 and 2018. Progress could be attributed to the increasing emphasis on development results over the past two decades and was illustrated by the MDGs, which set out an international results framework around a specific set of eight development goals for the 21st century.

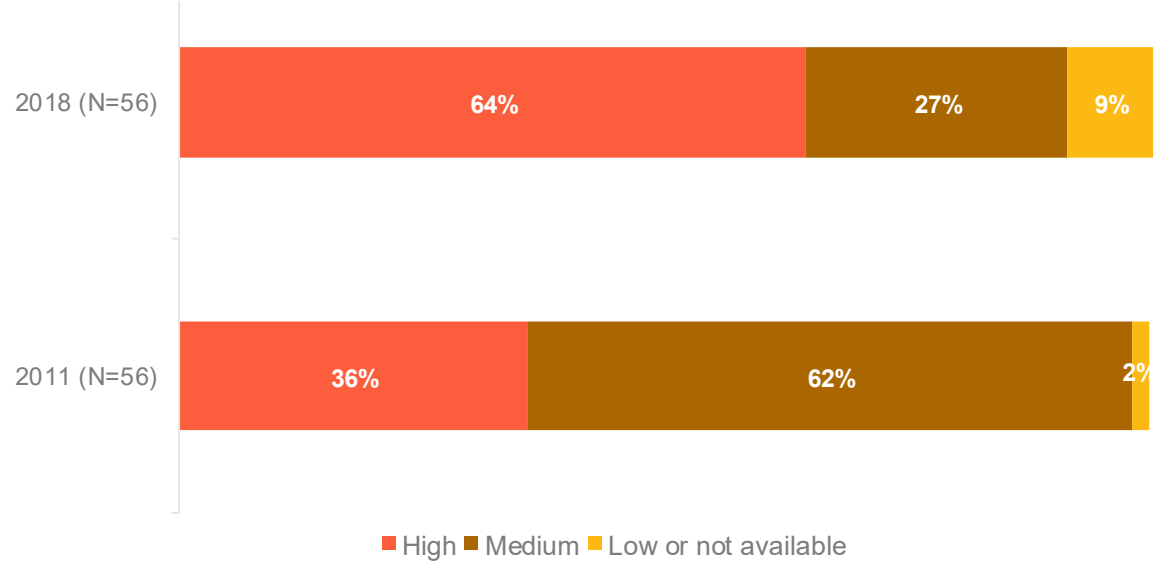
This emphasis on results was reaffirmed in the Paris Declaration (OECD, 2005[2]), which defined the focus on results as a principle for effective development co-operation, and subsequently in the Busan Partnership agreement (OECD, 2011[9]) and Nairobi Outcome Document (GPEDC, 2016[3]).

Box 2.2. Assessing the quality of national development planning

Building on Paris Declaration monitoring (OECD, 2012[8]), the Global Partnership assesses the quality of development planning across several elements of a national development strategy. These elements include whether the strategy was developed in an inclusive manner and has a clear results focus, whether progress is regularly and transparently tracked, and whether the strategy is linked to implementation resources. The methodology for assessing quality includes 4 criteria and 11 sub-elements. For more detail, see the Technical Companion Document (GPEDC, 2018[10]). In order to compare quality of national development planning over time, data from the 2011 Paris Declaration monitoring have been used together with data from the 2018 Global Partnership Monitoring Round. In 2011, for each participating partner country, the national development strategy was scored on a five-point scale ranging from A (high quality) to E (low quality). In order to compare results over time, a corresponding five-point scale was devised for the Global Partnership 2018 monitoring exercise data as follows: A (above 90%); B (80-90%); C (70-80%); D (60-70%); E (below 60% or with no development strategy in place).

Figure 2.3. Quality of national development planning has improved since 2011

Proportion of partner countries by level of quality of national development planning, trend 2011-2018



Notes: "Not available" comprises partner countries that had a national development strategy in 2011 but did not have one in 2018, meaning that an assessment of quality could not be made. High quality refers to A and B scores, medium refers to C and D scores, and low refers to E score (see Box 2.2).

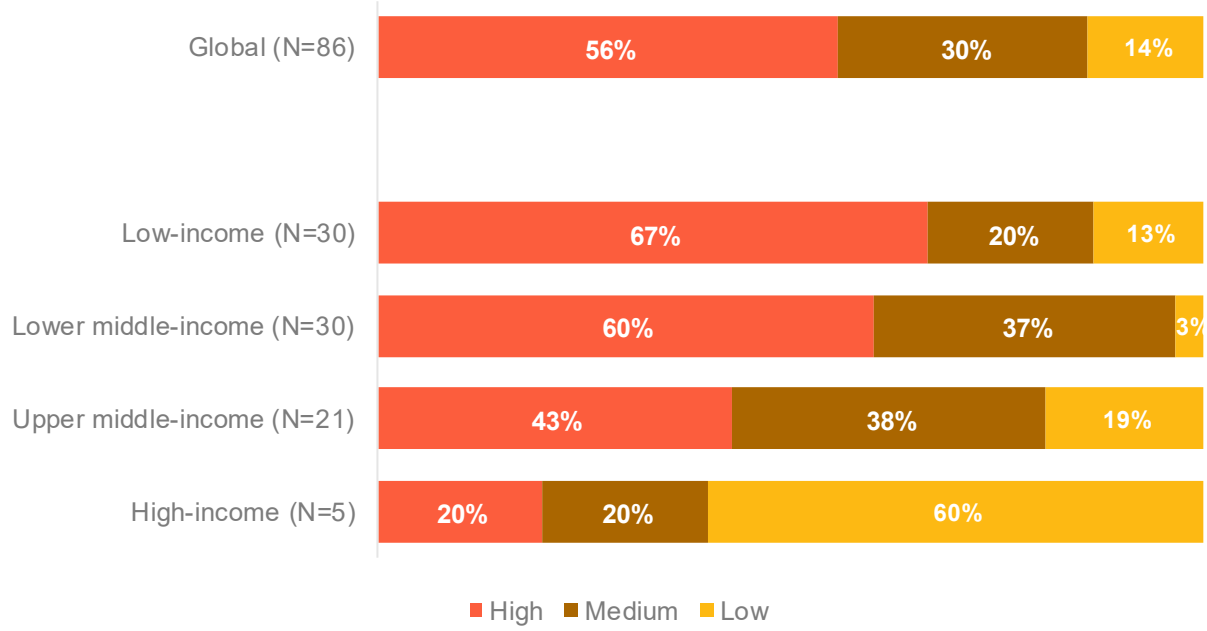
Source: Draws on assessment of the quality of national development strategies (Indicator 1b) and on Paris Declaration Indicators 1 and 11. Further information is available in GPEDC (2018, pp. 29-34[5]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934018906

Among different country contexts, low-income and lower middle-income countries have the highest quality development planning. The 2018 monitoring exercise found that 56% of the 86 participating partner countries have high-quality national development strategies. However, quality varies by national income group. As shown in Figure 2.4, low-income (67%) and lower middle-income countries (60%) perform best in this regard. The quality of national development strategies is also relatively high in extremely fragile contexts.[1] Half (50%) of the extremely fragile contexts that participated in the 2018 Global Partnership Monitoring Round have high-quality national development strategies in place. Overall, an inverse pattern between quality of development planning and country income level is observed. One possible explanation is the greater reliance on development co-operation in fragile contexts and countries on the lower end of the national income scale.[2] These contexts and countries may invest in strong national development planning to mobilise support from their partners, help to align stakeholders around a common set of development priorities, reduce fragmentation and duplication of efforts, and keep actors accountable and focused on results. Box 2.3 describes the various national development policies and processes.

Figure 2.4. Quality of development planning is higher in low-income countries

Quality of national development planning by income classification in 2018



Source: Draws on assessment of the quality of national development strategies (Indicator 1b). Further information is available in GPEDC (2018, pp. 29-34[5]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934018925

Box 2.3. National development planning policies and processes

National development strategy. Also known as a national development plan in some partner countries, a national development strategy is an overarching, strategic, whole-of-government development planning tool that covers a specific time period, often four to eight years. A high-quality strategy sets out strategic priorities that have been developed through an inclusive consultative process and is linked to implementation resources (e.g. a medium-term expenditure framework linked to annual budgets). When designed through a participatory, whole-of-society approach, the strategy represents a country's shared aspirations for development and provides a road map for achieving these aspirations. A country-owned and country-led development strategy that sets out development priorities is foundational to development partner alignment and reduced fragmentation and duplication of development efforts.

Country-owned results framework (CRF). The CRF defines development results and monitoring and evaluation systems to track progress towards these results. At a minimum, a CRF includes agreed objectives and results indicators (i.e. output, outcome and/or impact). This framework also sets targets to measure progress in achieving the objectives defined in the government's planning documents. Further, a CRF provides a foundation for implementing national development strategies and priorities, and it reinforces accountability and the results focus of the overall development effort.

Sector strategy. This is a strategic planning tool, typically at ministry level, that covers a single thematic area (e.g. health or education) over a specific time period. Development results that are not covered in an integrated, whole-of-government CRF are often found in sector strategies. A sector strategy allows for greater detail on a given theme or sector, each of which can have a unique subset of stakeholders and co-ordination mechanisms. A sector strategy enables these stakeholders to rally around a common vision that is tied to the national development strategy.

Subnational strategy. This is a strategic planning tool produced by a subnational government (e.g. provincial or local level) that covers a specific time period and typically contains results indicators. A subnational strategy allows for greater focus on subnational and local priorities and issues. It also enables subnational regions to align with national strategies and to identify and track their contribution to the national development strategy.

Source: GPEDC (2018[5]) *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

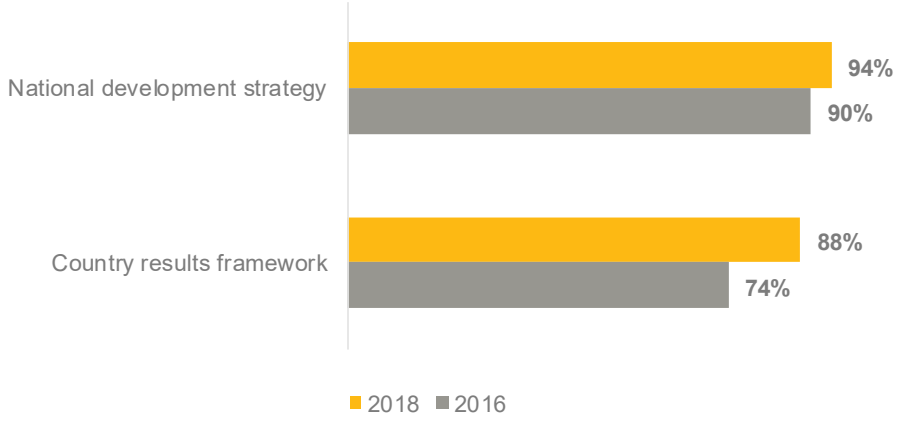
Partner countries increasingly are establishing national development strategies to rally efforts around country-owned development priorities. This is a notable area of progress within the overall improvement in the quality of development planning.[3] Almost all partner countries (94%, that is 81 of 86 participating countries) report that they have a national development strategy in place. Five report not having a strategy in place, but four of these (Democratic Republic of the Congo, Montenegro, Saint Lucia and Seychelles) stated they are in the planning phase of creating one. These results are an improvement from 2016, when 90% (73 of 81) of countries that participated in the Global Partnership monitoring exercise had a long-term vision or national development plan in place.[4]

National development strategies increasingly have a clear results orientation. Of the partner countries that have a national development strategy, an increasing number include as part of this strategy a country results framework that defines priorities, targets and indicators for tracking progress. Data from the 2018 Global Partnership Monitoring Round show that 88% of the participating countries that have a national development strategy (71 of 81) have a country results framework linked to the national development strategy. This is a clear increase over the 2016 Monitoring Round, which found 74% of participating countries with a strategy had a results framework in place (Figure 2.5). However, these results

frameworks should more effectively integrate SDG targets and indicators to ensure that national development planning charts a clear, measurable path to SDG implementation.

Figure 2.5. Progress in establishing national development strategies and results frameworks since 2016

Proportion of partner country governments with a national development strategy and country results framework, by year



Source: Draws on assessment of the quality of national development strategies (Indicator 1b). Further information is available in GPEDC (2018, pp. 29-34[5]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934018944

Partner country governments are achieving strong alignment between their national development strategies and their sector and/or subnational strategies. Alignment is critical to coherent national development planning, enabling sectors and subnational regions to effectively contribute to development efforts and work towards common objectives. Alignment of sector strategies is strong, with these aligning with the national development strategy in 81% of partner countries. Subnational strategies are also well aligned, with 2018 Monitoring Round data showing alignment with the national development strategy in 76% of partner countries. In some countries, such alignment is required by law.

More partner country governments need to link development planning to resources and strengthen capacity to monitor implementation

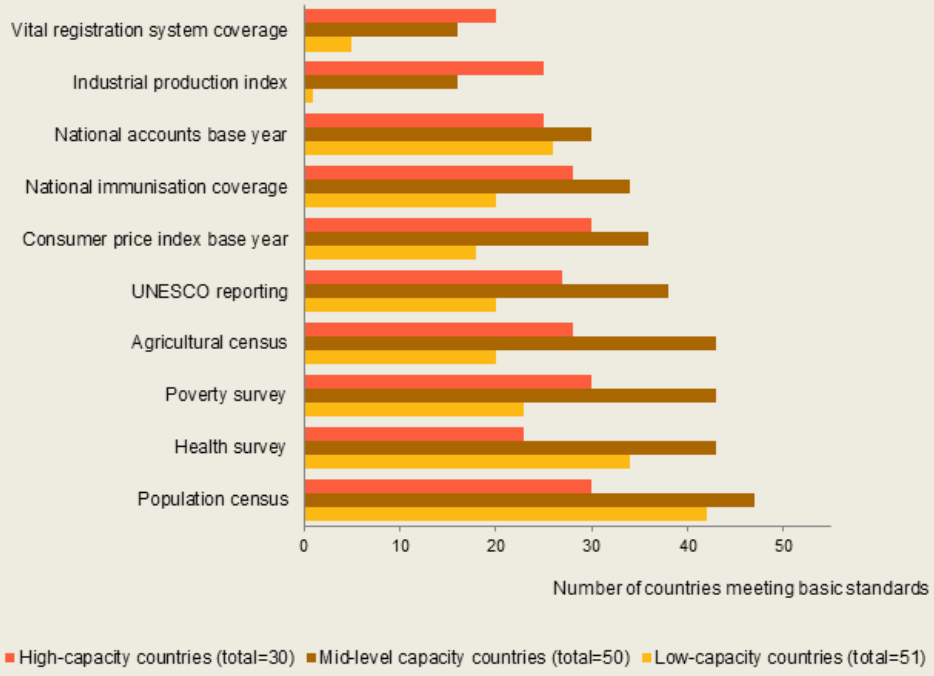
While great strides have been made in establishing national development strategies and results frameworks, stronger links to resources can assist in implementation. The Addis Ababa Action Agenda provides a global framework for financing sustainable development, including implementation of the 2030 Agenda (UN, 2015[11]). A key action area, and one that is underpinned by the principle of country ownership, is mobilisation and effective use of domestic public resources. Data from the 2018 Monitoring Round indicate promising efforts in this regard, with 73% of partner countries (59 of the 81 that have a national development strategy) reporting they link their national development strategy to indicative resources for implementation. However, only a smaller subset of these countries (46 of 59) use this information on indicative resources to inform their annual budget and the medium-term fiscal and/or expenditure framework. This finding is consistent with recent research showing that national development strategies are often poorly financed and lack a comprehensive financing strategy to leverage all available financial resources, for example to target private investment (UN, 2019[12]).

Partner country governments report regularly on implementation of their national development strategies, but most lack national statistical capacity to comprehensively monitor implementation. The majority of governments with a national development strategy (89%, or 72 of 81) report on progress. Of these, most (85%, or 61 of 72) report progress regularly, i.e. at least every two years. However, reporting on progress is often based on incomplete information; only 35% of partner country governments (25 of 72) stated that timely, regular and accurate government data are available for all or most indicators in their results framework. These findings echo those of the 2017 (OECD[13]) *Development Co-operation Report*, which focused on data and national statistical capacity, and more generally the work of PARIS21 (Box 2.4). An even smaller proportion of governments in fragile contexts (22%) report having such data, although the vast majority of fragile contexts have a national development strategy (99%) and a country results framework (89%) in place. This indicates a notable disconnect between planning and implementation of strategies in these contexts and signals that in fragile contexts, which often receive capacity support to establish national development strategies, equal attention should be paid to strengthening capacities for implementing the strategies, including statistical capacity to track implementation.

Box 2.4. Strengthening statistical capacities for better development outcomes

Robust, reliable data are vital for implementing development policy. Without data to identify where support is needed for planning, implementing and monitoring, progress towards development objectives cannot be tracked. Low-income countries have made headway in producing more and better data and statistics. Some improvements can be observed in data planning and production. In 2018, 129 countries were implementing a comprehensive national statistical plan compared to 102 that were doing so in 2017 (PARIS21, 2019[14]). Still, a fundamental scarcity of basic data in many areas of development persists and more needs to be done to strengthen their capacities. The majority of partner countries do not yet have functioning systems for civil registration or industrial production (Figure 2.6).

Figure 2.6. Number of countries with capacity to deliver fundamental statistics



Note: UNESCO: United Nations Educational, Scientific and Cultural Organization.
Source: OECD (2017[13]), *Development Co-operation Report 2017: Data for Development*, https://doi.org/10.1787/dcr-2017-en

The hidden costs of inaction to strengthen data systems restrict the effectiveness of development efforts. The impact of the lack of data in developing countries ranges from lost business opportunities to ineffective public service interventions. Poor data can compromise the targeting and delivering of policies for marginalised populations. Development co-operation and statistical communities recognise that the following three aspects need to be addressed to increase statistical capacities (OECD, 2017[13]) (PARIS21, 2019[14]).

First, more comprehensive approaches to statistical capacity are needed. The Capacity Development 4.0 initiative addresses this issue and recognises leadership, management and communication skills as effective catalysers of stronger organisational processes in national data systems. This initiative acknowledges the importance of incentives involved in the design and delivery of capacity. The PARIS21 Statistical Capacity Monitor provides access to indicators on statistical capacity to inform the decisions of countries and partners and build new metrics for capacity in the field.

Second, investing in statistical systems must become a strategic priority. Innovative financing mechanisms, such as the potential creation of a global financing facility for development data (Rogerson and Calleja, 2019[15]), could improve the design and delivery of capacity. Co-ordinated, country-led approaches to funding capacity, including data compacts, can help to align partners and foster mutual accountability.

Third, encouraging development partners to strengthen national data ecosystems and use country-owned results data to monitor progress will give credibility to the data systems they support. These require clear vision and pragmatism to deal with the pressure to attribute results to every aid dollar and ensure that data collection information is accessible to all development actors.

Delivering better statistical capacity in the future will involve rethinking the current approach, putting countries' priorities at the centre, ensuring that national statistical offices are equipped with flexible skills to adapt to evolving data ecosystems, and improving both domestic and global co-ordination mechanisms.

Partner countries are making steady progress in strengthening public financial management systems

Strong PFM systems are an essential element of good governance and vital to achieving development goals. Partner country governments and their development partners have consistently committed to working to improve the quality of PFM systems. This commitment is based on an understanding of the foundational nature of these systems in moving towards more effective development efforts. While strong and comprehensive country PFM systems are important in their own right, the Global Partnership monitoring exercise assesses progress in strengthening a select number of core elements around budgeting, procurement, reporting and audit that have emerged as critical in the context of development co-operation and its effectiveness. Box 2.5 describes PFM systems and how PFM quality is assessed.

Box 2.5. What is a public financial management system and how is its quality assessed?

A public financial management (PFM) system is made up of different regulations, standards and processes that guide how a government uses and keeps track of its financial resources. This system ensures that public funds are allocated to priority areas in line with national development strategies and that such funds are used efficiently and in a way that ensures transparency and accountability to all.

A PFM system is generally understood to cover a broad range of areas across the full budget cycle (Figure 2.7), including fiscal strategy, revenue planning, expenditure controls, risk management and transparency measures (Mustapha et al., 2019[16]).

Figure 2.7. The budget cycle



To assess the quality of PFM systems, previous Global Partnership monitoring exercises used Criterion 13 of the World Bank Country Policy and Institutional Assessment to measure the quality of budgetary and financial management of a country's public financial management system. In accord with the 2017 effort to strengthen the monitoring framework and with a view to providing information on progress in strengthening specific aspects of systems, the Global Partnership now draws on the Public Expenditure and Financial Accountability (PEFA) framework.

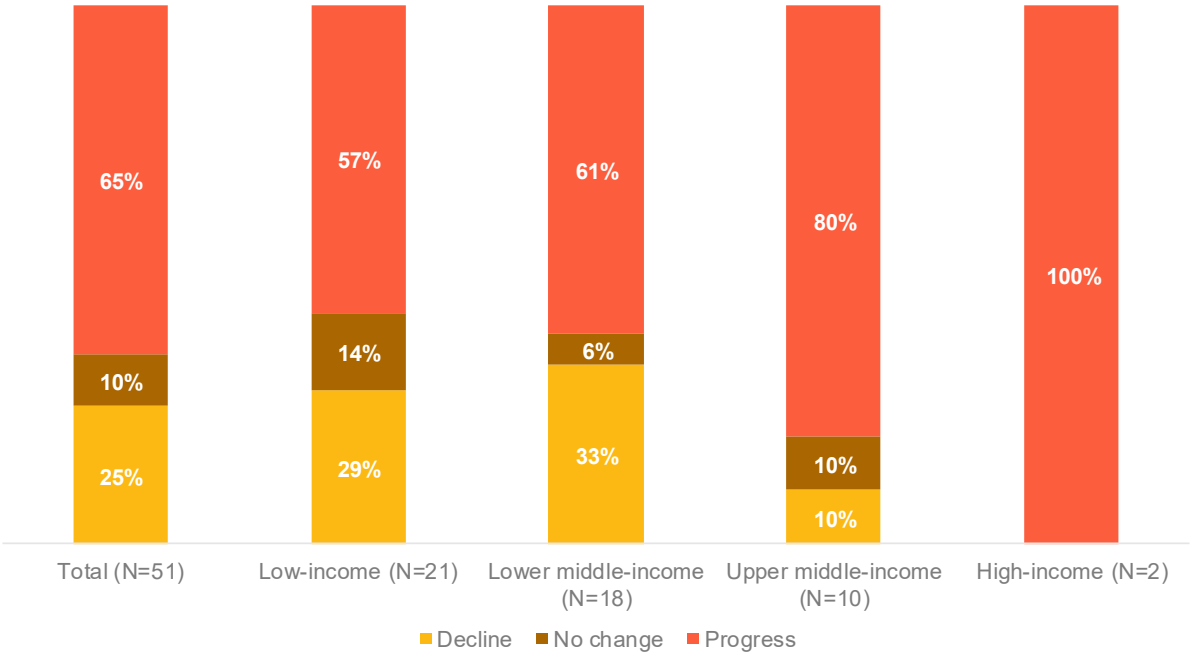
A PEFA assessment provides analysis of various aspects of a country's PFM system and can be reapplied in successive assessments to track changes over time. For the purposes of Global Partnership monitoring, only the scores of a selected number of PEFA dimensions are used to determine progress in strengthening PFM systems. The selection of dimensions considered the core elements of PFM systems and aims to reflect the same PFM components that were measured by Criterion 13 of the Country Policy and Institutional Assessment to maintain comparability over time. The selected elements also cover areas that development partners deemed to be critical when deciding on their use of country systems. These areas were noted in *Using Country Public Financial Management Systems: A Practitioner's Guide*, a 2011 report commissioned by the Task Force on Public Financial Management under the auspices of the Working Party on Aid Effectiveness (Inter-American Development Bank/World Bank, 2011[17]). The Global Partnership's selection of the dimensions to be used to measure the quality of partner country PFM systems was undertaken in consultation with the PEFA Secretariat.

Most countries are making steady progress in strengthening their public financial management systems. The 2018 Global Partnership Monitoring Round found that 65% of partner countries show overall progress in strengthening their PFM systems and 10% show no overall change.[5] These results represent an improvement over the 2016 Monitoring Round, which found that the majority of countries (58%) showed no change. The slow but steady progress seen since 2010 is consistent with the understanding that such institutional changes take time, as they require not only changes in the systems themselves, but also the building of capacity to use and manage systems.

Progress in strengthening PFM systems is generally consistent across country income levels. However, data from the 2018 monitoring exercise show a slight upward tick in the case of upper middle-income countries (UMICs), with eight of ten showing progress in strengthening their PFM systems (Figure 2.8). This finding reconfirms the results of research by Fritz, Sweet and Verhoeven (2014[18]) that explored the drivers and effects of strong PFM systems. This research showed that in most cases, macro-level country characteristics are not a strong predetermining factor for the strength of country systems, albeit with a limited positive association between strong systems and higher income levels and political stability.

Figure 2.8. Partner countries are strengthening public financial management systems

Comparison of countries' progress in strengthening PFM systems between their last two PEFA assessments, by income group



Notes: PEFA: Public Expenditure and Financial Accountability. The bars show the percentage of partner countries making progress, showing no change and showing a decline, based on an assessment of nine distinct categories (in the areas of budgeting, procurement, auditing and financial reporting) from the two most recently available PEFA assessments. All high-income countries participating in the Monitoring Round also are small island developing states.

Source: Draws on assessment of the quality of public financial management systems (Indicator 9a). Further information is available in GPEDC (2018, pp. 79-81[5]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

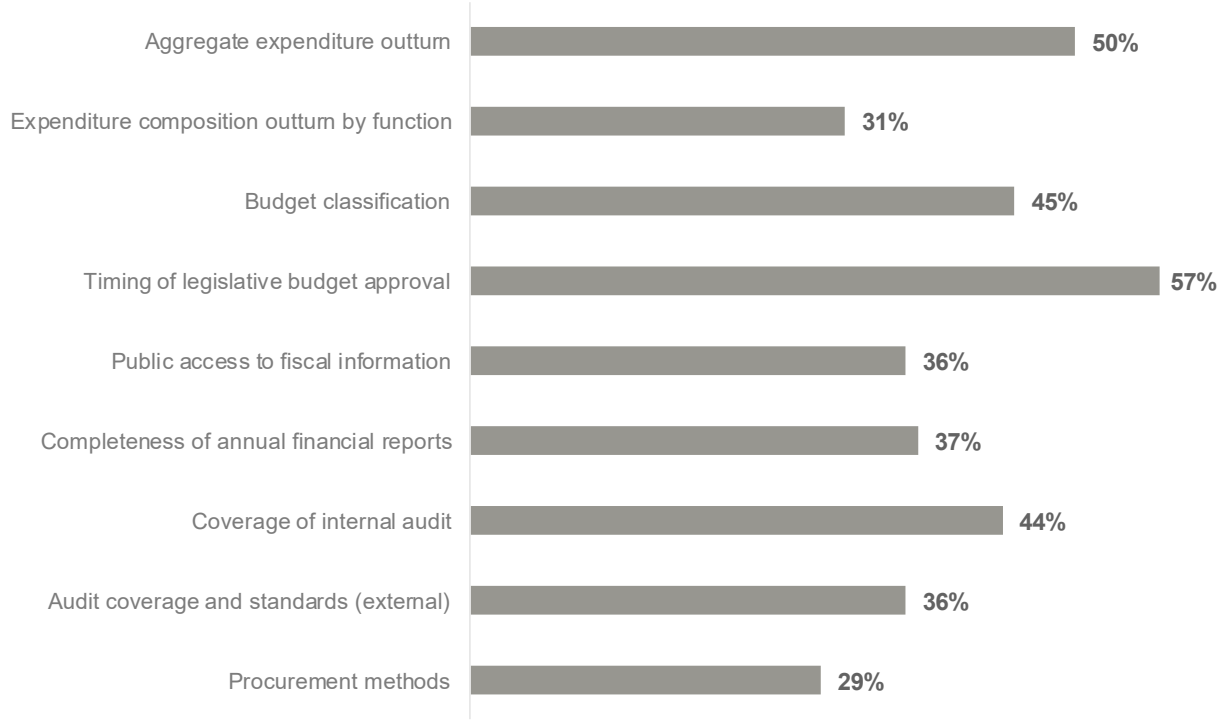
StatLink https://doi.org/10.1787/888934018963

Partner countries are making progress in budget planning, but challenges remain in budget execution and reporting

The strongest gains in strengthening PFM systems relate to aspects of budget formulation. Global Partnership data show that 50% of partner country governments[6] made progress in strengthening expenditure planning, resulting in less variation between planned and actual expenditure in budget documents. Additionally, 45% of countries increased the extent to which their budgets are classified in line with international standards (Figure 2.9). However, while there is stronger planning at the outset of the budget cycle, gains are more limited in the later stages, particularly in the use of transparent procurement methods and the extent to which annual financial statements are complete, timely and in line with international standards. Examples of PFM strengthening are discussed in Box 2.6.

Figure 2.9. Partner countries make varying progress in strengthening public financial management system elements

Proportion of countries that made progress in strengthening elements of PFM systems in the period between partner country governments' last two PEFA assessments, as measured by selected PEFA dimensions



Notes: PEFA: Public Expenditure and Financial Accountability. The findings shown here are based on the 51 participating partner countries for which 2 PEFA assessments are available.
Source: Draws on assessment of the quality of public financial management systems (Indicator 9a). Further information is available in GPEDC (2018, pp. 79-81[5]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934018982

Box 2.6. Designing context-specific solutions to strengthen public financial management

Working with 40 African countries, the Collaborative Africa Budget Reform Initiative (CABRI) is an international organisation made up of African member states, and works with African finance and budget ministries to develop and implement tailored public financial management (PFM) reforms. Many partner country governments have extensive and long-running PFM reform programmes. However, these reforms often do not effectively resolve the challenges governments face. New systems are introduced, but spending agencies still do not receive cash on time and in the right amounts; new procurement procedures are adopted, but textbooks and medicines still are not distributed on time or on budget; new laws are passed to control spending, but over-commitments remain pervasive; and training is provided on criteria to assess budget bids for capital expenditure, but progress of infrastructure projects remains slow.

In part, these challenges persist because traditional approaches to PFM reform primarily focus on off-the-shelf technical fixes. CABRI programmes take the view that PFM reform does not lend itself to a one-size-fits-all approach and requires careful management of political and administrative constraints combined with a deep understanding of the local context.

The government of the **Central African Republic** adopted a modern procurement law, but nevertheless faced the problem of low spending by ministries, departments and agencies (MDAs) on the capital investment budget – as low as 2% and 3%. With the support of CABRI, government officials worked to deconstruct the underspending problem. Three broad underlying challenges were identified: 1) the people overseeing capital budgets in the MDAs had insufficient knowledge and experience in implementing such budgets; 2) the MDAs were not undertaking the feasibility studies required for approval of procurement plans; and 3) there was a lack of communication between the MDAs and the Ministry of Finance.

A team then worked to find country-specific solutions through online courses, individual and team assignments, coaching, and open and frank feedback from peers. The initial results of the team's effort have been encouraging. For the first time, all 33 MDAs in the Central African Republic submitted their procurement plans, underpinned by a better understanding of how to better execute capital budgets. While many challenges remain, the team is aiming for capital expenditure of 50%.

In **Benin**, limited fiscal space is a perennial problem. To address this, the government decided to improve its revenue collection ability, but also understood that it could not ask citizens to pay their taxes unless citizens were confident public funds would be managed responsibly. The Budget Directorate in the Ministry of Economy and Finance championed not only a more transparent budget system that contributes to effective and equitable PFM, but also increased participation in the budget process to enhance accountability.

The Budget Directorate, with the support of CABRI, established a Pilot Budget Transparency and Communications Unit to guide Benin's strategy to continue to improve budget transparency and participation. The unit was tasked with providing timely, comprehensive budget information and with ensuring that this information is presented in accessible formats to facilitate public participation. As an example of its efforts, video versions of the 2019 executive's budget proposal and the 2019 Budget Law were published in five local languages in addition to French. To ensure the budget process is open to the public, the unit has prepared a budget calendar for civil society to better understand the budget formulation process and at which points it can get involved. Training is being provided to build the capacity of civil society organisations to improve accountability and provide a robust budget participation process at both local and national level.

Source: (CABRI, n.d.[19]), PFM knowledge hub website, www.cabri-sbo.org

Countries are strengthening legislative oversight of the budget. The 2018 Monitoring Round data found that 57% of countries made progress in ensuring that budgets are submitted to their legislative body for review and approval in advance of the fiscal year, thus allowing adequate time for legislative oversight. By extension, this timing also allows for public scrutiny, which is critical for transparency and accountability.

At the same time, the proportion of development co-operation subject to parliamentary oversight has decreased. On average, according to 2018 Monitoring Round data, 61% of development co-operation was recorded on national budgets subject to parliamentary oversight, a drop from 66% as reported in the 2016 Global Partnership Monitoring Round. There are several possible explanations for these results. One is that development partners continue to struggle to provide forward-looking data in time for consideration in partner countries' budget planning cycles. The decrease also could relate to changing disbursement modalities, whereby providers increasingly are channelling development co-operation directly through implementing partners rather than to the public sector in some partner countries. In any case, these results underline that as the sources of development co-operation and implementation modalities evolve, increased focus is needed to ensure that these changes do not result in a loss of transparency and accountability.

Box 2.7. Small island developing states in the 2018 Monitoring Round

Small island developing states (SIDS) are diverse in terms of population size and density, geographical spread, and development progress, yet they share common challenges and vulnerabilities, including high exposure to natural disasters, climate change and global economic shocks. Against this backdrop, development co-operation remains a vital source of financing for development for many SIDS (OECD, 2018[20]).

With strong development planning in place, almost all (95%) of the 22 SIDS participating in the 2018 Monitoring Round have established national development strategies. However, more than half (56%) of SIDS indicate that they would benefit from stronger statistical capacity to provide regular and accurate updates on progress in implementing development programmes. Further, one-third of SIDS do not currently use their development strategies to inform dialogue with development partners.

Six of eight SIDS reporting on their public financial management (PFM) systems have made progress in strengthening those systems, with strong improvements in processes related to budgeting. These results respond the call to develop "robust and credible" PFM systems (Pacific Islands Forum Countries, 2018[21]). Nonetheless, few SIDS promote gender-responsive goals (such as gender-related budget objectives) through PFM (12% of SIDS compared to 38% of non-SIDS) and Public Expenditure and Financial Accountability assessments need to be conducted more broadly and frequently in SIDS to allow the tracking of progress across the board.

Partner countries are undertaking gender-responsive budgeting, but gaps remain in translating their commitment to gender equality into adequate resources and monitoring systems

Adequate and effective financing is essential to achieve gender equality and to empower all women and girls. By tracking resource allocations, governments introduce deliberate measures into the planning and budgeting cycle to meet their gender policy objectives. By making these allocations public, governments commit to higher levels of transparency and accountability in budget decision making (Box 2.8).

Box 2.8. Assessing national government systems and transparency for meeting the 2030 Agenda goals on gender equality and women's empowerment

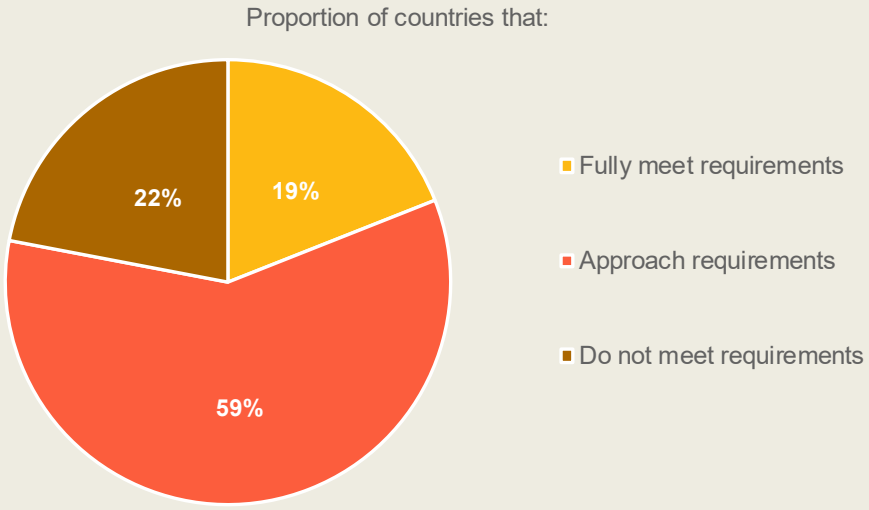
Sustainable Development Goal (SDG) Indicator 5.c.1 measures the proportion of countries that have systems to track allocations for gender equality and women's empowerment and to make those allocations public. Developed through the collaboration of the Global Partnership and UN Women and with contributions from the OECD-DAC GenderNET, this indicator sets the international standard for gender-responsive budgeting. It assesses progress towards SDG Target 5.c, to "adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels". The indicator also links the policy and legal requirements for gender equality with resource allocations for implementation of these requirements.

Indicator 5.c.1 measures three criteria. The first focuses on the intent of a government to address gender equality and women's empowerment by identifying whether a country has gender-responsive policies and/or programmes and corresponding resource allocations. The second criterion relates to whether a government has mechanisms to track such resource allocations throughout the budget cycle, from budget planning through to evaluation of impact of expenditures. The third criterion focuses on transparency and relates to whether a government has provisions to make information on allocations for gender equality and women's empowerment publicly available.

Convened by the UN Secretary-General, the Inter-Agency Expert Group on SDG indicators previously classified Indicator 5.c.1 as a Tier III indicator.[1] The indicator methodology was revised in 2017, following a series of consultations and pilot testing, and now assesses the gender-responsiveness of a number of specific elements within public financial management systems. Further, it also applies more rigour in the thresholds required to meet the indicator criteria. Following these refinements, Indicator 5.c.1 has been reclassified and upgraded to Tier II. In the 2018 Monitoring Round, 19% (13 of 69) of partner countries report they have comprehensive tracking systems in place and make gender budget allocations available publicly, thus fully meeting the indicator requirements.[2] As Figure 2.10 shows, an additional 59% of partner countries report they have taken steps to establish such systems and have some basic elements of these systems in place.

Figure 2.10. Significant progress is needed for national systems to meet requirements for tracking and making public gender-related allocations

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



Source: Draws on assessment of whether countries have systems to track and make public allocations for gender equality and women's empowerment (Indicator 8, SDG 5.c.1). For further information see GPEDC (2018, pp. 41-45[5]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

1. SDG indicators are classified as one of three tiers, based on their level of methodological development and the availability of data at the global level, with Tier I being the most robust. More information on SDG indicator classifications is available at: https://unstats.un.org/sdgs/iaeg-sdgs/tier-classification.
2. In 2016, 47% of countries had systems to track and make public allocations for gender equality and women's empowerment. When the 2016 Global Partnership monitoring methodology is applied, 78% of countries would have systems that track and make public allocations for gender equality and women's empowerment.

Strong, gender-responsive development strategies show that partner countries are committed to gender equality, but these strategies are not resourced. Whether they have separate gender plans or national development strategies with a gender focus, nearly all partner countries (90%) have policies or programmes in place to address gender-equality goals.[7] In most cases, these are not stand-alone policies. Rather, partner countries include gender equality and women's empowerment as an objective in broader national development strategies or mainstream the goals within sector policies and/or programmes. However, fewer than half of partner countries (43%) report that adequate resources are allocated to support gender-equality activities, which signals an important policy implementation gap.

Partner countries' expressed intention to address gender-equality goals is not yet matched with systems to track gender-related budget allocation data and make the data publicly available. Results of the 2018 Monitoring Round show that partner countries are experiencing challenges moving beyond the planning phase to putting in place mechanisms to systematically track allocations to gender equality and women's empowerment throughout the budget cycle and also to make these allocations public. While 51% of partner countries include specific guidance on gender-related objectives in their budget call circulars (or equivalents), fewer (28%) tag budget allocations to identify their link with gender-equality objectives, and only 19% conduct gender audits of the budget. Currently, 64% of countries publish information on gender-equality budget allocations, but continued effort is needed to make this information available in a timely and accessible manner.

Partner countries are seeking to build capacity for sex-disaggregated statistics. More than half of partner countries report they already are using sex-disaggregated statistics to inform budget-related decisions, although this often is occurring for sectors seen as more clearly linked to gender issues (e.g. health) and is not always mainstreamed for all policies and/or programmes. Many partner countries, those that already use sex-disaggregated statistics to inform decision making as well as those that do not, indicate a need for increased capacity in this area – both in terms of collecting the data and to understand and systematically use this information.

In partner countries that are performing well in areas related to gender equality, gender responsiveness is mainstreamed within the PFM system. Qualitative inputs from partner countries that participated in the 2018 Monitoring Round show that those countries that do well do not have stand-alone systems to track and make public their allocations to gender equality; rather, these countries mainstream gender in each step of their budget planning, execution and reporting processes. For example, in countries that report providing guidance on gender-related objectives during budget preparation, there is also guidance provided across different themes and sectors. This confirms the importance of a comprehensive approach to implement policy priorities, whereby governments incorporate gender-sensitivity throughout the budgeting and PFM process and systems rather than through isolated and separate efforts.

References

CABRI (n.d.), *PFM knowledge hub, website*, Collaborative Africa Budget Reform Initiative, https://www.cabri-sbo.org. [19]

Fritz, V., S. Sweet and M. Verhoeven (2014), "Strengthening public financial management: Exploring drivers and effects", *Policy Research Working Paper*, No. 7084, World Bank Group, Washington, DC, http://documents.worldbank.org/curated/en/349071468151787835/pdf/WPS7084.pdf. [18]

GPEDC (2018), *2018 Monitoring Guide for National Co-ordinators*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf. [5]

GPEDC (2018), *Technical Companion Document*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/Technical_Companion_27_July_Final.pdf. [10]

GPEDC (2016), *Nairobi Outcome Document*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/wp-content/uploads/2016/12/OutcomeDocumentEnglish.pdf. [3]

Inter-American Development Bank/World Bank (2011), *Using Country Public Financial Management Systems: A Practitioner's Guide*, OECD, Paris, http://www.oecd.org/dac/effectiveness/49066168.pdf. [17]

Mustapha, S. et al. (2019), *PEFA, Public Financial Management, and Good Governance*, PEFA Secretariat, World Bank Group, Washington, DC, https://www.pefa.org/research-impact/pefa-public-financial-management-and-good-governance. [16]

OECD (2019), "Using the SDGs as a shared framework for results: Demonstrating good practice - Findings from three case studies", *Issues Paper*, OECD, Paris, https://www.oecd.org/dac/results-development/docs/Results_worksho_April_19_Session1.pdf. [6]

OECD (2018), *Making Development Co-operation Work for Small Island Developing States*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264287648-en. [20]

OECD (2018), *States of Fragility 2018*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264302075-en. [22]

OECD (2017), *Development Co-operation Report 2017: Data for Development*, OECD Publishing, Paris, https://dx.doi.org/10.1787/dcr-2017-en. [13]

OECD (2012), *Aid Effectiveness 2011: Progress in Implementing the Paris Declaration*, Better Aid, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264125780-en. [8]

OECD (2011), *Busan Partnership for Effective Development Co-operation*, OECD, Paris, https://www.oecd.org/dac/effectiveness/49650173.pdf. [9]

OECD (2005), *The Paris Declaration on Aid Effectiveness*, OECD, Paris, https://www.oecd.org/dac/effectiveness/34428351.pdf. [2]

Pacific Islands Forum Countries (2018), *First Quadrennial Pacific Sustainable Development Report*, Pacific Islands Forum, Suva, Fiji, http://www.forumsec.org/wp-content/uploads/2018/09/1st-Quadrennial-Pacific-Sustainable-Development-Report-2018.pdf. [21]

PARIS21 (2019), *Statistical Capacity Development: Outlook 2019*, OECD Publishing, Paris, https://paris21.org/sites/default/files/inline-files/Statistical%20Capacity%20Development%20Outlook%202019.pdf. [14]

Rogerson, A. and R. Calleja (2019), "Mobilising data for the SDGs: How could a Data Acceleration Facility help, and how might it work?", *PARIS21 Discussion Paper*, No. 15, OECD Publishing, Paris, https://paris21.org/sites/default/files/2019-01/Mobilising%20Data%20for%20the%20SDGs%20%28DP15%29_0.pdf. [15]

UN (2019), *Financing for Sustainable Development Report 2019*, United Nations Inter-Agency Task Force on Financing for Development, New York, https://developmentfinance.un.org/sites/developmentfinance.un.org/files/FSDR2019.pdf. [12]

UN (2015), *Addis Ababa Action Agenda*, United Nations, New York, https://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf. [11]

UN (2015), *Transforming Our World: The 2030 Agenda for Sustainable Development*, United Nations General Assembly, New York, https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A_RES_70_1_E.pdf. [4]

Vähämäki, J. and C. Verger (2019), "Learning from results-based management evaluations and reviews", *OECD Development Co-operation Working Papers*, No. 53, OECD Publishing, Paris, https://dx.doi.org/10.1787/3fda0081-en. [7]

Wood, B. et al. (2011), *The Evaluation of the Paris Declaration - Final Report*, Danish Institute for International Studies, Copenhagen, https://www.oecd.org/derec/dacnetwork/48152078.pdf. [1]

Notes

[1] The 2018 OECD fragility framework classifies 58 contexts as fragile across a spectrum of intensity and in economic, environmental, political, security and societal dimensions. Of the contexts in this framework, 45 are partner countries that participated in the 2018 Global Partnership Monitoring Round. The OECD further classifies 15 of the 58 fragile contexts as "extremely fragile"; 12 of these 15 are partner countries that participated in the 2018 Monitoring Round. The OECD report *States of Fragility* (2018[22]) presents the fragility framework.

[2] The 2018 Monitoring Round results show that the quality of a country's development strategy is higher on average for countries and contexts with greater reliance on official development assistance, ranging from 65% for low-dependency countries to 74% for high-dependency countries. For each country, ODA dependency is calculated as total ODA over GDP per capita. In the 2018 Monitoring Round, dependency is considered low when the ratio is below 1.5%, medium when the ratio is above 1.5% and below 4%, and high when the ratio is above 4%.

[3] See Box 2.2 for details on how the quality of national development planning is assessed.

[4] The small percentage change masks real underlying improvement. Six of the eight countries that did not have a strategy in 2016 now have a strategy; one is in the planning phase of its national development strategy and one did not participate in the 2018 monitoring exercise. In the 2018 monitoring exercise, three of the five participating countries that do not have a national development strategy participated in the monitoring for the first time.

[5] Comparison over time was possible with 51 of the participating countries that had 2 PEFA assessments.

[6] These are the 51 participating partner country governments that had 2 PEFA assessments.

[7] The figure of 90% is calculated from the 69 partner countries that reported on their systems to track allocations for gender equality and women's empowerment. The percentages in this section on gender are calculated using the 69 partner countries as the denominator.

3 Partner country governments can enable more meaningful engagement to maximise a whole-of-society approach

This chapter examines the ways in which partner country governments are creating enabling environments and actively seeking the engagement of diverse development actors. It focuses on national stakeholder engagement during development planning and implementation; the enabling environment for civil society organisations; and engagement with the private sector through public-private dialogue.

To realise the ambitions of the 2030 Agenda, meaningful participation from all stakeholders is vital. While multi-stakeholder engagement has long been recognised as important to development, the Sustainable Development Goals (SDGs) require that countries move from a whole-of-government to a whole-of-society approach (Cázarez-Grageda, 2018[1]). Governments have a unique responsibility to lead development. But their efforts cannot be successful without the inclusive and equitable participation of all actors. Recognising this, the 2030 Agenda calls for collective action by the whole society to implement long-lasting development solutions. National and subnational governments, parliaments, civil society organisations, the private sector, foundations, trade unions, communities, and individuals each have different and complementary roles to play in the collective pursuit of sustainable development. Inclusive engagement is essential in all aspects of the development process, beginning with planning and continuing through implementing and monitoring national development strategies.

Openness, trust and mutual respect, as well as a recognition of these different and complementary roles of different stakeholders, are equally crucial to ensuring that all stakeholders are willing and able to work together. While Global Partnership monitoring has a focus on the engagement of civil society and the private sector, the full diversity of stakeholders plays a critical role in achieving sustainable development at country level, but they must be engaged in a meaningful way to have impact.

This chapter examines government efforts to create enabling environments and to actively seek the engagement of diverse actors. It is organised in three sections. The first of these looks at how partner country governments engage with national stakeholders during planning and mutual accountability activities. This analysis draws on Global Partnership data that assess the inclusive nature of how development efforts are planned and tracked. The second assesses the enabling environment for civil society organisations (CSOs). The third section discusses how governments are maximising private sector input for development through public-private dialogue (PPD). Analysis for the second and third sections looks at results from Global Partnership indicators that have a dedicated focus on civil society and the private sector respectively.

The key findings from this chapter are:

- National development planning is becoming more inclusive, but more systematic and meaningful engagement of diverse stakeholders throughout development processes is needed. Nearly all partner country governments consult broadly with national stakeholders in the design of national development strategies. However, more must be done to ensure these consultations are conducted in a way that provides the whole of society a real opportunity to shape priorities and track implementation.
- The enabling environments in which CSOs operate have deteriorated since the last monitoring round. There has been a decline in each of the four assessed areas of an enabling environment for CSOs. Governments and civil society have diverging views on the enabling environment for CSOs. One example relates to whether adequate legal and regulatory frameworks exist, with CSOs in only one-fourth of partner countries reporting that expression is free from government control. In addition, fewer partner countries reported on the enabling environment for civil society in 2018 than in the 2016 Monitoring Round, lending weight to warnings that space for civil society is contracting.
- If PPD is to lead to real action and results, partner country governments must ensure it is focused on areas of mutual interest and is inclusive of all relevant stakeholders. While there is strong trust and willingness to engage among public and private sector stakeholders – vital for productive dialogue – limits in capacity and inclusiveness hamper the effectiveness of PPD. Since governments lead development processes, including by setting agendas for dialogue and facilitating the participation of different actors, there is a need for critical reflection on how to improve the relevance and inclusiveness of engagement efforts.
- Redoubled efforts are needed to build and strengthen capacity so that all stakeholders can effectively contribute to sustainable development. While governments are responsible for creating an enabling environment conducive to maximising the contributions to development of all parts of society, civil society and the private sector also must focus on building their capacity and effectiveness – including how they organise among themselves – to ensure they are engaging constructively with the government.

Section 3.1. How effectively do partner country governments engage national stakeholders in development planning and mutual accountability activities?

To strengthen country ownership, governments must do more to ensure meaningful and inclusive participation in planning and tracking of development efforts

In designing national development strategies, partner country governments consult a broad range of national stakeholders. Almost all partner country governments (93%) report they consulted three or more stakeholders when designing their national development strategy. All partner country governments with a national development strategy in place consulted at least one stakeholder group, such as a subnational government, parliament, civil society or the private sector. Box 3.1 describes the roles and contributions to development efforts of parliaments, subnational governments, trade unions and foundations and outlines how Global Partnership monitoring captures their contribution. The role and contribution of civil society and the private sector are addressed in subsequent sections.

Box 3.1. Leveraging the value of each stakeholder

Parliamentarians. Parliamentarians are fundamental to national development efforts. They enact legislation, adopt national budgets, and oversee the effective implementation of national and international commitments, as set out in §44 of the Nairobi Outcome Document (NOD) (GPEDC, 2016[2]). As a consequence, alignment of development policies and budgets to the 2030 Agenda falls under the purview of parliamentarians. Global Partnership monitoring captures the role and contribution of parliamentarians by assessing whether governments have engaged parliamentarians in the preparation of national development strategies, in contributing to public-private dialogue (PPD) and in mutual accountability mechanisms for development co-operation. Monitoring also assesses whether parliamentarians have oversight with respect to the inclusion of development co-operation in the national budget as well as budget allocations for gender equality and women's empowerment.

Subnational governments. Local governments are a crucial link between citizens and the national government, feeding local development priorities, ideas and contributions into national development processes. Local governments also can strengthen development partnerships among citizens and other local actors, including the business sector (NOD §47). Global Partnership monitoring captures the role and contribution of subnational governments through assessing whether local governments are engaged in the preparation of national development strategies; how subnational strategies are aligned to national development strategies; and whether local governments are included in PPD and in mutual accountability mechanisms for development co-operation.

Trade unions. Trade unions are development actors that advocate for and facilitate collective bargaining on behalf of workers. Unions promote decent work and advocate for equitable business practices. Global Partnership monitoring captures the role and contribution of trade unions through

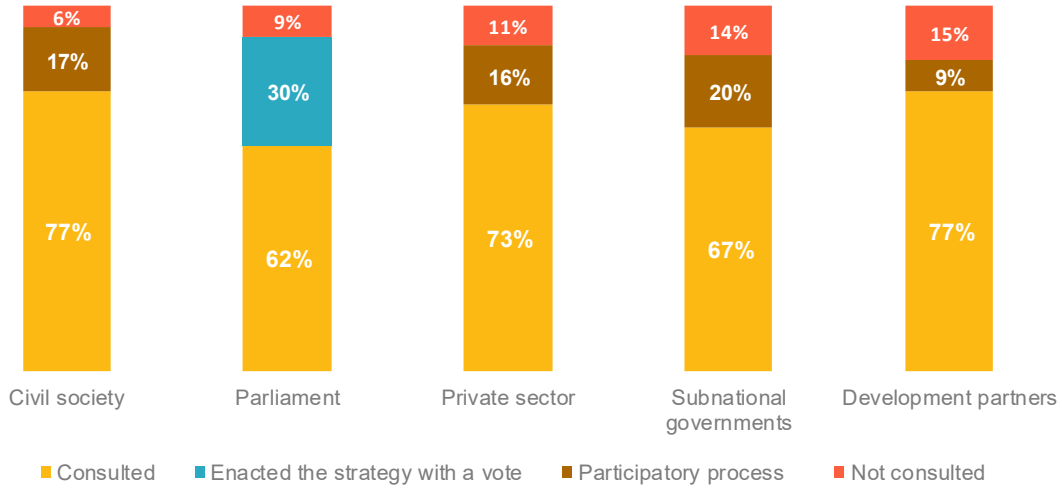
assessing whether trade union focal points are included in national PPD initiatives and in mutual accountability mechanisms for development co-operation.

Foundations. The knowledge and expertise of philanthropic actors provide valuable contributions to national development efforts. The importance of these actors extends beyond the financial support they provide. Foundations also are catalytic agents of resources and relations that help to strengthen the effectiveness and quality of development co-operation (NOD §69). Global Partnership monitoring captures the role and contribution of foundations through assessing whether foundations are included in national PPDs and in mutual accountability mechanisms for development co-operation.

Engagement with national stakeholders can become a more meaningful, participatory process. In practice, this means engagement should be a process that is adequately planned, appropriately timed and well-communicated; systemically engages diverse stakeholders in a way that builds trust among participants; and achieves a level of coherence between the views of stakeholders and the national development strategy eventually adopted[1] (UNDP, 2016[3]). This type of meaningful, participatory process will ensure strong ownership by all segments of society of the resulting national development strategy and the aspirations it expresses. Although they consult broadly, few partner country governments report they also allowed stakeholders to engage in a participatory process to shape the national development strategy (Figure 3.1). The government submitted the national development strategy to the parliament for a vote in only 30% of partner countries.

Figure 3.1. Partner country governments consult broadly when designing national development strategies, but participatory processes are rarer

Proportion of partner country governments that engaged national stakeholders in the development of the national development strategy



Notes: "Consulted" means the government made proposals to the particular stakeholder group and sought its opinions. "Enacted the strategy with a vote" means the strategy was submitted to a parliament for a vote. "Participatory process" means stakeholders were allowed to make proposals and some of these proposals were used in designing the national development strategy.
Source: Figure draws on assessment of the quality of national development strategies (Indicator 1b). Further information is available in GPEDC (2018, pp. 29-34[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019001

To reinforce country ownership of national development strategies, partner country governments should make progress reports on implementation publicly available, bolstering transparency and accountability through accessible information. Almost all partner country governments (95%, 77 of 81) that have a national development strategy have made the strategy publicly available[2] (Figure 3.2). While the vast majority (89%, 72 of 81) track progress in implementing the national development strategy, only 38% of partner country governments (27 of 72) made their progress report publicly available.

Figure 3.2. Few partner country governments make progress reports on implementation of the national development strategy publicly available

Proportion of partner country governments that make the national development strategy progress reports of the national development strategy available on line



Note: National development strategies and progress reports on their implementation are considered to be publicly available in cases where respondents provide a link to a web page.
Source: Draws on assessment of the quality of national development strategies (Indicator 1b). Further information is available in GPEDC (2018, pp. 29-34[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019020

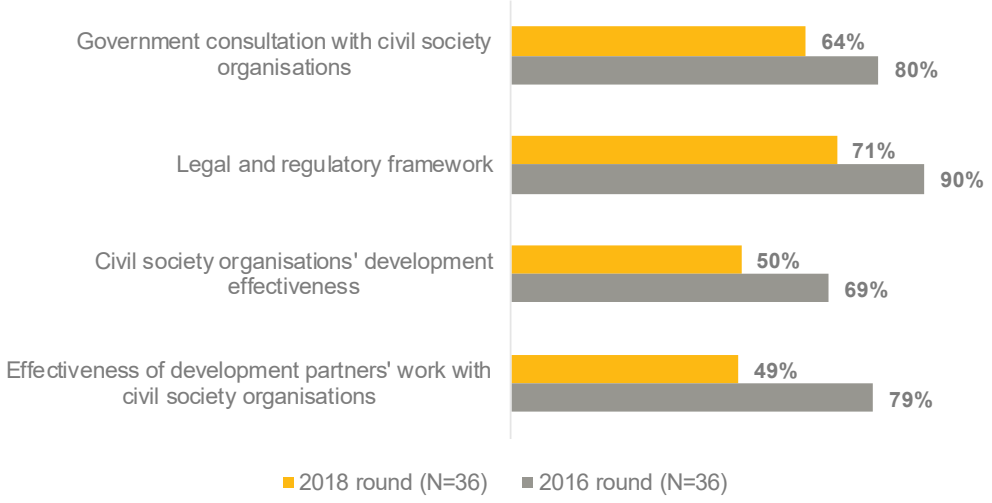
Section 3.2. How are partner country governments faring in creating an enabling environment for civil society?

Constraints on civil society have increased, negatively affecting its ability to participate in and contribute to national development processes[3]

The enabling environments in which civil society organisations operate have deteriorated since the 2016 Monitoring Round. CSOs include all non-market and non-state organisations outside of the family in which people organise themselves to pursue shared interests in the public domain (OECD, 2010[5]). Through their community roots and outreach, CSOs play a fundamental role in development, including by empowering and providing services to people living in poverty and by working to ensure that the voices of all groups of society are heard. Global Partnership monitoring looks at four broad areas in assessing the CSO-enabling environment. These are presented in Box 3.2. Several good practices exist (Ceelen, Wood and Huesken, 2019[6]), but overall, conditions affecting CSOs' contributions to development have deteriorated in each of the four areas in the period between the 2016 and 2018 Global Partnership monitoring rounds (Figure 3.3).

Figure 3.3. Deterioration of enabling environments in which civil society organisations operate

Aggregate results (on a scale of 0 to 100 points) on the four assessed areas of enabling environments in which CSOs operate, by year



Notes: The data sample illustrated in this figure is limited to the 36 countries that reported on CSO-enabling environments in both the 2016 and the 2018 Global Partnership Monitoring Rounds. For 2018, the figure shows average results of individual responses of governments, civil society and development partners that reported on the CSO-enabling environment. For 2016, the figure shows the responses provided by the government in consultation with civil society and development partners that reported on the CSO-enabling environment.
Source: Draws on assessment of the environment for civil society organisations (Indicator 2). Further information is available in GPEDC (2018, pp. 62-67[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf.

StatLink https://doi.org/10.1787/888934019039

Box 3.2. Conditions that maximise effective civil society engagement and contribution to development

Global Partnership monitoring looks at four broad areas to evaluate the conditions in which civil society organisations (CSOs) operate and whether these enable them to effectively work and contribute to development efforts.

1. **How do governments consult with CSOs on national development policies?** This area assesses the extent to which governments consult CSOs on national development policies and whether CSOs have access to timely and relevant information to effectively participate in these consultations.
2. **Are adequate legal and regulatory frameworks in place?** This area, grounded in internationally recognised human rights,[1] assesses the extent to which the country's legal and regulatory frameworks enable CSOs to associate, assemble and express themselves; allow them to access resources; and provide effective protection to CSOs that work with marginalised or at-risk populations.
3. **To what extent are CSOs effective?** This area assesses the effectiveness of civil society organisations' own operations in line with the Istanbul CSO Development Effectiveness Principles and the International Framework on CSO Development Effectiveness[2] (CSO Partnership for Development Effectiveness, 2010[7]). It looks at whether CSOs co-ordinate among themselves to facilitate participation in policy dialogue and whether they engage in equitable funding partnerships.[3] It also addresses whether CSOs are implementing their development work guided by international human rights standards and principles and are transparent and accountable in their operations.
4. **How well do international development partners work with CSOs?** This area assesses the extent to which development partners consult with CSOs on development co-operation policies and programmes and whether development partners promote an enabling environment for CSOs in their engagement with governments. Also assessed is whether development partners provide effective financial support that maximises the contribution of CSOs to sustainable development.

Responsibility for making improvements across these four areas is distributed and shared among stakeholders. The first two areas are the responsibility of governments; the third area is primarily the responsibility of CSOs; the fourth area relates to the behaviour of development partners. In the spirit of a multi-stakeholder approach, and for a balanced assessment, the Global Partnership methodology collects the views of civil society, governments and development partners across all four areas. This allows the collating of results that are informed by these diverse stakeholders and also reveals cohesion or diversion of views among these stakeholders.

1. Freedoms of expression, association and peaceful assembly are recognised as universal human rights. See the Universal Declaration of Human Rights at: https://www.ohchr.org/en/udhr/documents/udhr_translations/eng.pdf.
2. The Istanbul Principles were agreed at the 2010 Global Assembly of the Open Forum for CSO Development Effectiveness in Istanbul. They are the foundation of the International Framework on CSO Development Effectiveness, which further elaborates these Principles.
3. "Equitable funding partnerships" refer to a fair balance of power between financiers and national CSOs. The Global Partnership *2018 Monitoring Guide for National Co-ordinators* provides a full description of equitable CSO partnerships (GPEDC, 2018[4]).

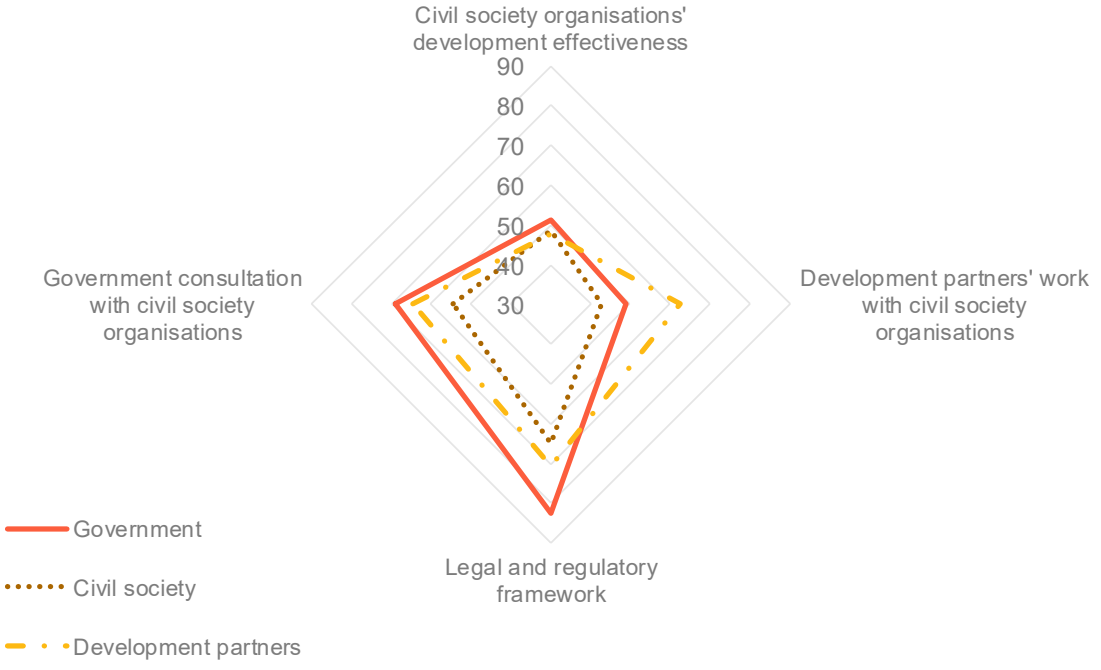
Negative trends, across the four assessed areas and in partner country reporting on enabling environments for CSOs, lend weight to warnings of contracting space for civil society. A smaller proportion of partner country governments reported on the enabling environment for civil society than in the 2016 monitoring exercise, falling to 53% in the 2018 Monitoring Round from 73% in the 2016 round.

The methodology for reporting on this topic was revised between the two monitoring rounds and reporting on this indicator remains relatively labour-intensive. But neither the length of the questionnaire nor the process for reporting changed, leaving no obvious technical explanation for this decline in reporting. Those partner country governments that reported on the CSO-enabling environment for the 2018 Monitoring Round selected and facilitated the participation of the CSOs for the assessment.[4] This can lead to selection bias and/or observer bias, whereby CSOs may report what the government expects or wants to hear. Combined, these factors may mean that observed negative trends in the evidence present an overly positive picture from reporting countries. Overall, the deterioration in results across the four areas assessed by the Global Partnership coupled with the fall-off in country reporting, support the widely reported view that space for civil society is shrinking[5] (CIVICUS, 2019[8]).

Partner country governments rate their actions in creating an enabling environment for CSOs more favourably than do CSOs. Overall, governments favourably rated the two areas that fall under their responsibility (consultation of CSOs and legal and regulatory frameworks) and ranked less favourably the two areas outside their responsibility (Figure 3.4). CSOs view the two areas of government responsibility less favourably. In the area of CSO development effectiveness, which relates to their own operations, CSOs were relatively critical when rating how well they are doing.

Figure 3.4. Divergence of stakeholder views on the enabling environment for civil society organisations

The perception of government, civil society and development partners on the four areas of a CSO-enabling environment (on a scale of 0 to 100 points)



Notes: A larger perimeter signifies a higher score. Each of the four areas covered in Global Partnership monitoring of enabling environments consists of four sub-elements that are aggregated to create the overall score in each of the four areas shown in this figure. Responses were received in 46 countries that assessed the CSO-enabling environment.

Source: Draws on assessment of the environment for civil society organisations (Indicator 2). Further information is available in GPEDC (2018, pp. 62-67[41]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019058

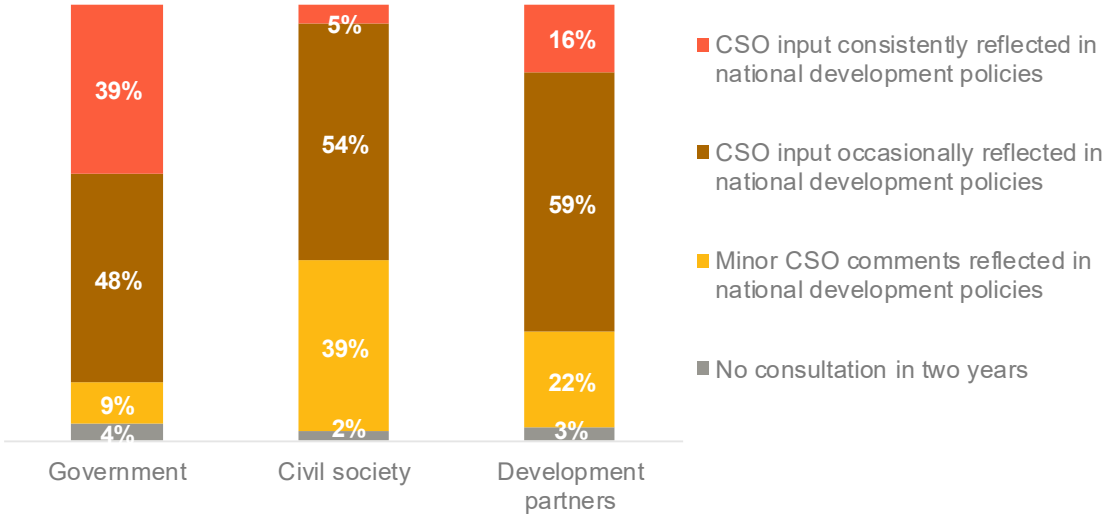
Governments often consult civil society organisations, but these consultations could be more effective, inclusive and transparent

Partner country governments consult CSOs regularly on national development policies, but these consultations could be more effective. In almost all partner countries (95%), CSOs report that the government consulted them on national development policies during the previous two years. Kenya is an example of good practice, with the government using multi-stakeholder sector working groups to spearhead development planning and support budget allocation decisions. These sectoral working groups typically comprise members from line ministries, non-governmental organisations, the private sector, UN bodies and other relevant groups (Ceelen, Wood and Huesken, 2019[6]). Yet such a practice is not the norm. CSOs in 50% of partner countries report that consultation takes place during national decision-making processes when change in policy direction is still possible. However, in 50% of partner countries, CSOs report that these consultations could be more effective – i.e. institutionalised, regular, predictable and transparent.[6] These CSOs also report that their participation often is subject to restrictions and the selection for participation can be biased.

Government consultations with CSOs are not consistently used to inform the design, implementation and/or monitoring of national development policies. CSOs in a majority of partner countries (54%) report that governments occasionally incorporate some substantive elements of their advice, but no clear government mechanism exists to provide post-consultation feedback explaining why certain CSO recommendations were accepted or rejected. In only 5% of partner countries do CSOs report that the government takes their advice and evidence into account and that clear mechanisms for feedback are in place (Figure 3.5).

Figure 3.5. Civil society organisations report that consultations are not consistently used to inform national development policies

Responses of governments, civil society and development partners on the use of results of recent consultation with CSOs to inform government design, implementation and monitoring of national development policies



Note: CSO: civil society organisation. The complete wording of the response options is presented in the Characteristics of Practice at: http://bit.ly/Indicator2CoP

Source: Draws on assessment of the environment for civil society organisations (Indicator 2, Module 1, Question 1D). Further information is available in GPEDC (2018, pp. 62-67[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

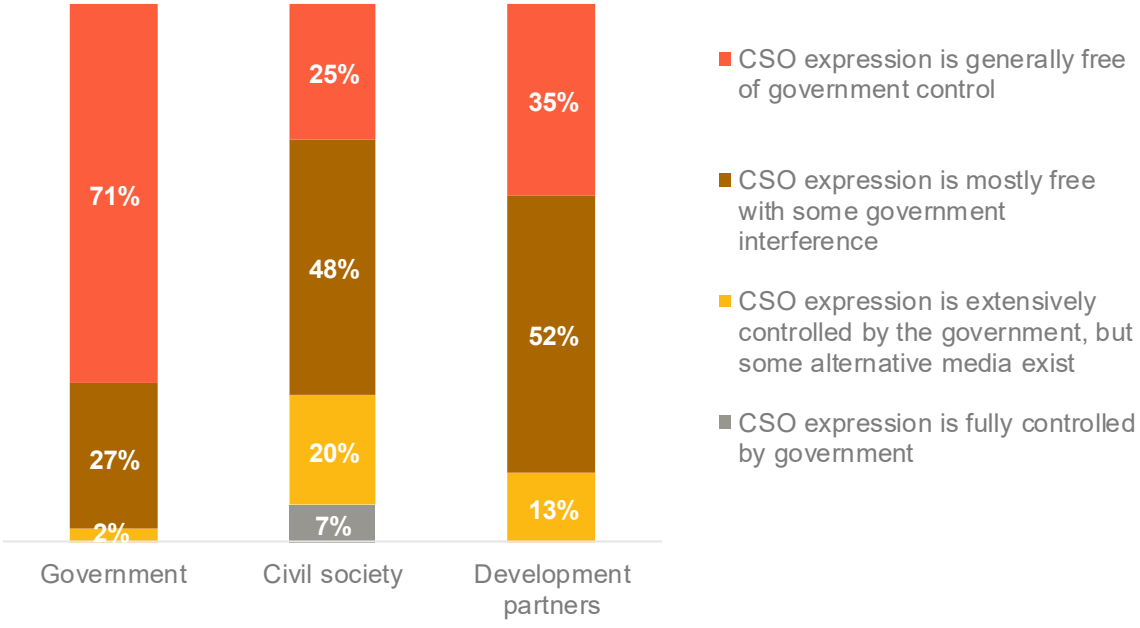
StatLink https://doi.org/10.1787/888934019077

Legal and regulatory frameworks provide limited protection for civil society organisations in practice

CSOs report severely limited freedom of expression and limited protection from harassment when working with at-risk populations. Across the four areas assessed to evaluate the CSO-enabling environment, the views of governments and CSOs diverged most sharply over the quality of the legal and regulatory frameworks in place (Figure 3.4). In a majority of partner countries (71%), governments report that CSOs are generally free to express themselves, while CSOs agree with this view in only 25% of countries (Figure 3.6). Moreover, CSOs in 27% of countries report that their expression is fully or extensively controlled by the government; threats and arbitrary actions against non-state actors are only sometimes investigated; and the legal framework provides few effective safeguards against arbitrary surveillance. In response to a separate question, CSOs in 32% of partner countries report that those civil society organisations working with marginalised and at-risk populations experience harassment from public authorities. Kosovo,*[7] however, offers an example of good practice in protection of CSOs. It has extended its constitutional guarantee of freedom of association specifically to CSOs under the 2010 Law on Freedom of Association for Non-Governmental Organizations. Registration of CSOs is voluntary, and the requirements for the establishment of a civil society organisation are considered reasonable (Ceelen, Wood and Huesken, 2019[6]).

Figure 3.6. Diverging views on freedom of expression

Responses of governments, civil society and development partners on the extent to which the legal and regulatory framework enables CSOs to exercise their rights to freedom of expression and assembly



Note: CSO: civil society organisation. The complete wording of the response options is presented in the Characteristics of Practice at: http://bit.ly/Indicator2CoP

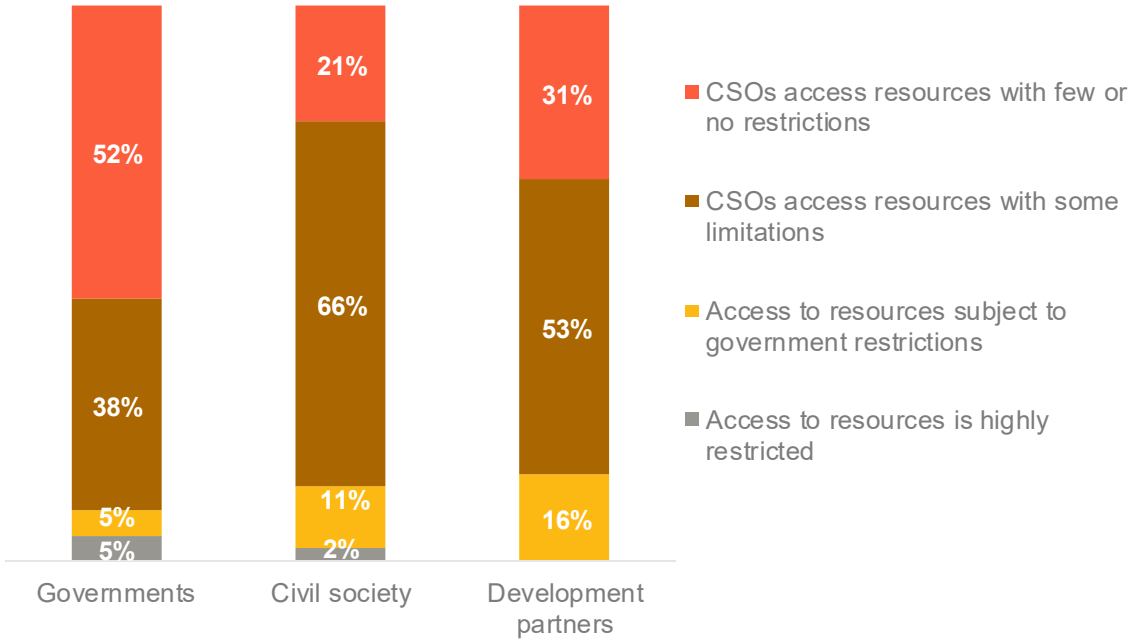
Source: Draws on assessment of the environment for civil society organisations (Indicator 2, Module 4, Question 4A). Further information is available in GPEDC (2018, pp. 62-67[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019096

Legal and regulatory frameworks in most cases, however, allow and/or facilitate CSOs to access resources. In a majority of partner countries (87%), CSOs report that laws and regulations, with some or no limitations, permit them to access national and international resources such as government grants and contracts, receive tax benefits and exemptions, and access international resources. Overall, while they acknowledge restrictions exist, a majority of partner country governments, development partners and CSOs report favourably on the legal and regulatory environment in this regard (Figure 3.7).

Figure 3.7. Access to resources is not considered highly restricted

Responses of governments, civil society and development partners on the extent to which the legal and regulatory environment facilitates access to resources for domestic CSOs



Note: CSO: civil society organisation. The complete wording of the response options is presented in the Characteristics of Practice at: http://bit.ly/Indicator2CoP
Source: Draws on assessment of the environment for civil society organisations (Indicator 2, Module 4, Question 4D). Further information is available in GPEDC (2018, pp. 62-67[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019115

CSOs recognise the need for better CSO co-ordination, but also call for more equitable partnerships

CSO co-ordination is strong, but could be more inclusive. CSOs are responsible for ensuring their effectiveness in line with the Istanbul Principles and the International Framework for CSO Development Effectiveness (Box 3.2). CSO co-ordination is an important element, in that it is essential to maintaining the unity and inclusiveness of civil society. In 95% of partner countries, governments, development partners and CSOs report that CSOs co-ordinate their activities through platforms, networks and associations. However, in 27% of the partner countries, the three stakeholder groups report that these mechanisms are weak – for example, in terms of leadership, inclusive participation, resources for

engagement and/or accountability to domestic CSOs – or that the mechanisms are driven by development partners and/or government interests rather than CSO interests. The NGO Federation of Nepal offers an example of good practice in this regard. The NGO Federation of Nepal has streamlined its code of conduct, internal governance structure and management and also has developed a non-governmental organisation (NGO) Governance Resource Book, trained more than 2 000 NGO staff and established a hotline to provide NGOs with immediate advice. The aim of this self-regulation is to enhance development effectiveness and accountability (Ceelen, Wood and Huesken, 2019[6]).

More equitable partnerships also would strengthen the development effectiveness of all CSOs, regardless of size and resources. In the majority of partner countries (89%), CSOs report that the basis of partnerships between domestic CSOs (local or national) and CSOs that provide financing (usually larger, international CSOs) is either to directly implement the projects of the financing CSO or respond to its programmatic priorities. Such partnerships typically prioritise the financing of CSOs' programmes over local needs and priorities, placing a burden on smaller, domestic CSOs. More equitable CSO partnerships would bolster local and national ownership and the ability of CSOs to operate and respond to the needs of their target communities.

Section 3.3. How effective are partner country governments in strengthening public-private dialogue?

Meaningful public-private dialogue, results-oriented and based on mutual trust, has the potential to accelerate achievement of development goals

Public-private dialogue is crucial to leverage the full potential of the private sector's contribution to sustainable development. The 2030 Agenda recognises the important role of a diverse private sector in achieving sustainable development and calls "on all businesses to apply their creativity and innovation to solving sustainable development challenges". The private sector can contribute both financial and non-financial resources for sustainable development. Maximising these contributions requires a conducive operating environment for business, however, and this in turn requires effective engagement of the public and private sectors based on open and transparent dialogue.[8] Seeking to boost the contributions of the private sector through dialogue underpins the Global Partnership monitoring approach.[9] By measuring the quality of PPD,[10] monitoring assesses the effectiveness of partnering between a government and the private sector, thus enabling them to jointly shape an operating environment in which the private sector can maximally contribute to inclusive growth and sustainable development.

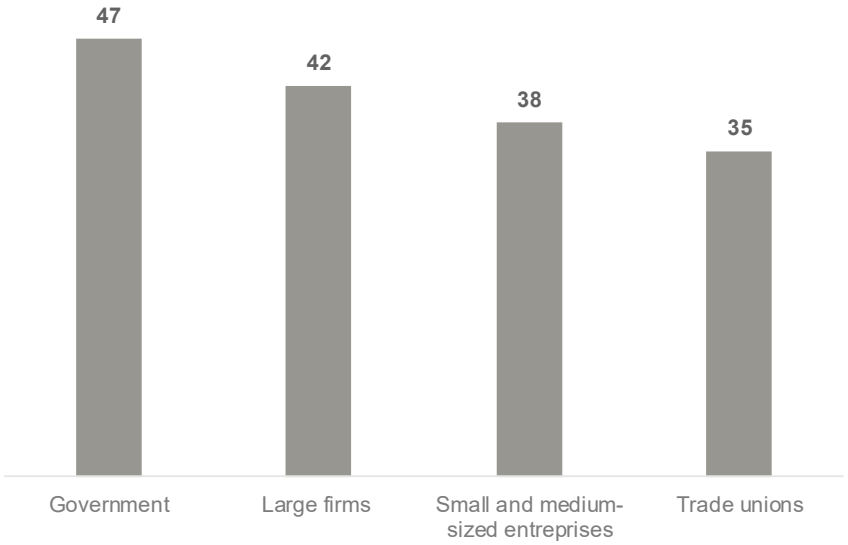
Overall, reporting on PPD quality is limited, but countries that did report took into account and reflected the views of private sector stakeholders. Global Partnership monitoring assesses the quality of PPD in terms of three key areas and six related elements, as illustrated in Figure 3.8. In monitoring rounds prior to 2018, governments of participating countries reported on the quality of PPD in consultation with private sector representatives. In the 2018 Monitoring Round, a revised methodology asked governments and private sector stakeholders (large private sector firms, small and medium-sized enterprises [SMEs], and trade unions) individually to rate the quality of dialogue based on four levels which were then converted to a scale of 0-100, with 100 representing the highest possible quality. The revised methodology, requiring data collection from different private sector stakeholders, may have contributed to the decrease in the number of partner countries reporting on this topic (47 in the 2018 round versus 55 in the 2016 round). In most of the countries reporting on PPD quality, multiple private sector stakeholders participated in the reporting (Figure 3.9). This can be considered a positive result, although it is important to acknowledge that the countries that chose to report may also be those with stronger PPD mechanisms.

Figure 3.8. Elements of high-quality public-private dialogue

Building block	Quality element	Description
Enabling context	Mutual trust	**The level of trust and willingness from the public and private sector to engage with one another:** When high, eagerness to engage is backed by high-level support and buy-in.
	Readiness	**The extent to which public and private actors are able and ready to engage with one another:** When high, both sides have the capacity to engage and are internally co-ordinated, including by having so-called champions or established engagement mechanisms.
Meaningful dialogue	Relevance	**The extent to which existing dialogue addresses issues of concern to both sides:** When high, the dialogue agenda is mutually agreed.
	Inclusiveness	**The level of inclusiveness of participation in public-private dialogue:** When high, dialogue engages all relevant actors from both sectors, including the full diversity of private sector stakeholders.
Effective engagement	Organisational effectiveness	**The extent to which existing public-private dialogue arrangements are organised to achieve results:** When high, dialogue is structured, regular and geared towards achieving concrete results.
	Joint action	**The extent to which existing public-private dialogue initiatives increase collaboration:** When high, joint action between public and private stakeholders increases.

Figure 3.9. Stakeholders that participated in assessing the quality of public-private dialogue

Number of stakeholders that reported



Note: The 47 partner countries in which the government reported on public-private dialogue quality include 44 in which at least 1 private sector stakeholder also provided responses and 3 countries in which only the government participated.

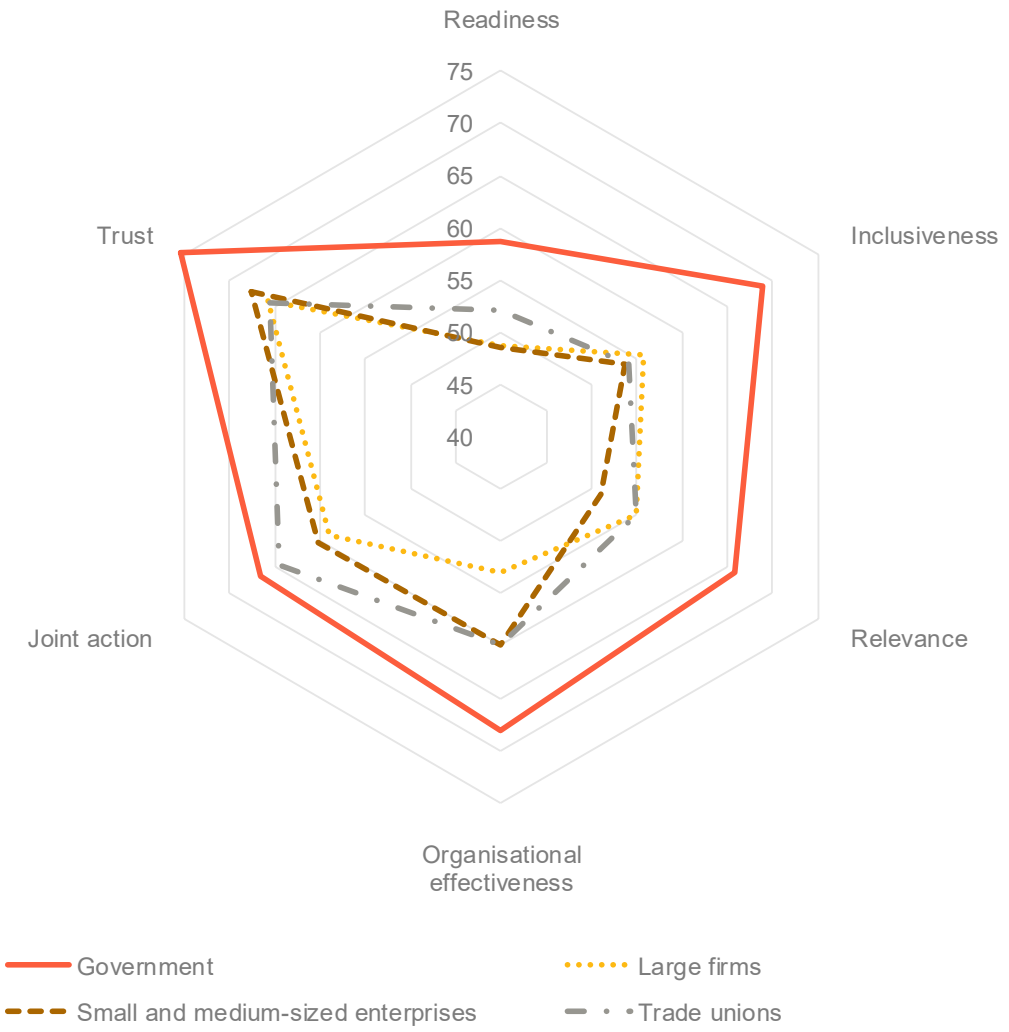
Source: Draws on assessment of the quality of public-private dialogue (Indicator 3). Further information is available in GPEDC (2018, pp. 68-73[4]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019134

Private sector stakeholders' views concerning the quality of PPD are less positive overall than those of partner country governments, suggesting more work is needed to exploit the potential of dialogue to maximise the private sector's contribution. As shown in Figure 3.10, the views of governments and private sector stakeholders differ on the quality of their PPD, with governments rating it consistently higher across all criteria. Across all six elements, governments rate PPD quality at an average score of 64, compared to an average score of 51 among private sector stakeholders. The starkest differences relate to the inclusiveness and relevance of the PPD. These signify challenges in how governments are implementing PPD.

Figure 3.10. Divergence of stakeholder views on the quality of public-private dialogue

The perception of government, large private sector enterprises, small and medium-sized enterprises, and trade unions on the six elements that constitute high-quality PPD (on a scale of 0 to 100 points)



Notes: A larger perimeter signifies a higher score. The figure illustrates the average scores across the six quality elements of public-private dialogue for all four stakeholder groups that participated in the 2018 Monitoring Round. These numbers can be directly compared, given that the scale and assessment criteria are the same for all four stakeholder groups. For a more detailed description of the six elements and what the optimal levels of these elements entail, refer to Figure 3.8.

Source: Draws on assessment of the quality of public-private dialogue (Indicator 3). Further information is available in GPEDC (2018, pp. 68-73[4]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019153

Public and private actors are willing to participate in dialogue, but have limited capacity to engage effectively

Partner country governments and the private sector demonstrate promising mutual trust and a willingness to engage with each other. Governments express sincere interest in engaging the private sector. Private sector stakeholders demonstrate shared optimism in this area. However, while governments report an increased score in trust (77 in the 2018 Monitoring Round, up from 68 in the 2016 exercise), private sector stakeholders' views on trust remain steady (71).[11] An example of PPD that is considered a success, from Bangladesh, is presented in Box 3.3.

Box 3.3. Public-private dialogue in Bangladesh: The story of BUILD

Public-private dialogue can take a variety of forms, with the specific mechanism adapted and evolving in response to context-specific needs. The Business Initiative Leading Development (BUILD), initiated by the private sector in Bangladesh, is an instance of good practice that showcases a successful platform for dialogue.

Three chambers of commerce in Bangladesh established BUILD in 2011 as an institutionalised framework for facilitating structured dialogue between the public and private sectors.

Through BUILD, the private sector is able to act collectively and speak in one voice to ensure that hurdles to private sector development are addressed and that private sector-led growth contributes to Bangladesh's development. BUILD has become a trusted government partner, working closely with the Prime Minister's Office to promote private sector development, investment and job creation.

The BUILD platform brings together public and private sector stakeholders to identify recommendations for policy reforms, based on research and analysis on opportunities for and challenges to the private sector's contribution to development. Among other outcomes, BUILD has identified more than 250 quick-win policy reforms; the government has approved more than half of these. Further, the involvement of development partners in BUILD has led to expansion of the BUILD agenda to include environmental and social issues such as disaster risk management and social development.

Reporting in the 2018 Global Partnership Monitoring Round appears to reflect the impact of BUILD and similar efforts. Both public and private stakeholders in Bangladesh report some of the highest overall results of the 2018 exercise in terms of the level of mutual trust: 94 points versus the participating country average of 71 and the least developed country average of 72. Bangladesh – the government together with private sector stakeholders – also reports above-average results in terms of public-private dialogue that leads to joint action.

Sources: (BUILD, n.d.[9]) *Our Mission and Vision*, www.buildbd.org; (GPEDC, 2018[10]), *Private Sector Engagement Through Development Co-operation in Bangladesh*, www.oecd.org/dac/effectiveness/Bangladesh_Country_Report_FINAL.pdf

Financial and technical resources are needed to address capacity constraints that limit participation in PPD. Overall, all stakeholders from participating partner countries report capacity concerns regarding PPD. Of all the elements constituting effective PPD, readiness (i.e. capacity) to engage scored the lowest among all stakeholders. These concerns are more pronounced in least developed countries (LDCs). A notable exception is in the LDCs in which SMEs account for the majority of private sector jobs (International Labour Organization, 2018[11]); in these countries, SMEs report higher levels of readiness to engage (see also Box 3.4). The most frequently reported areas that require further attention in order to increase stakeholders' readiness and ability to engage with one another are governments' internal co-ordination and access to financial and technical resources for both public and private

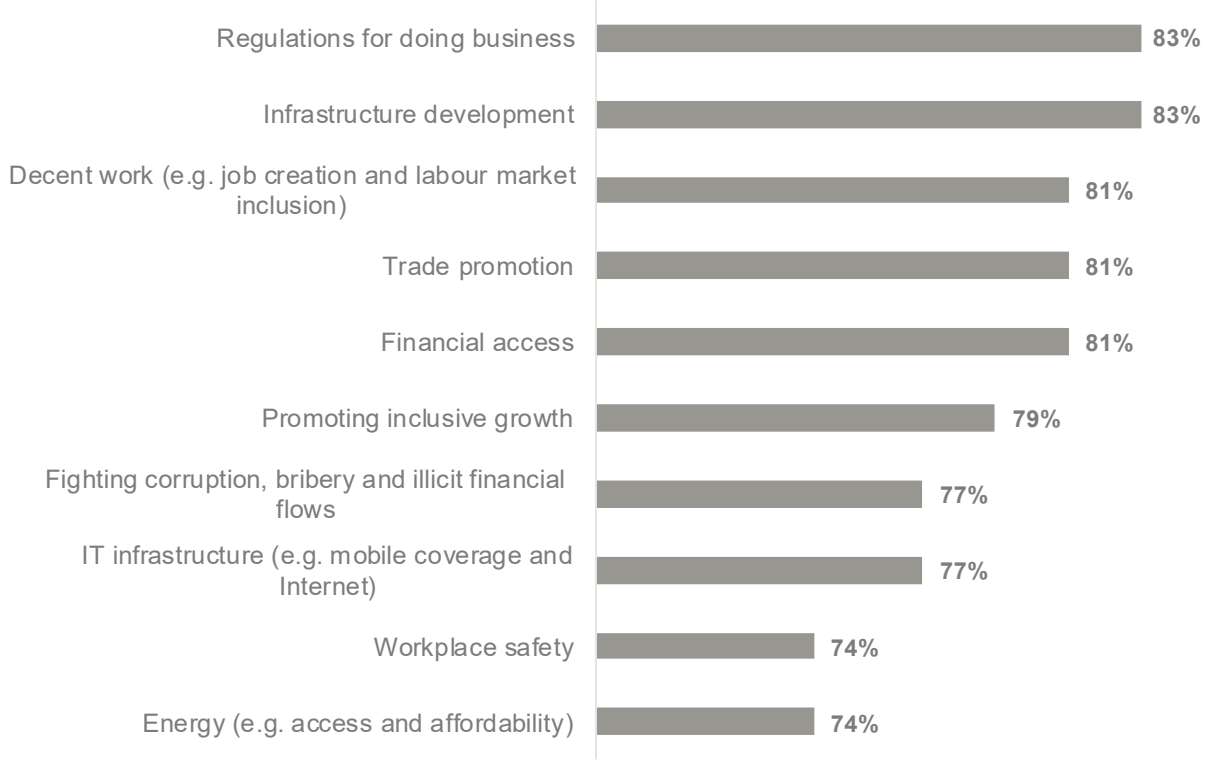
stakeholders. For the private sector, such resources are required to strengthen capacity to co-ordinate and assess the collective needs and views of the sector as a whole. For governments, such resources are required to strengthen capacity to analyse and formulate policy proposals and communicate effectively with relevant stakeholders in PPD (Bettcher, Herzberg and Nadgrodkiewicz, 2015[12]).

Partner country governments can improve public-private dialogue by engaging the full range of private sector actors, including in setting the agenda for dialogue

Ensuring that PPD focuses on issues relevant to all stakeholders remains a challenge. Good-quality PPD addresses the concerns of both public and private stakeholders. It also is inclusive, enabling the participation of all types of actors, of all sizes. According to analysis of PPD during the three years leading up to data collection for the 2018 monitoring exercise, topics covered in such dialogue included a broad range of issues that are relevant to achieving the SDGs. From this, the top two issues addressed in PPD were regulations for doing business and infrastructure development (Figure 3.11). Reporting in the 2018 Monitoring Round indicates that, on average, governments (score of 66) have a more favourable view of the relevance of topics currently addressed by PPD than do private sector stakeholders (score of 54), with the least favourable view of PPD relevance reported by SMEs (score of 51).

Figure 3.11. Top ten topics addressed in public-private dialogue

Topics relevant to the SDGs most frequently covered by PPD in partner countries



Source: Draws on assessment of the quality of public-private dialogue (Indicator 3). Further information is available in GPEDC (2018, pp. 68-73[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019172

The views of government and private sector stakeholders regarding PPD relevance diverge most sharply in the LDCs and extremely fragile contexts. Private sector stakeholders in the LDCs and very fragile contexts rated PPD relevance, on average, at 52 and 41, respectively. The contrast with government views in the same contexts is significant. LDC governments scored PPD relevance at 68 and governments of extremely fragile contexts at 67. This may be due to severe resource constraints on the side of the partner country governments coupled with possible political divides. As surfaced in the findings from the 2016 Monitoring Round, this gap is concerning because dialogue around issues of common interest and mutual benefit can play an important role in enabling public and private stakeholders to co-operate beyond political divides and vested interests (OECD/UNDP, 2016[13]).

Governments and development partners need to make a concerted effort for PPD to include the full range of private sector actors. The biggest difference in the views of public and private stakeholders on PPD relates to inclusiveness. The 2018 Monitoring Round shows consistent concern in this regard among private sector stakeholders, regardless of size. They score PPD inclusiveness at 55 on average, against a score of 69 from governments. Overall, this is in line with reporting by private sector stakeholders that they have limited capacity to engage in PPD and consider it of limited relevance to their concerns. Given that partner country governments often take the lead role in organising PPD, the 2018 monitoring data suggest that governments need to redouble efforts to include the full diversity of private sector stakeholders in dialogue and that development partners should help to ensure that governments have the capacity and resources to do so. Box 3.4 discusses the importance of engaging SMEs in particular.

When the foundations for high-quality public-private dialogue are in place, dialogue is geared towards results and leads to joint action

Despite challenges, public and private stakeholders are optimistic that PPD can lead to increased collaboration, joint action and concrete results. Participants' long-term commitment to PPD likely depends on whether arrangements are institutionalised and organised towards achieving concrete results and whether dialogue leads to increased collaboration. Global Partnership data from the 2018 Monitoring Round show that governments and private sector stakeholders generally agree that the extent to which PPD is geared towards results and leads to joint action is relatively high; most respondents, across all stakeholder groups, rated these as among the most positive of all assessed dialogue elements. This shows that despite challenges in implementing PPD – in particular, building capacity to engage, involving the full range of private sector stakeholders in agenda setting and ensuring that these stakeholders participate in the dialogue – when PPD does take place, it is delivering enhanced public-private collaboration. Such collaboration is a critical prerequisite for maximising the private sector's contribution to development.

Box 3.4. Small and medium-sized enterprise engagement is essential to inclusive public-private dialogue and to leaving no one behind

Small and medium-sized enterprises (SMEs) play a critical role in the economies of partner countries and frequently represent the biggest share of the country's private sector. In rural and underserved areas, SMEs often are the only source of employment,[1] particularly for vulnerable segments of the population such as women and youth. In these areas, SMEs also contribute significantly to service delivery in health, education, sanitation and energy, filling gaps in public sector reach. In this way, SMEs are contributing to efforts to ensure no one is left behind. In 2017, in recognition of their role, the UN General Assembly designated an "International Day" for SMEs.[2]

Research, however, has found that SMEs face substantial challenges in accessing both public-private dialogues (PPDs) (Bettcher, Herzberg and Nadgrodkiewicz, 2015[12]) and concrete partnership

opportunities (Boehler et al., 2018[14]). The 2018 Global Partnership monitoring results support these findings, showing limited opportunities for SMEs to influence and engage meaningfully in PPD. Among all the stakeholders reporting, including all private sector stakeholders, SMEs expressed the least positive overall view of the quality of PPD.

The results are less stark in least developed countries (LDCs), where SMEs report a more positive view of PPD than SMEs in other country contexts. These more positive SME views particularly relate to capacity to engage in PPD, the inclusiveness of the dialogue and the extent to which dialogue is geared towards achieving results.

This finding may reflect the fact that SMEs make up a larger proportion of the private sector in the LDCs, and therefore play a more substantial role than do SMEs in other contexts. As such, SMEs may be better positioned in the LDCs to discuss topics relevant to them, effect change and shape a conducive policy environment through their participation in PPD initiatives.

1. The World Bank website elaborates the importance of SMEs to developing country economies at: https://www.worldbank.org/en/topic/smefinance.
2. See: https://www.un.org/en/events/smallbusinessday

To harness the full potential of PPD to contribute to sustainable development, partner country governments can engage the private sector beyond the mechanism of PPD. Even when delivering joint action and concrete results, PPD is only a means to an end, rather than the end in itself. A Global Partnership workstream is currently looking at ways to use development co-operation to scale-up effective country-level partnerships with the private sector. While international development co-operation does not yet feature among the main topics of PPD in partner countries, the Global Partnership is working in this policy space where it is facilitating in-country and international multi-stakeholder dialogues and inclusive consultations. The aim is to enhance the effective use of public resources to engage the private sector through development co-operation, to spur progress toward leaving no one behind and achieving the SDGs (Box 3.5).

Box 3.5. Principles and guidelines for effective private sector engagement through development co-operation

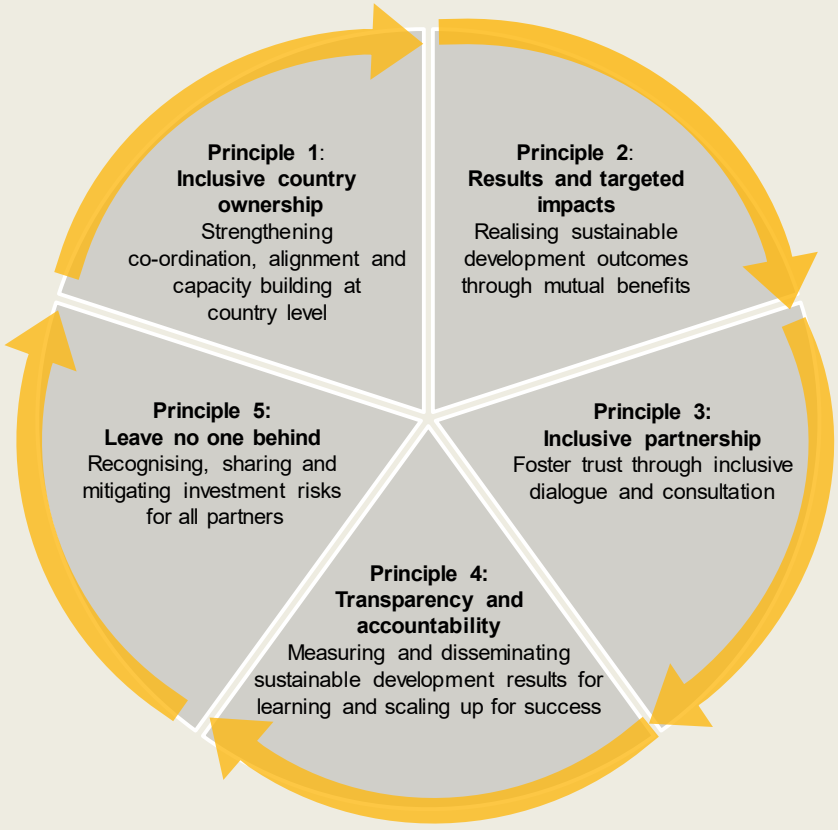
The Global Partnership 2016 Nairobi Outcome Document called for “unleashing the potential of development co-operation to attract inclusive private investment [by setting] clear effectiveness commitments as the development community engages in partnerships between governments, civil society and the business sector”. The Global Partnership answered that call and developed a set of principles and guidelines to ensure the effectiveness of private sector engagement through development co-operation at the project, programme and policy levels.

These principles were informed by evidence from case study countries, inclusive dialogue at national and global levels, and a Global Partnership Business Leaders Caucus. In 2018, the Global Partnership undertook a systematic review across four countries (Bangladesh, Egypt, El Salvador and Uganda) of more than 900 development co-operation projects that directly engage the private sector, ranging from multinational enterprises and large domestic firms to micro, small and medium-sized enterprises. Among the findings of this exercise was that only 13% of these projects listed national governments as partners and only 4% explicitly focused on the poor. In addition, only 16% of the projects reviewed results, with many private partners criticising what they perceived as burdensome development partner procedures.

Analysis of the projects and related multi-stakeholder consultations concluded that the development co-operation community can do much more to improve the implementation of private sector partnerships on the ground, including by focusing more on sustainable results, impact and accountability. These conclusions underscored the crucial and cross-cutting role that public-private dialogue can play in this regard – a finding echoed in the 2018 Global Partnership Monitoring Round. Public-private dialogue is a means to strengthen mutual trust and country ownership of private sector engagement and bolster the effectiveness and inclusivity of this engagement. Stakeholders across sectors agree on the importance of establishing structured spaces for dialogue to inform private sector engagement priorities, identify solutions to shared challenges, establish relationships, build mutual trust, and generate partnerships and joint action.

The Global Partnership's five principles for effective private sector engagement, illustrated in Figure 3.12, reflect these analyses.

Figure 3.12. Principles for effective private sector engagement through development co-operation



Source: (GPEDC, 2019[15]), *Effective Private Sector Engagement through Development Co-operation for Sustainable Development: Towards Principles and Guidelines*, https://effectivecooperation.org/wp-content/uploads/2019/01/SCM17-Private-Sector-Engagement-Principles.pdf.

Once the principles are launched at the 2019 Senior-Level Meeting of the Global Partnership, work will begin to bring together partner country governments, local and international private sector stakeholders, development partners, and civil society to apply and operationalise the principles at country level.

References

Bettcher, K., B. Herzberg and A. Nadgrodkiewicz (2015), "Public-private dialogue: The key to good governance and development", Center for International Private Enterprise, Washington, DC, http://ppd.cipe.org/wp-content/uploads/2015/03/FS_Jan2015_PPD-World-Bank.pdf. [12]

Boehler, T. et al. (2018), "Effective private sector engagement through development co-operation", *Issues Paper*, Global Partnership for Effective Development Co-operation, New York and Paris. [14]

BUILD (n.d.), *Our mission and vision, website*, http://www.buildbd.org. [9]

Cázarez-Grageda, K. (2018), "The whole of society approach: Levels of engagement and meaningful participation of different stakeholders in the review process of the 2030 Agenda", *Discussion Paper*, Partners for Review, GIZ, Bonn and Eschborn. [1]

Ceelen, A., J. Wood and S. Huesken (2019), *Guidance and Good Practice on CSO Development Effectiveness and Enabling Environment*, Task Team on CSO Development Effectiveness, The Hague, https://taskteamcso.com/wp-content/uploads/2019/04/TSKTM-01C-Guidance.pdf. [6]

CIVICUS (2019), *State of Civil Society Report 2019: The Year in Review*, CIVICUS, Johannesburg, https://www.civicus.org/documents/reports-and-publications/SOCS/2019/state-of-civil-society-report-2019_executive-summary.pdf. [8]

CSO Partnership for Development Effectiveness (2010), *Istanbul CSO Development Effectiveness Principles*, CSO Partnership for Development Effectiveness, Quezon City, Philippines, http://cso.csopartnership.org/wp-content/uploads/2016/01/hlf4_72.pdf. [7]

GPEDC (2019), *Effective Private Sector Engagement through Development Co-operation for Sustainable Development: Towards Principles and Guidelines*, Global Partnership for Effective Development Co-operation, New York and Paris, https://effectivecooperation.org/wp-content/uploads/2019/01/SCM17-Private-Sector-Engagement-Principles.pdf. [15]

GPEDC (2018), *2018 Monitoring Guide for National Co-ordinators*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf. [4]

GPEDC (2018), *Private Sector Engagement Through Development Co-operation in Bangladesh*, OECD, Paris, http://www.oecd.org/dac/effectiveness/Bangladesh_Country_Report_FINAL.pdf. [10]

GPEDC (2016), *Nairobi Outcome Document*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/wp-content/uploads/2016/12/OutcomeDocumentEnglish.pdf. [2]

International Labour Organization (2018), *World Employment and Social Outlook: Trends 2018*, International Labour Office, Geneva, https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_615594.pdf. [11]

OECD (2010), *Civil Society and Aid Effectiveness: Findings, Recommendations and Good Practice*, Better Aid, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264056435-en. [5]

OECD/UNDP (2016), *Making Development Co-operation More Effective: 2016 Progress Report*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264266261-en. [13]

UN (2015), *Transforming Our World: The 2030 Agenda for Sustainable Development*, United Nations General Assembly, New York, https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A_RES_70_1_E.pdf. [16]

UNDP (2016), "Citizen engagement in public service delivery: The critical role of public officials", *Global Centre for Public Service Excellence Discussion Paper*, United Nations Development Programme, Singapore, https://www.undp.org/content/dam/undp/library/capacity-development/English/Singapore%20Centre/GCPSE_CitizenEngagement_2016.pdf. [3]

Notes

[1] This does not imply that stakeholder views must be adopted. Rather, a participatory process aims to achieve some level of coherence among the views of an inclusive range of actors and the partner country government and/or where this is not possible, to provide meaningful feedback setting out the reason(s) certain views are not reflected in the national development strategy.

[2] Availability of the national development strategy and/or progress report on line is used as a proxy for "publicly available". While this proxy has limitations, online availability indicates a government's readiness to share information in a transparent manner.

[3] This section discusses three areas of what is assessed regarding the enabling environment for civil society organisations. The areas that are the responsibility of the partner country governments and of the CSOs are discussed in detail here; the area pertaining to development partners is discussed in greater detail in Part II of this report.

[4] About half of the participating governments were provided with contact information for national CSO focal points who were trained on the Global Partnership monitoring exercise by the CSO Partnership for Development Effectiveness. Ultimately, it was up to each participating government to select and facilitate engagement with civil society to report on the enabling environment for CSOs.

[5] According to the CIVICUS (2019[8]) report on the state of civil society, 111 of the 196 countries reviewed have closed, repressed or obstructed civic space through a variety of practices that include legislative and regulatory restrictions. This is an increase over the 2017 finding by CIVICUS that 106 countries were restricting civic space.

[6] In only 14% of partner countries, CSOs report that they have full access to relevant, comprehensive information and sufficient lead time to prepare and participate in consultations.

[7] This designation is without prejudice to positions on status, and is in line with United Nations Security Council Resolution 1244/99 and the Advisory Opinion of the International Court of Justice on Kosovo's declaration of independence.

[8] As noted by Bettcher, Herzberg and Nadgrodkiewicz (2015[12]), such dialogue is essential to "expand the space for policy discovery" where policy makers, private sector experts and other stakeholders come together to discuss policy directions, opportunity for collaboration and other issues that meet the needs of all involved.

[9] In line with the 2030 Agenda for Sustainable Development, and as noted in Paragraph 67 of the corresponding UN General Assembly Resolution (UN, 2015[16]), the Global Partnership monitoring exercise acknowledges the diversity of the private sector and that the private sector includes entities run by private individuals or groups that usually seek to generate profit and are not controlled by the state. For more information on the definition of the private sector, see GPEDC (2018, pp. 68-73[4]).

[10] PPD includes all opportunities in which the public and private sectors come together in dialogue, whether these are formal, informal, national, subnational, permanent or temporary opportunities.

[11] The element of trust allows for comparability over time, given that both the 2016 and the 2018 Monitoring Rounds assessed trust. For the remaining elements, results from the 2018 Monitoring Round will establish

a baseline. The scores for trust presented in this sentence refer to the countries that participated in both the 2016 and 2018 Monitoring Rounds.

4 Mutual accountability mechanisms are adapting to an evolving development landscape

This chapter examines government efforts to establish quality mechanisms for mutual accountability among development actors. It focuses on the existence of policy frameworks for development co-operation and related country-level targets to track progress in the implementation of the effectiveness commitments. It also reviews the regularity, inclusiveness and transparency of assessments of country-level targets.

The 2030 Agenda for Sustainable Development recognises that countries have primary responsibility for planning and implementing national development efforts and for engaging the broadest set of domestic stakeholders in this development planning and implementation (UN, 2015[1]). At the same time, to achieve the Sustainable Development Goals (SDGs) by 2030, it is estimated that trillions in additional investment and finance in partner countries will need to be mobilised each year (UN, 2018[2]). International development co-operation therefore continues to play an important role in many partner countries.

In this context, the concept of mutual accountability in development co-operation refers to development stakeholders, under government leadership, holding each other accountable for agreed commitments. Accountability in development co-operation – between governments and diverse development partners as well as towards citizens, civil society and other development stakeholders – is vital to ensuring efficiency and effectiveness in development activities and thereby maximising impact (OECD, 2011[3]).

The key findings of this chapter are:

- Partner countries are starting to adapt their mutual accountability mechanisms to respond to the 2030 Agenda and an increasingly diverse development landscape. Policy frameworks for development co-operation are becoming more inclusive by setting out roles and responsibilities for more diverse development partners. Likewise, mutual assessments to track progress towards effective development co-operation are becoming more inclusive and are informing SDG reporting on national progress, including voluntary national reviews.
- However, the proportion of partner countries with policy frameworks for development co-operation remains stable, and fewer governments are setting specific country-level targets for effective development co-operation. While targets continue to be set for most traditional partners (OECD Development Assistance Committee [DAC]) and multilateral partners, they generally are not set for other development partners, reflecting a lack of clarity on specific commitments or targets for effective development co-operation with these diverse actors.
- A shift in mutual accountability is taking place. Country contexts that rely heavily on official development assistance (ODA) tend to have quality mutual accountability mechanisms in place for development co-operation, while partner countries that are less dependent on ODA move to other, more holistic accountability structures. This shift also has important implications for the Global Partnership's future monitoring efforts.

Partner countries are rethinking how to best ensure mutual accountability amid shifts in the development co-operation landscape

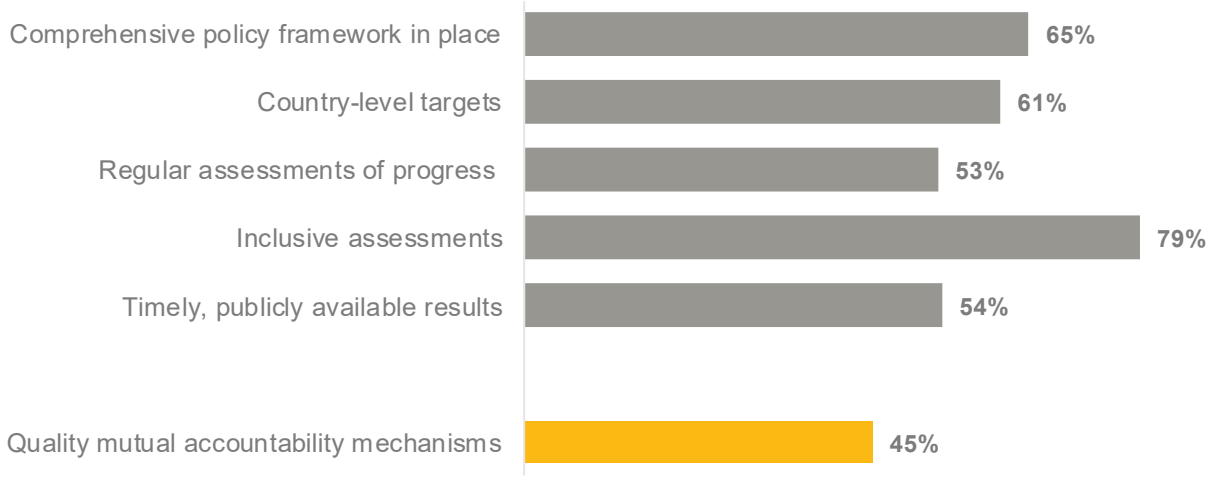
Fewer than half of the countries participating in the 2018 Monitoring Round have quality mutual accountability mechanisms in place. Global Partnership monitoring assesses the quality of mutual accountability mechanisms across five reinforcing components that contribute to strong mutual accountability at country level (Box 4.1). Of the 83 partner countries that reported on this aspect of Global Partnership monitoring, only 45% have at least four of the five components of mutual accountability in place at country level (Figure 4.1). A higher proportion of partner countries had quality mutual accountability mechanisms in place in the 2018 monitoring exercise than in the 2016 round.[1] However, as Figure 4.1 shows, implementation varies considerably according to the component, with, for example, a relatively large share of partner countries (79%) conducting inclusive assessments of effective development co-operation targets but a much smaller proportion (53%) conducting regular assessments.

Mutual accountability is evolving with the changing development co-operation landscape. The ambition of the 2030 Agenda has ignited a shift from a whole-of-government to a whole-of-society approach to development. Partner country governments are leading development efforts, complemented by support from an increasingly diverse set of development partners. With a wider variety of development

financing also available and a wider range of stakeholders engaged in development activities, many partner countries are rethinking and adapting traditional mutual accountability mechanisms to be more inclusive.

Figure 4.1. Less than half of partner countries have quality mutual accountability mechanisms in place

Proportion of partner country governments with quality mutual accountability mechanisms in place and by component



Note: A partner country is considered to have quality mutual accountability mechanisms in place (the bottom bar) when at least four of five components (the top five bars) are met.
Source: Draws on assessment of the quality of mutual accountability mechanisms (Indicator 7) and whether each component is met. Further information is available in GPEDC (2018, pp. 38-40[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019191

Box 4.1. Assessing mutual accountability at country level

Mutual accountability underpins the efforts of development actors to meet joint commitments, improve how they work together and increase their development effectiveness. Mutual accountability mechanisms are made up of multiple, reinforcing components that can help to enhance transparency and accountability at country level. Global Partnership monitoring defines and assesses mutual accountability against five components. A country is considered to have quality mutual accountability mechanisms in place if it meets four of these five components:

1. **Is a policy framework for development co-operation in place?** A common policy framework enables effective development co-operation and improves development results by reducing the risk of fragmentation and/or duplication of efforts. It identifies the vision and objectives for development co-operation in a country, the roles and responsibilities of different actors, and the different mechanisms that will be used to support mutual accountability. These often take the form of a policy framework for development co-operation, such as a national development co-operation policy, but also may be embedded in a national development strategy.

2. **Are there country-level targets for effective development co-operation?** Targets are critical to track each stakeholder's progress in implementing effective development co-operation commitments. Clear, specific, measurable and time-bound targets help to operationalise the roles and responsibilities of development stakeholders as defined in the policy framework. Target setting also creates incentives for strategic dialogue, partnership and co-operation among all stakeholders.
3. **Are country-level targets assessed regularly (or are there regular assessments of progress)?** Monitoring progress towards targets holds stakeholders accountable for their commitments and helps to identify ways to boost progress. Regular assessments, held in the past two years as part of the national development planning and co-ordination processes, are critical to track progress on country-level targets for effective development co-operation.
4. **Are assessments of country-level targets inclusive?** Space for multi-stakeholder dialogue incentivises synergies among development stakeholders as well as knowledge sharing and peer learning to inform action towards improved co-operation. Assessments are considered inclusive, "mutual" or "joint" if the government involves a range of development partners to track progress towards targets for effective development co-operation.
5. **Are assessments of country-level targets transparent?** Transparency is a precondition for building trust and meaningful accountability. The results of mutual accountability assessments that track progress towards country-level targets should be made public in a timely manner to ensure transparency. Sharing information publicly also generates domestic pressure for continuous improvements.

Source: (GPEDC, 2018[4]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

The proportion of partner country governments with policy frameworks for development co-operation in place remains stable, but governments are including and defining the roles and responsibilities of diverse development partners. In the 2018 Global Partnership Monitoring Round, 65% of partner countries had a comprehensive policy framework for development co-operation in place; a similar proportion had policy frameworks in place in 2016.[2] Where a policy framework has been established, it recognises the roles and responsibilities of a broad range of stakeholders (Figure 4.2). This reinforces the findings of the UN Development Cooperation Forum (DCF) 2018 survey on mutual accountability (see Box 4.4). A majority of policy frameworks (86%) set out the roles and responsibilities of traditional partners (DAC members and multilateral development partners). Reflecting the more diverse development stakeholder and finance landscape, many policy frameworks also recognise the distinct roles played by Southern providers (51%), civil society organisations (52%), the private sector (54%), parliamentarians (43%), local governments (45%), foundations (23%) and trade unions (25%).

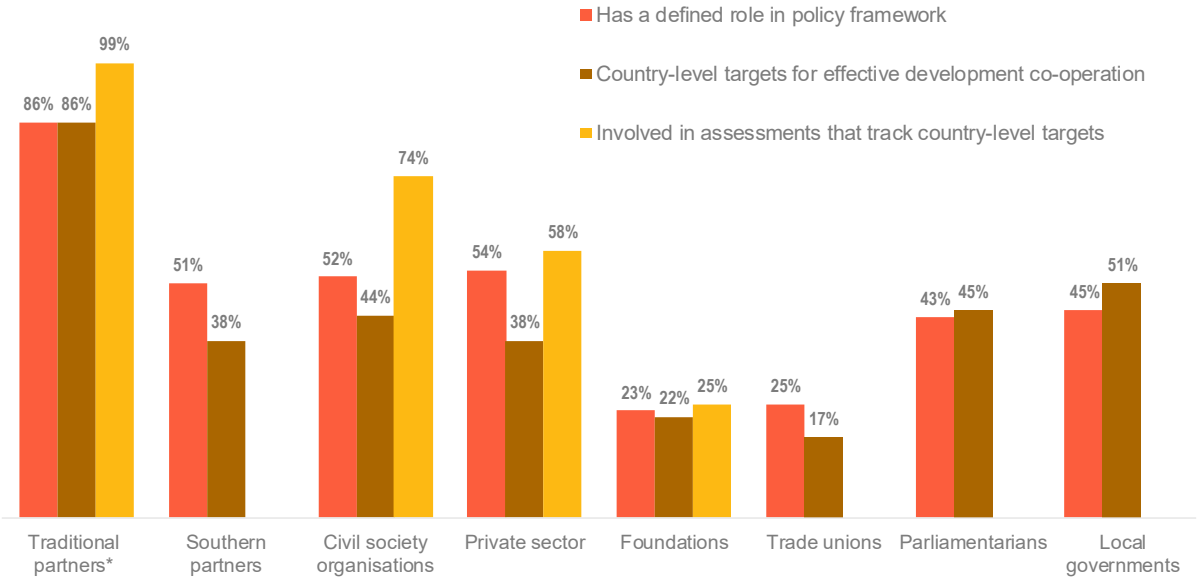
Fewer partner country governments are setting targets for effective development co-operation for the diverse partners recognised in their policy frameworks. Close to two-thirds of partner countries (61%)[3] have established targets for both the government and their development partners on effective development co-operation. This represents a decline over 2016, when 77% of partner countries had such targets in place. When disaggregated by partner, the data show that targets for effective development co-operation typically are in place for traditional partners (DAC members and multilateral development partners) in 86% of partner countries. As Figure 4.2 illustrates, a far smaller proportion of partner country governments set such targets for other development partners: just 44% set targets for civil society organisations, 38% for Southern partners, 38% for the private sector, 22% for foundations and 7% for other actors such as academia. In sum, diverse actors often are included in development co-operation policy frameworks (and in mutual assessments), but seldom have specific targets for effective development co-operation. This reflects a lack of clarity about such targets, and associated commitments with these actors.

Mutual assessments also are becoming more inclusive of a broader range of partners and, encouragingly, are informing SDG reporting. Most (87%) of the 83 partner country governments that reported on mutual accountability in the 2018 Monitoring Round carry out mutual assessments for effective development co-operation in some form. Of these, almost one-third (30%) have embedded mutual assessments in the government's regular development planning and monitoring processes; 23% have not embedded these assessments in national processes, but nevertheless conduct them regularly; and 34% conduct mutual assessments only on an ad hoc basis. As is the case with development co-operation policy frameworks, the mutual assessments that are conducted are inclusive and involve an increasingly broad range of stakeholders. Of the partner countries that carry out assessments, 79% include diverse development actors (disaggregated by partner in Figure 4.2). This is an increase over the 2016 Monitoring Round, in which only 68% of countries carrying out mutual assessments also included diverse development actors. These mutual assessments of targets for effective development co-operation contribute to domestic reporting on SDGs in 67% of partner countries. In addition, around half of partner countries use the assessments to inform voluntary national reviews.

Partner country governments are increasingly making the results of mutual assessments publicly available. In 54% of partner countries, governments provide timely, publicly available results of mutual assessments. A comparison of the countries that reported in both the 2018 and 2016 Monitoring Rounds shows that a higher proportion – 67% in the 2018 exercise versus 58% in the 2016 exercise – are making the joint assessment results publicly available within one year. To assist with the management of development co-operation data and the tracking of mutual assessments, many partner countries have established dedicated information management systems (Box 4.2).

Figure 4.2. Mutual accountability mechanisms are increasingly inclusive

Proportion of partner countries that include diverse development actors in policy frameworks for development co-operation, country-level targets and mutual assessments



Note: The term "traditional partners" refers to Development Assistance Committee (DAC) members and multilateral partners.
Source: Draws on assessment of the quality of mutual accountability mechanisms (Indicator 7) and whether each component is met. Further information is available in GPEDC (2018, pp. 38-40[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019210

Box 4.2. Partner countries' information systems track development co-operation

Partner countries are focused on increasing the transparency of development co-operation data. Information systems, or information management systems, that ensure access to high-quality and timely information on development co-operation help governments to plan and manage resources for development results. Having these systems also helps to increase transparency and oversight of development co-operation. The 2018 monitoring results show that having an aid management system in place helps to increase the share of development co-operation recorded in national budgets. These systems can also guide development partners in co-ordinating their support with other providers to avoid fragmentation and/or duplication of efforts. Relevant and up-to-date data inform mutual assessments and are essential for accountability. Transparent information is critical to track progress and enhancing accountability and can be used to inform regular assessments that track country-level targets for effective development co-operation and link resources to results.

Almost all partner countries (96%) report that they have one or more information management system in place to collect information on development co-operation at country level. Out of these countries, 88% have financial management information systems and/or aid information management systems in place while the remaining 8% only have an Excel-based system or other type of system. Most of these systems (80%) collect information on development partner financial commitments, scheduled disbursements and actual disbursements. Not as many of these systems (60% or less) include information on final expenditures and intended and achieved results. In terms of flows, these systems collect information on grants, concessional and non-concessional loans from official public sources such as multilateral development banks, and technical co-operation. The purpose of these systems is to provide access to relevant, timely and accurate information on development co-operation. Clearly, however, this is only possible to the extent that these systems contain relevant, up-to-date information.

On average, 83% of development partners in country report to the country's information management systems. However, consistency and quality of reporting is lacking (UNDP, 2018[5]). Reporting may be constrained by operational challenges or limitations in providing the relevant information. While significant investments have been made to develop and operationalise these information management systems, there are persistent challenges to maximising their potential to function as useful and practical systems. Overall, challenges aside, weak development partner reporting of relevant development co-operation data to these systems affects the ability of information management systems to link resources to results and thus to inform decision making.

Source: Based on assessment of the transparency of information on development co-operation (complementary information to Indicator 4). Further information is available in (GPEDC, 2018[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

Country contexts that rely heavily on ODA tend to have quality mutual accountability mechanisms in place. Countries with a high ODA dependency[4] (relative to gross domestic product) are significantly more likely to have quality mutual accountability mechanisms in place.[5] These countries continue to develop policy frameworks for development co-operation and undertake mutual assessments, all in an increasingly inclusive and transparent way. The quality of mutual accountability mechanisms and the degree to which the five components are met vary by country context (Box 4.3).

Box 4.3. Mutual accountability mechanisms vary by country context

Least developed countries (LDCs) are leading the way on inclusive assessments of effective development co-operation targets. More than half (52%) of the 42 LDCs that reported on mutual accountability in the 2018 Monitoring Round have quality mutual accountability mechanisms in place. This is the case in a much smaller proportion (37%) of non-LDC countries. More specifically, a significant percentage (84%) of mutual assessments of effective development co-operation targets undertaken by the LDCs are conducted in an inclusive manner. Assessments conducted by the LDCs also are typically more transparent: a higher proportion of LDCs than non-LDCs (63% and 42%, respectively) publish results in a timely manner. However, a lower proportion of the LDCs (61% versus 74% of non-LDCs) use assessment results for domestic reporting on the SDGs.

Extremely fragile contexts[1] are less likely to have a policy framework for development co-operation in place, although their mutual accountability mechanisms are typically inclusive and transparent. Fewer contexts considered by the (OECD, 2018[6])to be extremely fragile (45%) have such a policy framework in place, versus 68% of other fragile and non-fragile contexts combined. However, of the extremely fragile contexts that have a policy framework in place, 90% include relevant development actors in mutual assessments, compared to 77% of other fragile and non-fragile contexts. Similarly, a higher proportion of extremely fragile contexts (70% versus 51%) make the results of these assessments publicly available. Many development partners that were engaged in reporting on the 2018 Monitoring Round in extremely fragile contexts reported that while these assessments exist, their effectiveness is limited due to country context.

Upper middle-income countries (UMICs) are moving away from using mutual accountability mechanisms. Of the 21 UMICs that reported on mutual accountability in the 2018 Monitoring Round, 19% have quality mutual accountability mechanisms in place. Most UMICs (71%) undertake assessments of country-level targets for effective development co-operation. However, in 43% of the UMICs, these assessments are carried out on an ad hoc basis. This may be due to their decreasing reliance on official development assistance, which lessens the incentive to undertake regular mutual assessments and/or embed them in national development planning processes.

1. As previously noted, 45 of the 58 contexts in the 2018 OECD fragility framework are partner countries that participated in the 2018 Global Partnership Monitoring Round; 12 of these are considered extremely fragile and 33 are considered “other fragile”.

It is evident that a shift is underway in mutual accountability. Results of the 2018 Monitoring Round highlight the continued use of traditional mutual accountability structures by partner countries for which ODA remains important. At the same time, other country contexts are moving away from these traditional mutual accountability structures. This shift may reflect their orientation towards more diverse, innovative financing with a plurality of partners. These contexts are likely to be considering integrated financing frameworks that bring together the full range of financing sources and non-financial means of implementation available as part of a strategy to raise resources, manage risks and achieve sustainable development priorities (UN, 2019[7]). It is essential to embed the effectiveness principles, including mutual accountability, in these new frameworks so that the experience of effective partnering and its lessons, built up over more than a decade, can benefit the broader co-ordination structures that are taking shape.

Co-ordination structures are evolving and have implications for the Global Partnership monitoring process. Partner co-ordination mechanisms, which often are delineated in policy frameworks for development co-operation, have been a key component of a country’s overall co-operation architecture. Many countries have established such mechanisms to bring together stakeholders at the political and technical levels and at the sector level. Centralised aid units, often housed within the ministry responsible

for oversight of development co-operation, have been the traditional channel between governments and their development partners, and responsible for establishing and maintaining co-ordination mechanisms. In response to the 2030 Agenda and the evolving development landscape, government institutions now are changing the way they organise themselves to manage development co-operation, including their co-ordination mechanisms and structures. These structural shifts take time, but have already impacted the way the 2018 Global Partnership Monitoring Round was undertaken at the country level. As a result, the institutional changes likely contributed to the increased demand for support in conducting the 2018 monitoring exercise. They merit attention from the Global Partnership community ahead of its next monitoring round.

Box 4.4. Results of the Development Cooperation Forum survey on mutual accountability

Global Partnership monitoring and the Development Cooperation Forum (DCF) surveys on mutual accountability provide complementary and reinforcing findings on mutual accountability in development co-operation. While findings from the DCF survey are made available at aggregate level, the Global Partnership monitoring exercise allows partner countries that participated in the most recent DCF survey to disclose their responses to it, thereby minimising reporting efforts while adding granularity to the information and analyses. Partner countries that did not participate in the DCF survey have the opportunity to describe the current status of their mutual accountability through the Global Partnership monitoring exercise.

The 5th DCF survey in 2018 found that 67% of responding countries (39 of 58) had a national development co-operation policy or similar policy in place. In line with results from the 2018 Global Partnership Monitoring Round, the 2018 DCF survey found, among other things:

- National development co-operation policies cover a broad range of assistance beyond official development assistance, including technical co-operation, capacity building, South-South and triangular co-operation, domestic resource mobilisation, and, to a lesser extent, private and blended finance for sustainable development.
- Capacity support for monitoring and evaluation systems is needed to track traditional, South-South and private sector efforts for development co-operation.
- National development co-operation policies are inclusively designed. However, there is a need to move from a whole-of-government to a whole-of-society approach, including increased participation in co-ordination mechanisms of private sector and community-based organisations at subnational level.
- While most partner countries have frameworks to track development co-operation, only 38% of countries reported that the tracking of targets improved alignment of partners' activities with national and sectoral priorities.

Source: UN (2018[8]), *DCF 5th Global Accountability Survey: FAQ*, https://www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/dcf/UNDESA_2018%20DCF%20Study%20on%20mutual%20accountability.pdf

References

GPEDC (2018), *2018 Monitoring Guide for National Co-ordinators*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf. [4]

OECD (2018), *States of Fragility 2018*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264302075-en. [6]

OECD (2011), *Busan Partnership for Effective Development Co-operation*, OECD, Paris, https://www.oecd.org/dac/effectiveness/49650173.pdf. [3]

UN (2019), *Financing for Sustainable Development Report 2019*, United Nations Inter-Agency Task Force on Financing for Development, New York, https://developmentfinance.un.org/sites/developmentfinance.un.org/files/FSDR2019.pdf. [7]

UN (2018), *DCF 5th Global Accountability Survey: FAQ*, United Nations Economic and Social Council, New York, https://www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/dcf/one-pager_dcf-survey_17_july.pdf. [8]

UN (2018), *Unlocking SDG Financing: Good Practices From Early Adopters*, United Nations Sustainable Development Group, United Nations, New York, https://undg.org/wp-content/uploads/2018/07/Unlocking-SDG-Financing-Good-Practices-Early-Adopters.pdf. [2]

UN (2015), *Transforming Our World: The 2030 Agenda for Sustainable Development*, United Nations General Assembly, New York, https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A_RES_70_1_E.pdf. [1]

UNDP (2018), *Making Development Finance Management Information Systems Work for the Evolving Development Cooperation Landscape*, United Nations Development Programme, New York, https://www.undp.org/content/undp/en/home/librarypage/development-impact/making-development-finance-management-information-systems-work-f.html. [5]

Notes

[1] The methodology for assessing mutual accountability was revised for the 2018 Monitoring Round. The change strengthened the requirements for meeting two of the components: having a policy framework in place and assessing progress against targets. When the methodology of the 2016 Monitoring Round is applied to data from the 2018 round, the proportion of partner countries with quality mutual accountability mechanisms in place increases from 47% in 2016 to 57% in 2018. The methodology of the 2018 Monitoring Round, which finds that 45% of partner countries have quality mutual accountability mechanisms, will serve as a baseline for future monitoring rounds.

[2] The methodology for assessing this component was revised for the 2018 Monitoring Round. When the 2016 methodology is applied to 2018 data, the results show that the proportion of partner countries with a policy framework for development co-operation in place has remained relatively stable, at 83% in 2016

and 80% in 2018. The methodology of the 2018 Monitoring Round will serve as a baseline for future monitoring rounds (65%).

[3] An additional 27% of partner countries have targets in place for the government alone. In total, 88% of partner countries have targets for either development partners, the government or both.

[4] For each country, ODA dependency is calculated as total ODA over GDP per capita. In the 2018 Monitoring Round, dependency is considered low when the ratio is below 1.5%, medium when the ratio is above 1.5% and below 4%, and high when the ratio is above 4%.

[5] Quality mutual accountability mechanisms are in place in 50% of partner countries with an ODA/GDP ratio of at least 4% and in only 31% of partner countries with an ODA rate of less than 1.5%.

Part II How development partners are promoting effective, country-led partnerships

5 Walking the talk: Development partners are not fully facilitating country leadership over development efforts

This chapter examines how development partners are facilitating partner country leadership over development efforts. It focuses on alignment of development partners' strategies and projects to country-led development priorities and results; forward visibility of development co-operation; use of partner country public financial management systems; and progress made in untying aid.

The 2030 Agenda for Sustainable Development emphasises the critical role of international public finance to complement domestic resources, particularly in the poorest and most vulnerable countries (UN, 2015[1]). According to preliminary data from the Creditor Reporting System (CRS) (OECD, 2019[2]), official development assistance (ODA)[1] by Development Assistance Committee (DAC) member countries amounted to USD 149.3 billion in 2018, a drop of 2.7% in real terms over 2017. Furthermore, a declining share went to the neediest countries, with a 2.7% fall for least developed countries (LDCs)[2] and in particular, a 4.4% fall for sub-Saharan countries. Excluding funds spent on hosting refugees, ODA remained constant between 2017 and 2018. As highlighted in the *Global Outlook on Financing for Sustainable Development* (OECD, 2018[3]), this stagnation in ODA is accompanied by a decline in private development flows and a 12% decline in overall external finance to developing countries between 2013 and 2016.[3] In this context, it is more important than ever to increase the effectiveness of development co-operation so that all resources are channelled and delivered in the most effective way to leave no one behind and realise the ambition of the 2030 Agenda.

The Addis Ababa Action Agenda, which sets out the means of implementing the 2030 Agenda, recognises the need "to improve the quality, impact and effectiveness of development co-operation and other international efforts in public finance, including adherence to agreed development co-operation effectiveness principles" (UN, 2015[4]).

This chapter focuses on four aspects of development partner support: 1) alignment of development partners' strategies and projects to country-led development priorities and results; 2) forward visibility of development co-operation, including its annual and medium-term predictability and its recording on partner countries' budgets; 3) use of partner country public financial management systems; and 4) progress made in untying aid.

The key findings of this chapter are:

- Alignment of development partner projects to partner country objectives, results indicators, statistics and monitoring systems is declining. Where development partners' country strategies are closely aligned to country-owned results frameworks, partners' projects also tend to be closely aligned. While some development partners have increased alignment of project objectives to partner country plans and strategies, such alignment is declining among many other development partners. Moreover, development partners are decreasingly drawing on country-defined results and using national statistics and monitoring systems. This signals a decline in Sustainable Development Goal (SDG) Target 17.15, which calls to "respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development" (UN, 2015[1]). This is particularly the case for bilateral partners. Increasing the use of country-owned results frameworks (CRFs), along with efforts to use and strengthen national statistics and monitoring systems, would help ensure that development co-operation not only addresses partner countries' priorities, but also contributes to their capacity to plan, monitor and evaluate their progress towards sustainable development.
- Despite improvement in annual predictability, challenges remain on forward visibility of development partners' activities. While the share of development co-operation disbursed within the same year as was planned has marginally increased, the data also indicate a significant amount of unplanned disbursements. This mismatch between planned and actual disbursements can impact development partners' project implementation, and can hinder partner countries' effective planning, budgeting and execution. Furthermore, data show a decrease in the availability of forward expenditure and implementation plans to partner countries and a decrease in the share of development co-operation recorded on partner countries' national budgets.
- Development partners' use of country systems is greater where they have long-term partnerships with partner country governments and channel a greater share of funds to the public sector. On average, the use of country systems when channelling development co-operation to the public

sector has increased since 2016. Data show that this increase is closely linked to whether development partners have a long-term presence in a country and disburse a greater share of funds to the public sector. In these situations, development partners also perform better on medium-term predictability. These findings reconfirm the importance of building strong, long-term partnerships; while resource- and time-intensive, such partnerships also lay the foundation for upholding the internationally agreed effectiveness principles.

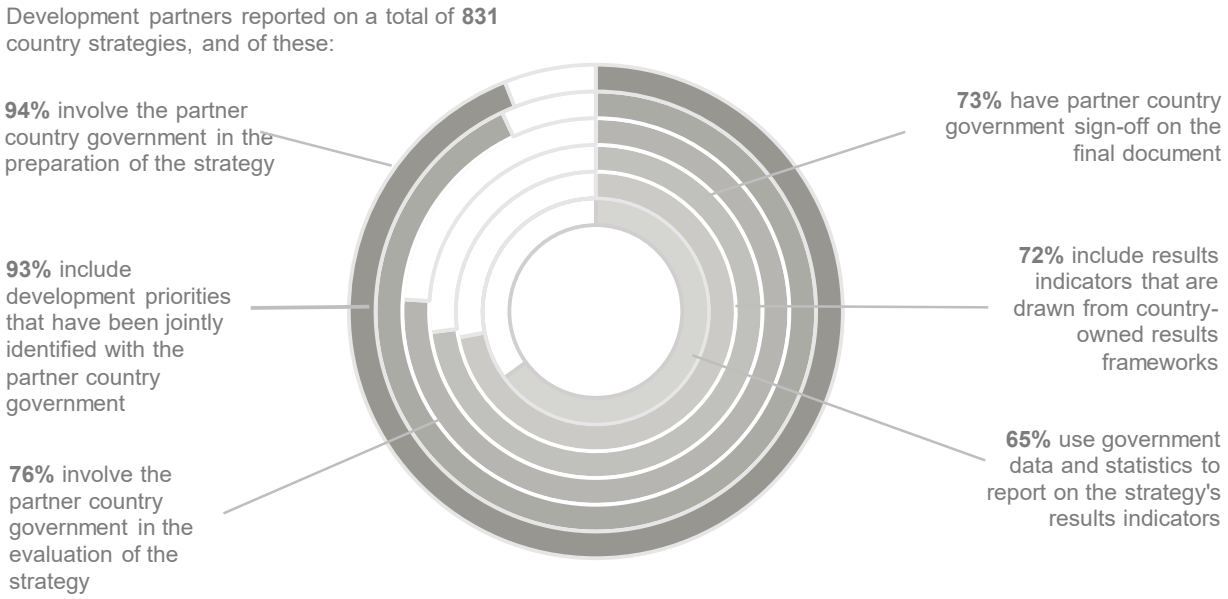
- Concrete steps are required to go beyond formally untying aid to better untie in practice. DAC members have made progress in increasing the share of untied aid, but ODA-funded contracts are still awarded largely to suppliers based in DAC countries. The obstacles that prevent suppliers in the partner country from securing aid contracts should be addressed to achieve real progress in untying ODA in practice.

Where development partners are aligned at the level of country strategy, they also tend to be aligned at project level

Development partner alignment to country-led development priorities is at the heart of country ownership. With their endorsement of the Busan Partnership agreement, development partners committed to rely on CRFs[4] to guide their support to partner countries and, to the extent possible, avoid parallel systems of monitoring and tracking results of their development interventions (OECD, 2011[5]). In the Nairobi Outcome Document (GPEDC, 2016[6]), use of country-owned results frameworks was reaffirmed as a matter of urgency for development partners. Furthermore, development partners also committed to support the strengthening of partner countries' statistical capacity and monitoring and evaluation systems, with the aim of enhancing data collection and analysis.

Partner country governments are typically engaged in the design of the development partner's country strategy, but less engaged in monitoring and evaluating these strategies. In addition to aligning their individual projects,[5] development partners align to national priorities by way of their country strategies, which provide overarching and strategic guidance for the development partner's support to a partner country (Box 5.1 and Figure 5.2). The 2030 Agenda is also increasingly used as a shared framework for results (Box 5.2). Development partners reported that 831 country strategies were in place in 2018. Partner country governments were involved in the preparation of 94% of the strategies (Figure 5.1). For almost three-fourths of the strategies, the partner country government signed off on the final document (73%) and/or the strategy includes results indicators that are drawn from CRFs, plans and strategies (72%).[6] However, fewer (65%) use government data and statistics to report on the strategy's results indicators. Moreover, 24% of the strategies that plan an evaluation do not include the partner country government in either the evaluation of the country strategy or a discussion of the evaluation process and results. In a small proportion of country strategies (6%), partner country governments were not engaged in the preparation of the strategy. About one-fourth (26%) of these cases are in extremely fragile contexts;[7] examples of the other countries and contexts where some development partners' country strategies were prepared without consulting the government include Kenya and Viet Nam. Disaggregating this result by type of development partner, 11% of DAC member strategies did not include the partner country government in the preparation of the strategy. In contrast, the strategies of United Nations (UN) agencies and multilateral development banks very rarely (1%) did not engage the partner country government.

Figure 5.1. Development partners' country strategies strongly align to national priorities, but less so to country-owned results frameworks



Source: Draws on assessment of development partners' use of country-owned results frameworks (Indicator 1a, strategy level). Further information is available in GPEDC (2018, pp. 46-52[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019229

Box 5.1. How development partner alignment is assessed

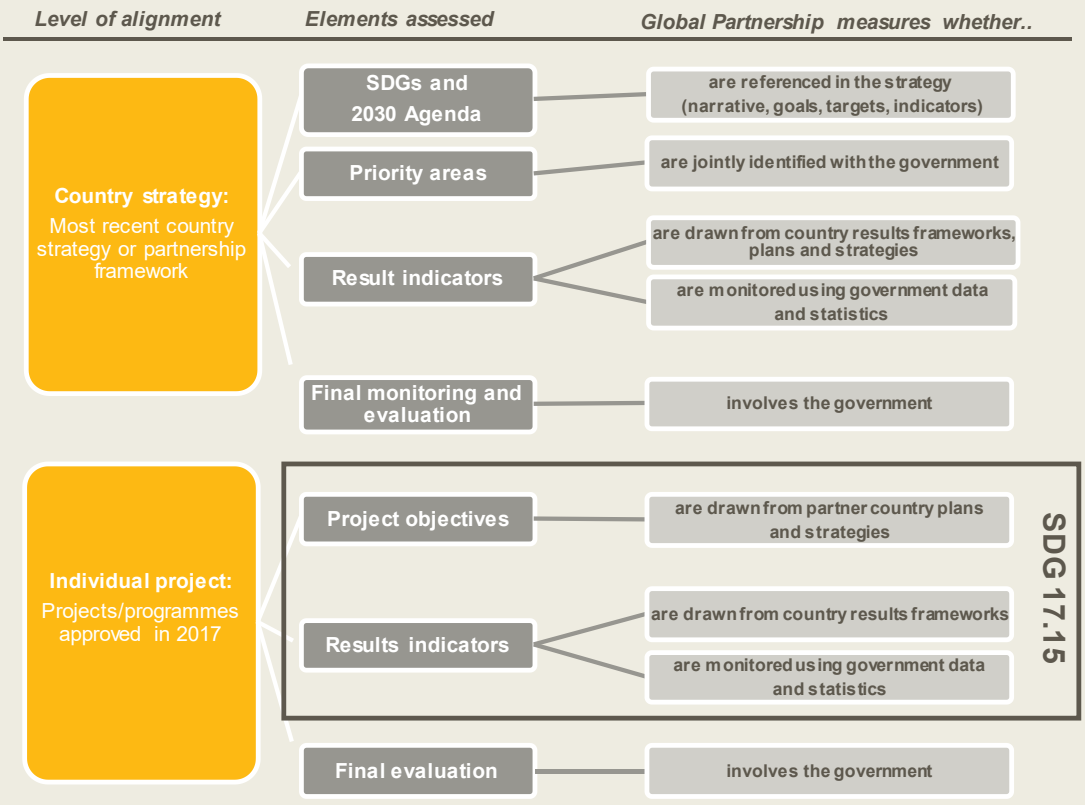
In assessing development partner alignment to country-led development priorities, Global Partnership monitoring looks at two levels of possible alignment:

- Alignment of **country strategies** and characteristics of development partners' country strategies. This includes assessing whether: priority areas of the country strategy were jointly identified with the government; results indicators were drawn from country-owned results frameworks (CRFs); the partner country government is involved in monitoring and evaluation of the country strategy; and the strategy references the 2030 Agenda and the Sustainable Development Goals (SDGs).
- Alignment of **individual projects**, including specific development partner interventions such as programmes and projects (referred to as projects in this report). This includes assessing whether: project objectives are drawn from country development plans and strategies; project targets, results and indicators are drawn from the CRFs; government data and statistics are used to monitor project results; and the government is involved in the project evaluation. The average of the first three elements in project-level assessment provides the official data to report on the extent to which the development partner respects the partner country's policy space and leadership in setting its own development path (SDG Target 17.15).

In the 2018 Global Monitoring Round, assessment of alignment of country strategies is based on the 831 country strategies that development partners reported were in place in 2018 across the 86 participating partner countries.

Assessment of alignment of individual projects is based on more than 3 300 projects. Development partners reported on their six largest (in monetary value) projects from all their new interventions in each partner country of USD 100 000 or more, approved in 2017. Focusing on the six largest projects captures an illustrative sample of development partners' current practices. The minimal qualifying amount of USD 100 000 is the total budget for the project as approved during 2017 (i.e. commitments), even if disbursement may be phased during subsequent years.

Figure 5.2. Alignment to national development priorities in country strategies and individual projects



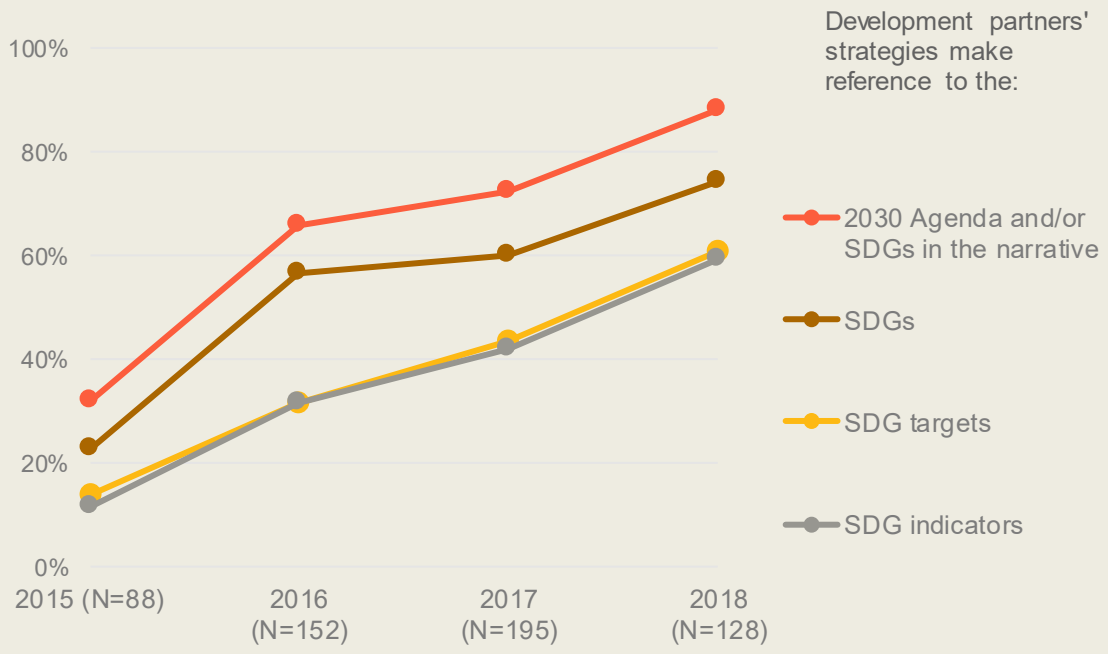
Where development partner country strategies are closely aligned to the CRFs, projects also tend to be closely aligned. This correspondence of alignment in projects where there is close alignment in strategies extends across all elements, according to data from the 2018 Monitoring Round.[8] For example, where development partners use the data and statistical systems of a partner country government or involve partner country governments in evaluations at the strategic level, they also tend to do so at the project level. Further analysis of the 2018 data shows that there is no statistically significant relationship between the quality of partner country national development strategies and development partners' use of these strategies to align to country priorities and results. This finding, together with the results regarding the use of the CRFs, suggests that decisions on closer alignment to partner country priorities hinge on factors that are specific to the development partner.

Box 5.2. The 2030 Agenda is increasingly being operationalised as a global results framework

Development partners increasingly reference the 2030 Agenda in their country strategies, demonstrating the utility of the Sustainable Development Goals (SDGs) as a framework for results around shared objectives. As discussed in Part I of this report, 90% of partner countries with national development strategies adopted in or since 2015 reference the 2030 Agenda and the SDGs. For development partners, the 2030 Agenda and/or SDGs typically are referenced in the narrative of the development partner's country strategy or partnership framework (65% of 563 country strategies that started in or since 2015). Fewer refer to the SDGs at target level (37%) or indicator level (36%), although these shares are trending upward. Disaggregated by year of approval of the strategy, the data show that the proportion of country strategies referring to the 2030 Agenda and the SDGs at all levels increased between 2015 and 2018 (Figure 5.3). Of the most recent strategies (starting in 2018), 74% include reference to the SDGs to define priority areas or sectors and 59% apply SDG indicators in their results frameworks.

Figure 5.3. Development partners increasingly reference the 2030 Agenda in their country strategies

Proportion of country strategies that reference the 2030 Agenda and/or the Sustainable Development Goals (SDGs), by year and level of SDG reference



Source: Draws on assessment of development partners' use of country-owned results frameworks (Indicator 1a). Further information is available in (GPEDC, 2018[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf.

StatLink https://doi.org/10.1787/888934019267

UN funds, programmes and agencies are taking the lead in using the 2030 Agenda as a global results framework. The 2030 Agenda and/or the SDGs are referenced in the narrative of their country strategy or partnership framework in 79% of strategies approved in 2015 or later (compared to 65% on average for all development partners). The United Nations' strong performance in this area is further demonstrated at the indicator and target levels. Strategies of UN funds, programmes and agencies refer to the SDGs at indicator level 56% of the time (compared to 36% on average) and at target level 59% of the time (compared to 37% on average).

Alignment of the UN development system's operational activities to country priorities continues to be strengthened, guided by the 2012 and 2016 quadrennial comprehensive policy reviews and bolstered by renewed commitment to drawing on the SDGs as a common results framework. Reforms called for in United Nations General Assembly Resolution 72/279 aim to further this effort.

One of these reform measures is the revitalisation of the UN Development Assistance Framework, now named the UN Sustainable Development Cooperation Framework (UNSDCF). The UNSDCF is the most important instrument for planning and implementing UN development activities at the country level. The UN guidance on establishing the UNSDCFs recommends using the SDGs as a common results framework that can be informed by country-defined and disaggregated baselines.

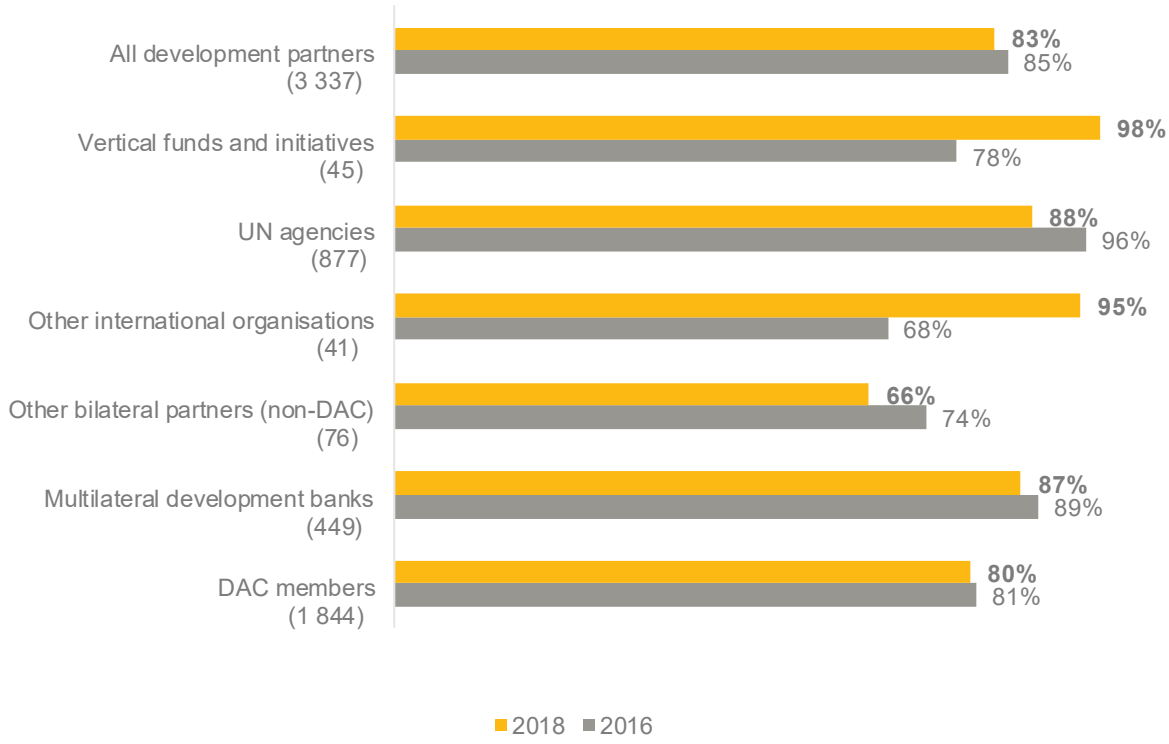
Sources: (UN, 2016[8]), *Quadrennial Comprehensive Policy Review of Operational Activities for Development of the United Nations System*, https://undocs.org/A/RES/71/243; (UN, 2012[9])*Quadrennial Comprehensive Policy Review of Operational Activities for Development of the United Nations System*, https://www.un.org/ga/search/view_doc.asp?symbol=A/RES/67/226; (UN, 2018[10]) *Repositioning of the United Nations Development System in the Context of the Quadrennial Comprehensive Policy Review of Operational Activities for Development of the United Nations System*, https://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/72/279; (UN, 2019[11]) *United Nations Sustainable Development Cooperation Framework: Internal Guidance*, https://undg.org/wp-content/uploads/2019/06/UN-Cooperation-Framework-Internal-Guidance-Final-June-2019.pdf.

Alignment to partner country objectives, results indicators, statistics and monitoring systems is declining

On aggregate, individual project objectives remain fairly aligned with national development priorities, but this is declining for most development partners. Assessment of more than 3 300 projects in the 2018 Monitoring Round found that 83% of project objectives are aligned to country-led priorities. This is slightly lower than in the 2016 Monitoring Round (85%). Vertical funds (e.g. Gavi, the Vaccine Alliance) and other international organisations (e.g. the International Organization for Migration) increasingly draw most project objectives from national plans and strategies. In contrast, alignment of project objectives to national priorities is decreasing among UN agencies, multilateral development banks and bilateral development partners (DAC and non-DAC members)[9] (Figure 5.4). The World Health Organization, however, is a good practice example of project-level alignment (see Box 5.4). Overall, development partners prefer to align to national development strategies and sector plans over other development planning instruments (Figure 5.5).

Figure 5.4. Alignment of project objectives has decreased for most development partners

Share of individual project objectives drawn from partner country strategies and plans

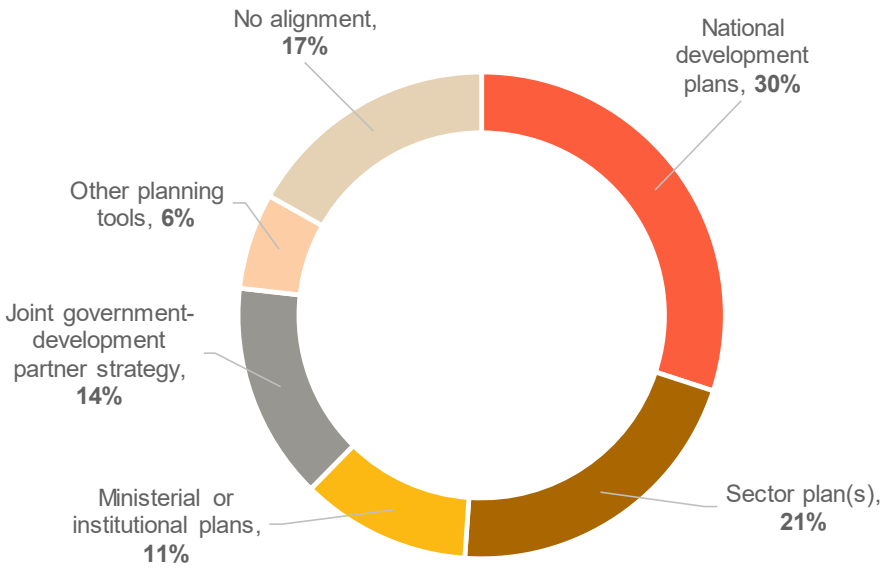


Notes: DAC: Development Assistance Committee. Figure draws on a sample of new projects approved in 2017 in the 86 participating partner countries of the 2018 Monitoring Round. It is organised by type of development partner. The number under the description of each group (left column) is the total number of such projects reported by development partners in each group.
Source: Draws on assessment of alignment of development partners' projects to partner countries' objectives, results, and statistical and monitoring systems (Indicator 1a, project level). Further information is available in GPEDC (2018, pp. 46-52[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019286

Figure 5.5. National development strategies are the planning instruments most used by development partners to align to government objectives

Share of projects by planning instrument used



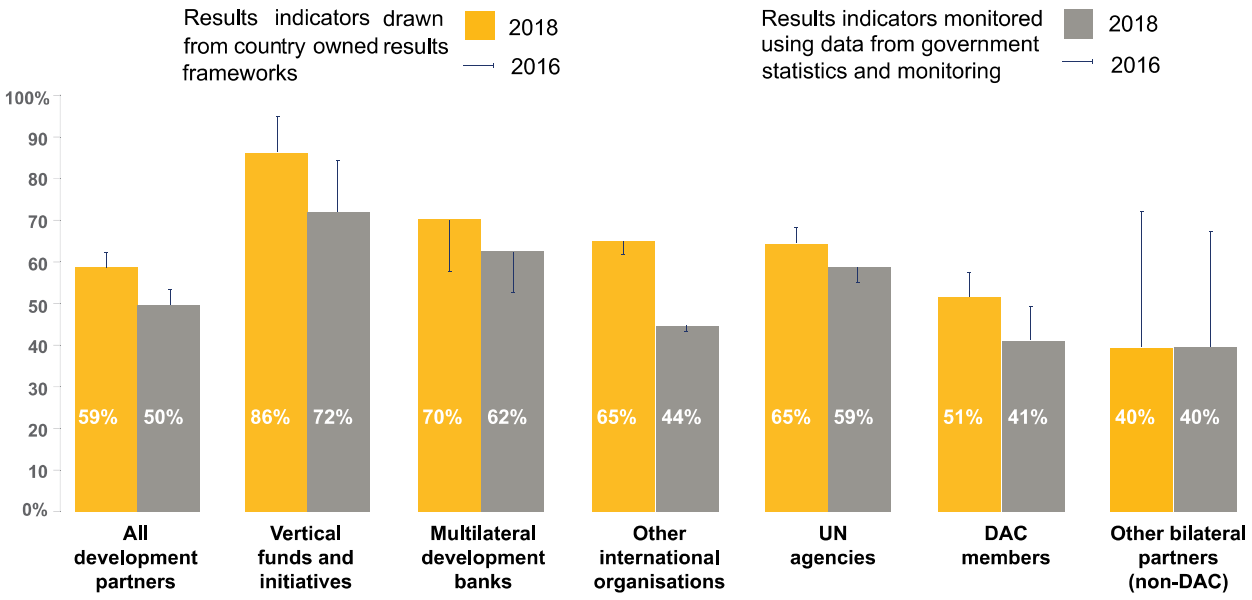
Notes: Ministerial or institutional plans are development plans specific to a ministry or other government entities. Examples of other planning tools reported by development partners include disaster recovery and reconstruction frameworks and private sector development plans. Examples of joint government-development partner strategies include poverty reduction strategies and country partnership strategies.
Source: Draws on assessment of alignment of development partners' projects to partner countries' objectives, results, and statistical and monitoring systems (Indicator 1a, project level). Further information is available in GDPEDC (2018, pp. 46-52[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019305

Development partners' reliance on government-defined results, statistics and monitoring systems has declined since 2016. While alignment at the level of project objectives is fair, only 59% of results indicators outlined in individual projects are drawn from the CRFs. Box 5.3 provides details on different elements of project-level alignment. Furthermore, only 50% of all results indicators are monitored using national statistics and monitoring systems. The decline since the 2016 Monitoring Round is significant for most development partners (Figure 5.6). Multilateral development banks are an exception in this regard, as their use of the CRFs and national statistics and monitoring systems increased since 2016. The share of results indicators monitored using national statistics and monitoring systems also increased among UN agencies. In their responses to the 2018 Monitoring Round, development partners cited data gaps and lack of disaggregated information as reasons CRFs are frequently not used. Findings discussed in Part I of this report confirm that such gaps exist. Only 35% of partner country governments (25 of 72) reported that timely, regular and accurate government data are available for all or most indicators in their results framework. This reconfirms the need for further efforts by development partners to help strengthen and increase the use of national statistics and monitoring systems, in accordance with commitments made in Busan and Nairobi. Box 2.4 in Chapter 2 and Box 5.5 in this chapter further illustrate the need for strengthening and using national statistical systems. Overall, the decline in alignment of project objectives, use of the CRFs, and national statistics and monitoring systems signals a decline in SDG 17.15 (Box 5.3).

Figure 5.6. Development partners' reliance on country-defined results, statistics and monitoring systems is decreasing

Proportion of results indicators drawn from country-owned results frameworks, plans and strategies and monitored using data from national statistics and monitoring systems



Notes: DAC: Development Assistance Committee. Figure draws on a sample of new projects approved in 2017 in participating countries. It is organised by type of development partner.

Source: Draws on assessment of alignment of development partners' projects to partner countries' objectives, results, and statistical and monitoring systems (Indicator 1a, project level). Further information is available in GPEDC (2018, pp. 46-52[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

Box 5.3. The Global Partnership monitoring exercise is the sole source of data to measure SDG Target 17.15 on "respect for each country's policy space and leadership"[1]

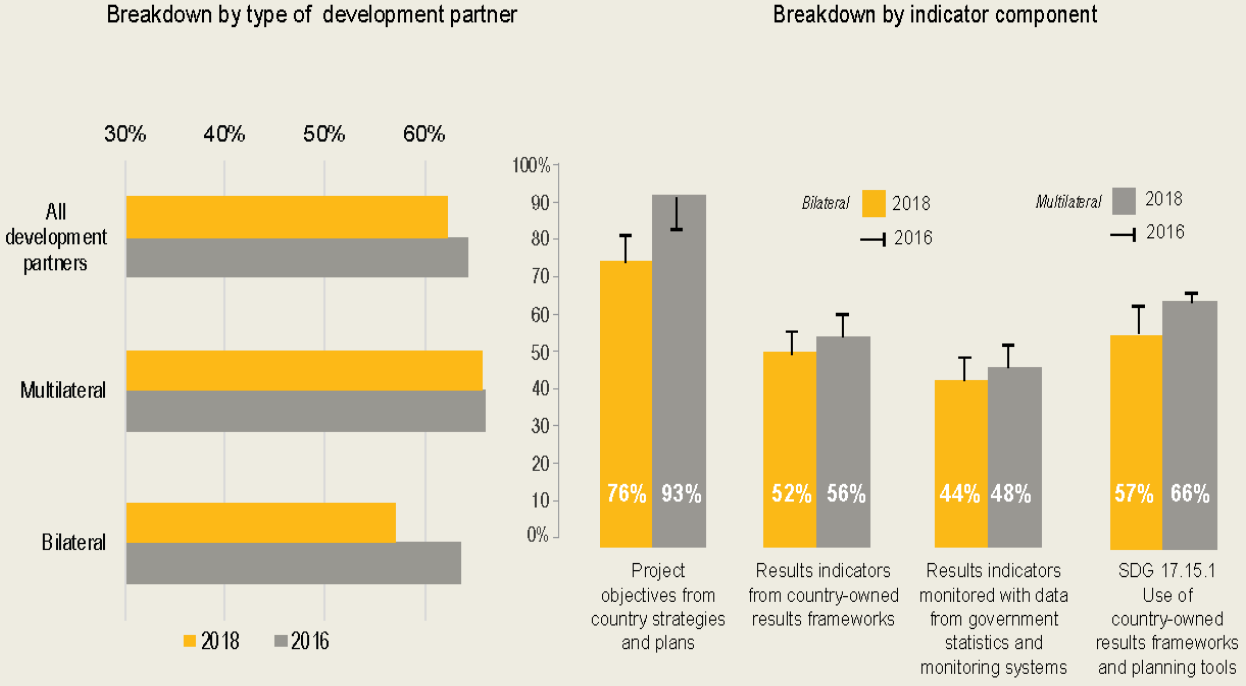
Building on the Paris Declaration, which emphasised that development partners must align to national priorities to achieve long-lasting results (OECD, 2005[12]), the 2030 Agenda recognises that "each country has primary responsibility for its own economic and social development". Furthermore, endorsement of the 2030 Agenda constituted a global commitment to "respect each country's policy space and leadership to implement policies for poverty eradication and sustainable development, while remaining consistent with relevant international rules and commitments", as is stated in Paragraph 63 (UN, 2015[1]). While there is no agreed definition, respect for policy space and leadership can be understood as allowing a country to determine its own path to sustainable development, including by defining its development priorities and results. Alignment at the level of individual projects is critical to reinforcing and respecting country policy space and leadership in a practical and operational manner. In this regard, the Global Partnership assessment of development partners' use of country-owned results frameworks and planning tools (see Box 5.1) 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[2] (UN, 2016[13]).

The extent to which the CRFs and planning tools are used in the design and monitoring of new development projects dropped from 64% in the 2016 monitoring round to 62% in the 2018 round (Figure 5.7 and Figure 5.8). This signals a decline in SDG Target 17.15 (UN, 2015[1]). For bilateral partners,

the decline corresponds to decreased alignment of project objectives to country-led priorities and decreased reliance on country-defined results, statistics and monitoring systems. For multilateral partners, the decline is due to a decrease in the reliance on country-defined results, statistics and monitoring systems[3]. As was the case in the 2016 Monitoring Round, use of the CRFs and planning tools remains higher on average among multilaterals than with bilateral partners. Within the multilateral partner group, multilateral development banks (72%) drive the average up, while UN agencies (56%) lag behind. The decline is 7 percentage points more pronounced for bilateral development partners, from 64% in 2016 to 57% in 2018.

Figure 5.7. Decreasing use of country-owned results frameworks indicates declining respect for country policy space and leadership, especially for bilateral partners

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



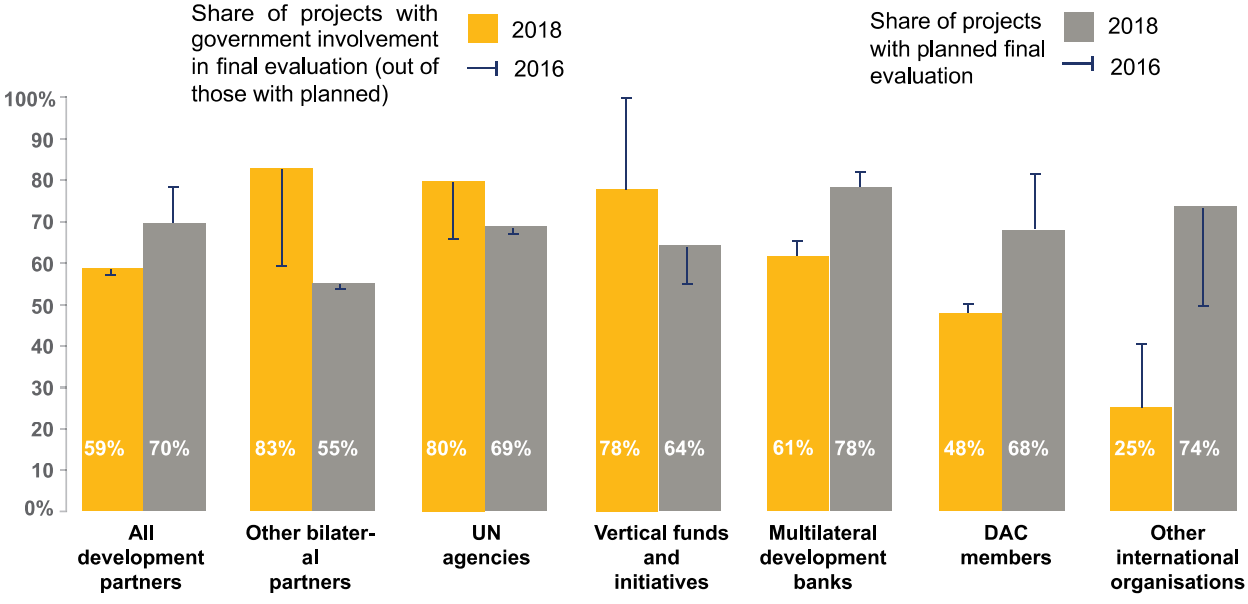
Source: Draws on assessment of development partners' use of country-owned results frameworks (Indicator 1a, project level). Further information is available in (GPEDC, 2018[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

1. SDG Indicator 17.15.1 ("extent of use of country-owned results frameworks and planning tools by providers of development co-operation") is the only indicator to measure SDG Target 17.15 ("respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development").
2. The indicator is the average of alignment at three levels: objectives, results, and monitoring and statistics. For the 2018 monitoring exercise, this was calculated for the 70 development partners in 80 partner countries for which data are available at all three levels; in 2016, calculations were for 73 development partners in 81 partner countries. This reduced sample did not allow for comprehensive representation of all types of development partners. Therefore, for this specific indicator, figures are presented aggregated by the two broader types of development partners: bilateral and multilateral.
3. In the context of the SDG follow-up and review, the Global Partnership provides data on SDG Indicator 17.15.1 only for bilateral development partners. For the purpose of the Global Partnership monitoring exercise, the methodology for SDG Indicator 17.15.1 is extended to multilateral development partners.

Partner country government involvement in project evaluations has increased slightly, but is not consistent across development partners. Project evaluations not only improve the design and implementation of future projects, but also promote dialogue and co-operation among development actors. Involving partner country governments in evaluations is critical to strengthen country ownership, reinforce accountability and build trust. Data from the 2018 Monitoring Round show that a final evaluation was planned in 70% of all projects, a drop from the 77% reported in the 2016 monitoring exercise. However, a slightly larger share of the projects that plan a final evaluation – 59% in the 2018 round versus 57% in the 2016 round – envisage some degree of government involvement. Half of these projects (50%) that plan a final evaluation anticipated the government would be involved in defining the evaluation scope, 2% planned for the government to contribute to financing the evaluation and 12% planned government involvement in both. The data show that government involvement in project evaluations expands as the size of the project increases. Notwithstanding the size of their project, non-DAC bilateral partners, UN agencies and vertical funds are more likely than other development partners to involve partner country governments in project evaluations.

Figure 5.8. Government involvement in evaluations has slightly increased, but remains mixed across development partners

Share of projects that planned a final evaluation and share of projects that involve the government in the planned evaluation



Notes: DAC: Development Assistance Committee. Figure draws on a sample of new projects approved in 2017 in participating countries. Percentages for the different groups of development partners refer to all projects reported that plan a final evaluation. Government involvement in final evaluations is calculated for those projects that plan a final evaluation. The government is involved in the final evaluation when it defines the evaluation scope jointly with the development partner and/or contributes to financing the evaluation.

Source: Draws on assessment of alignment of development partners' projects to partner countries' objectives, results, and statistical and monitoring systems (Indicator 1a, project level). Further information is available in GPEDC (2018, pp. 46-52[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

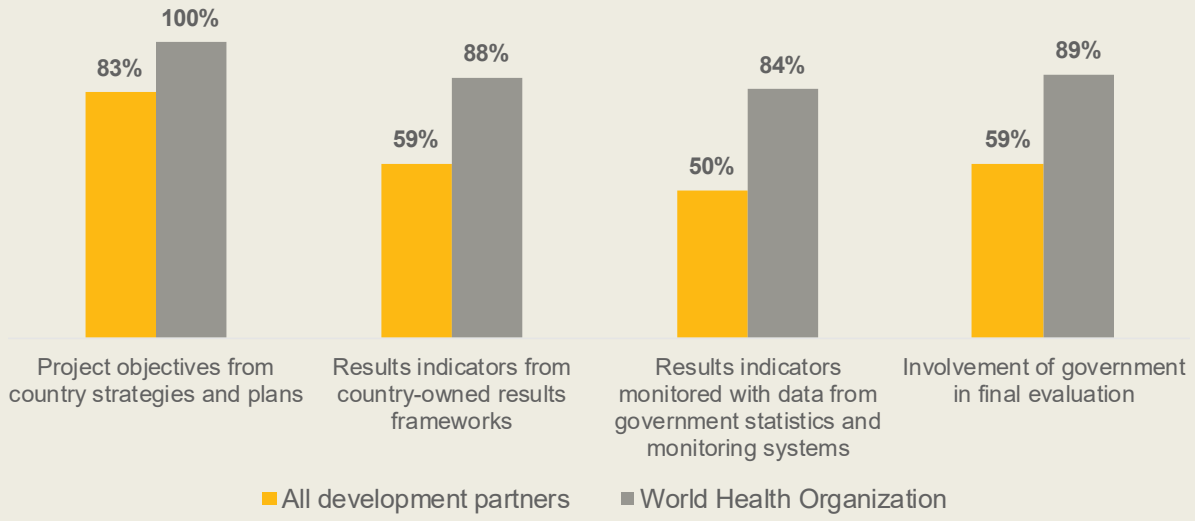
Box 5.4. The World Health Organization ensures strong project-level alignment

The World Health Organization (WHO) performs well above the overall development partner average across all assessed areas pertaining to project-level alignment (Figure 5.9). This could be driven by the agency's strong emphasis on aligning its country-level interventions to national development strategies and country results frameworks.

As a technical agency providing support to its member states, WHO works closely with relevant partners to effectively respond to country priorities and needs in achieving Sustainable Development Goal 3 (ensure healthy lives and promote well-being for all at all ages).

Figure 5.9. The World Health Organization outperforms on project-level alignment

Comparison of project-level alignment of all development partners and WHO



Notes: Figure draws on a sample of new projects approved in 2017 in participating countries (Indicator 1a, project level). Percentages for the different categories refer to all projects reported by the aggregate of all development partners (yellow bars) and all projects reported by WHO (grey bars).
Source: Draws on assessment of alignment of development partners' projects to partner countries' objectives, results, and statistical and monitoring systems (Indicator 1a, project level). Further information is available in GPEDC (GPEDC, 2018[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019343

The Country Cooperation Strategy (CCS) outlines the alignment of WHO's support to national health plans and strategies. The CCS is WHO's medium-term strategy, guiding agency planning, budgeting and resource allocation to achieve the health-related Sustainable Development Goals in each country where WHO works.

An integral part of the CCS is the use of monitoring and evaluation as a tool to assess WHO's performance at country level. As noted in the 2019 country presence report, WHO enhances implementation, monitoring and reporting on its technical co-operation through joint WHO and government mechanisms (WHO, 2019[14]). The number of country offices reporting they have such mechanisms in place has risen steadily, from 77% to 89% between the 2015 and 2019 country presence reports.

Box 5.5. Building statistical capacity: Strengthening national statistical systems through their use

The need to use and strengthen national statistical systems is a shared and interlinked challenge for partner countries and their development partners. As discussed in Part I of this Progress Report, two-thirds of partner countries reported that they lack national statistical capacity to track implementation of the national development strategy. The 2018 data show that only half of the results indicators included in development partners' individual projects are tracked using national monitoring and statistical systems and that development partners cited data gaps as one reason country results frameworks are frequently not used. These findings point to an impediment that requires concerted efforts from both partner countries and development partners to address these underpinning challenges. 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. International development partners are often viewed as important and frequent users of national data, and can create positive incentives for national statistical offices to increase and strengthen official statistics in line with both domestic and international demand (Sethi and Prakash, 2018[15]).

Despite a slight increase in the share of total official development assistance (ODA) for data and statistics since 2015, further investments are required to meet the demand for more and better-quality data. The overall amount of ODA for data and statistics remained low in 2016 (USD 623 million), representing only 0.33% of total ODA (PARIS21, 2018[16]). In 2018, only 56 of the 102 countries with national statistical plans had secured adequate financing to implement them; only 3 of these are in sub-Saharan Africa (PARIS21, 2018[16]). Tracking implementation of the Sustainable Development Goals (SDGs), however, requires an unprecedented amount of data and statistics, from both official statistical systems and new sources (UN, 2018[17]).

A handful of development partners provide a large share of global support for better data. The World Bank, United Nations Population Fund, Eurostat, International Monetary Fund and United Nations Children's Fund supplied 69% of total commitments in 2016 (PARIS21, 2018[16]). Foundations also are recognising the critical role of data in eradicating poverty and are delivering on the commitment to leave no one behind. Between 2013 and 2015, foundations provided 2.4% of their three-year total philanthropic support for development to projects with a strong data and statistics component. However, their support tends to be concentrated in specific sectors, overlooking the wider structural needs of national statistical systems (PARIS21, 2018[16]).

Different international partnerships and initiatives are blossoming to bridge the data divide for sustainable development. In the same spirit, the Development Assistance Committee agreed in 2018 to support a new workstream on Data for Development that will respond to the six data actions called for in the *Development Co-operation Report 2017: Data for Development* (OECD, 2017[18]). This new workstream will establish a community of practice between development partners of development co-operation and the statistical and data for development communities. Through awareness raising, knowledge sharing and development of good practices, the project will help development partners to make more strategic and higher quality investments in national statistical systems in a way that harnesses the data revolution for sustainable development. Complementary to these efforts, the Bern Network[1] on Financing Data for Development was convened in early 2019. Assembling a broad range of stakeholders, the Bern Network aims to create more effective and co-ordinated funding mechanisms for statistical systems. Results of the network's efforts will be presented at the World Data Forum 2020 in Bern, Switzerland.

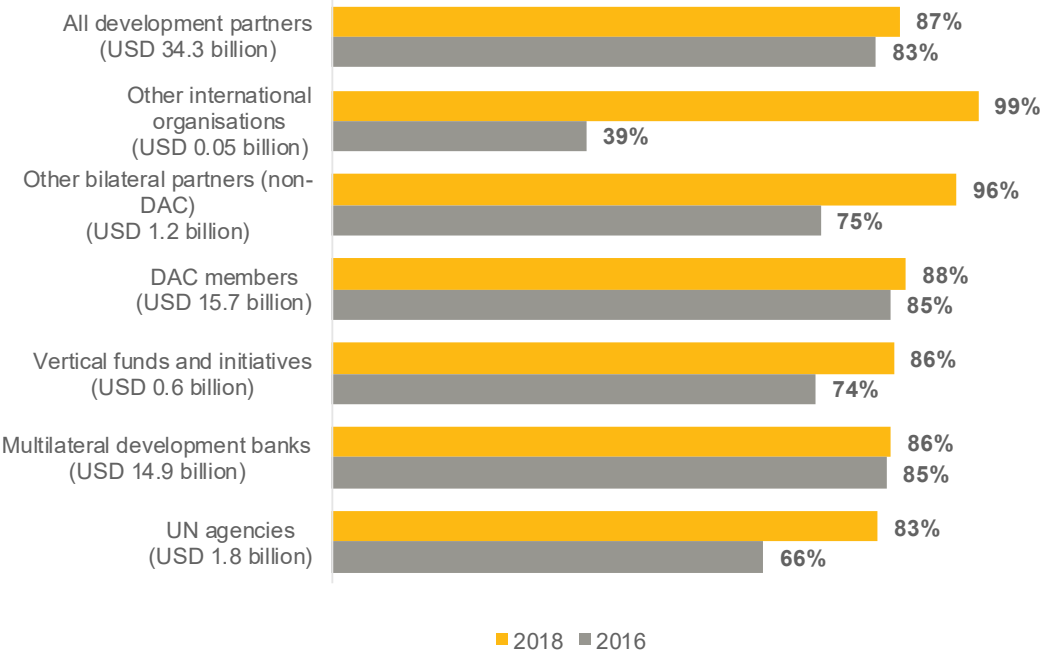
1. The Bern Network on Financing Data for Development is an outcome of the Bern High-Level Dialogue on Funding for Data for the SDGs held on 24 January 2019 in Bern, Switzerland.

Annual predictability has improved slightly, but aggregates hide important variations

Predictable development co-operation enables successful implementation of development plans, yet predictability has improved only marginally since 2011. Global Partnership monitoring assesses annual predictability of development co-operation by looking at the proportion of funding that development partners disburse to partner country governments within the fiscal year during which it was scheduled to be disbursed. Development partners have made continuous commitments to improve predictability,[10] and on average, annual predictability improved (from 83% to 87%) between the 2016 and 2018 Monitoring Rounds. However, progress has been marginal over the eight-year period since 2011, when annual predictability was 85%. At aggregate level, all types of development partners have improved predictability since the 2016 round, but progress is mixed among and within groups (Figure 5.10).[11] Country studies have confirmed that unpredictable development co-operation has a negative impact on the management of public finances and undermines efforts by partner countries and development partners to achieve development results (Mokoro Ltd, 2011[19]). Both shortfalls and over-disbursements in the total amount of funding disbursed to the public sector can have serious implications for development partners' implementation of projects on the ground and, overall, on the government's ability to implement its development efforts as planned; these also can hinder effective planning, budgeting and execution (Celasun et al., 2008[20]).

Figure 5.10. On aggregate, annual predictability improved for all development partners

Proportion of development co-operation disbursed in the same year for which it was originally planned



Notes: DAC: Development Assistance Committee. Global aggregates are calculated using scheduled disbursements for the public sector expressed in USD as weighting variable. Total scheduled disbursements reported in the 2018 Monitoring Round by each group are shown under the description of each group.

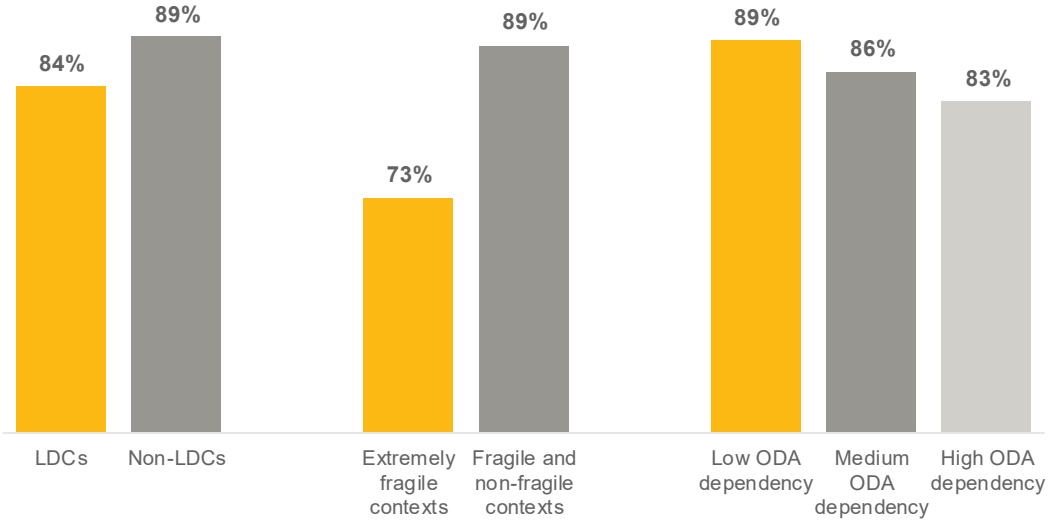
Source: Draws on assessment of annual predictability of development co-operation disbursed to the public sector (Indicator 5a). Further information is available in GPEDC (2018[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019362

Predictability of funding varies across countries. In 31 of the 86 countries that participated in the 2018 Monitoring Round,[12] development partners disbursed a total of USD 2.4 billion less than what they had originally scheduled. Among these were Kosovo[1] and Moldova, where development partners disbursed approximately half (55% and 54%, respectively) of the total amounts scheduled. On the other hand, in more than half the countries participating in the 2018 Monitoring Round (52 of 86), development partners disbursed more funding than what they had originally scheduled. In total, USD 5.8 billion was reported as disbursed beyond the amount originally scheduled by development partners. Armenia and Ethiopia are examples of countries where development partners disbursed, in total, about twice the amount originally scheduled. Predictability is particularly important in highly ODA-dependent countries where variations in development flows can severely affect the ability of the government to implement development strategies (Celasun et al., 2008[20]). Data disaggregation shows that the share of development co-operation disbursed within the year for which it was originally scheduled – and thus annual predictability – was lower (83%) in highly ODA-dependent countries than in medium and low ODA-dependent countries (86% and 89%, respectively). Discrepancies also are observed between the LDCs and non-LDCs. Despite commitments to increase predictability in fragile contexts (PBSB Dialogue, 2016[21]; 2011[22]), annual predictability is on average lower in extremely fragile contexts (73%) than in non-fragile contexts (89%) (Figure 5.11). On the other hand, the share of funds disbursed beyond the amounts originally scheduled is much higher in extremely fragile contexts. Such over-disbursement is likely due to the unplanned and volatile nature of the crises that are prone to occur in extremely fragile contexts.

Figure 5.11. Predictability is lower in least developed countries, extremely fragile contexts and highly ODA-dependent countries

Proportion of development co-operation disbursed within the year for which it was scheduled in different partner country contexts



Note: LDC: least developed country; ODA: official development assistance.

Source: Draws on assessment of annual predictability of development co-operation disbursed to the public sector (Indicator 5a). Further information is available in GPEDC (2018, pp. 53-55[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019381

[1]. This designation is without prejudice to positions on status, and is in line with United Nations Security Council Resolution 1244/99 and the Advisory Opinion of the International Court of Justice on Kosovo's declaration of independence.

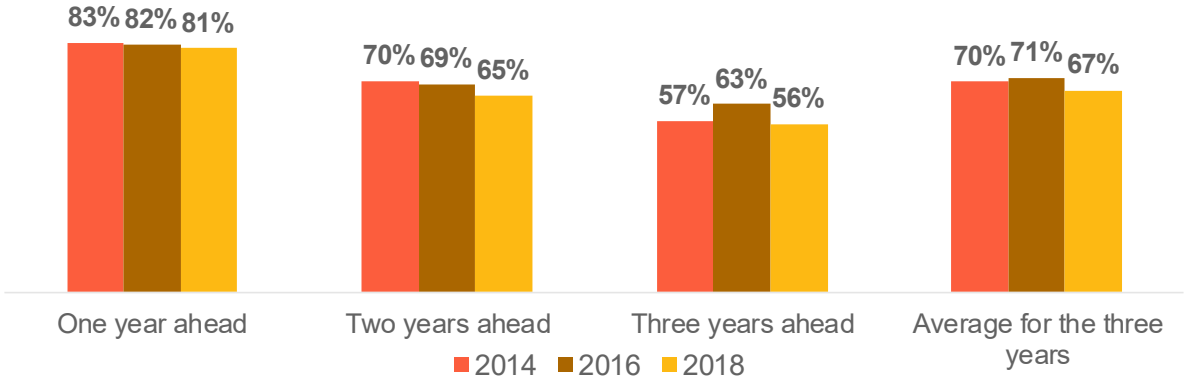
Forward visibility of development co-operation is decreasing, hindering parliamentary oversight in partner countries as well as national government ability to plan and budget for development efforts

Medium-term predictability is a requirement of effective development planning. In addition to assessing annual predictability,[13] Global Partnership monitoring assesses medium-term predictability by measuring the extent to which partner country governments receive indicative forward expenditure or implementation plans (hereafter referred to as forward expenditure plans) regarding development partners' planned activities for one, two and three years ahead. 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.

Forward visibility of development co-operation from development partners is lower than it was in 2014. Data from the 2018 Monitoring Round show that, on average across three years, partner country governments reported they had received development partners' forward expenditure plans covering two-thirds (67%) of estimated development co-operation funding. As was the case for results of previous monitoring rounds, the availability to partner countries of forward expenditure plans was typically higher for the first year ahead (81%) and decreased for the second and third years ahead (to 65% and 56%, respectively) (Figure 5.12). These findings mean that in 2018, on average, partner country governments had forward visibility and could start mid-term planning on only 56% of development co-operation funding that was expected to be received from their development partners in 2021. Forward visibility is much lower in extremely fragile contexts (61%) than in fragile or non-fragile contexts (68%). The *DAC Recommendation on the Humanitarian-Development-Peace Nexus* adopted in early 2019 provides a timely response for improving predictability in fragile contexts, calling for the use of predictable, flexible, multi-year financing wherever possible (OECD, 2019[23]). Tracking progress to ensure that this Recommendation translates into action will be important.[14]

Figure 5.12. Forward visibility is declining

Proportion of development co-operation for which partner countries have received forward expenditure plans for the fiscal years ending 2019/20/21



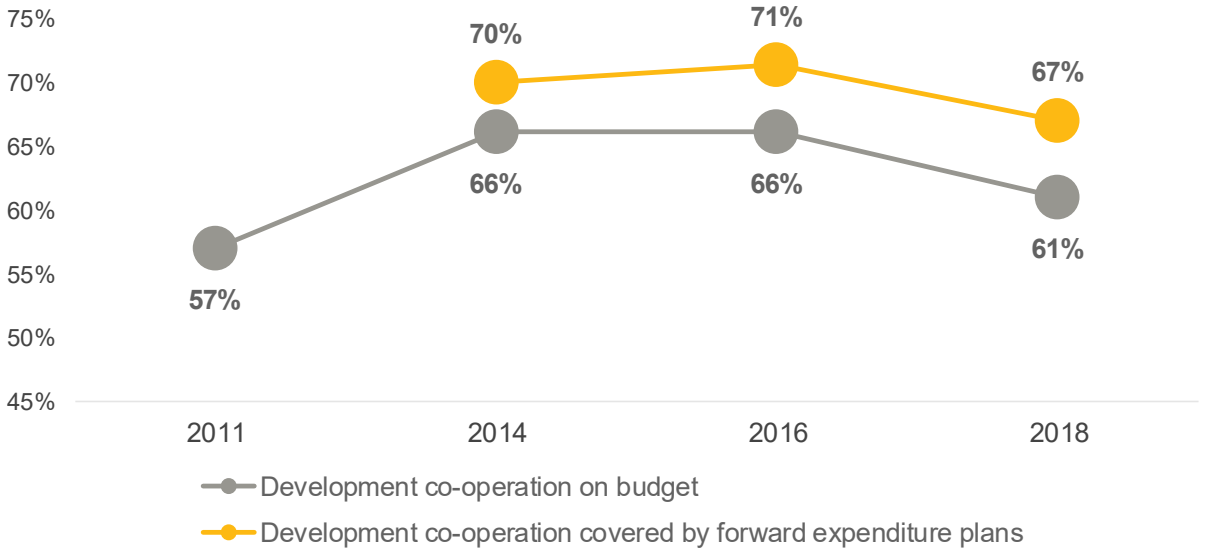
Note: For the 2016 Progress Report, the assessment covered 2016-18; for the 2014 Progress Report, the assessment covered 2014-16.
Source: Draws on assessment of medium-term predictability of development co-operation (Indicator 5b). Further information is available in GPEDC (2018, pp. 35-37[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019400

Decreasing availability of forward-looking information is mirrored in partner country budgets, weakening parliamentary oversight of development resources. Including development co-operation funding in partner country budgets[15] 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[24]). The proportion of development co-operation recorded on budget and subject to parliamentary oversight has declined since the 2016 Monitoring Round. Between 2011 and 2016, the share of development co-operation recorded on budget increased from 57% to 66%, but then fell to 61% in 2018 (see Figure 5.13 and Part I of this report). Comparison of only countries that reported in both the 2016 and 2018 Monitoring Rounds shows the same negative trend. Furthermore, in a number of countries (33), including some extremely fragile contexts,[16] development co-operation recorded on national budgets was greater than what development partners had planned to disburse in those countries. 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. Development partners and national governments share responsibility for ensuring that development co-operation is on budget. For partner countries, analysis of the 2018 monitoring data shows that a higher share of development co-operation is recorded on the national budget when an aid information management system is in place.[17] At the same time, it is essential that development partners provide accurate projections in a timely manner to ensure that estimates are meaningfully reflected on national budgets.

Figure 5.13. Availability of forward expenditure plans and share of development co-operation on budget follow the same trend

Proportion of development co-operation for which forward expenditure plans are made available to partner countries and proportion of development co-operation recorded on partner country national budgets, aggregate trend, 2011-18



Note: Data for the share of development co-operation covered by forward expenditure and implementation plans are available starting from 2014.

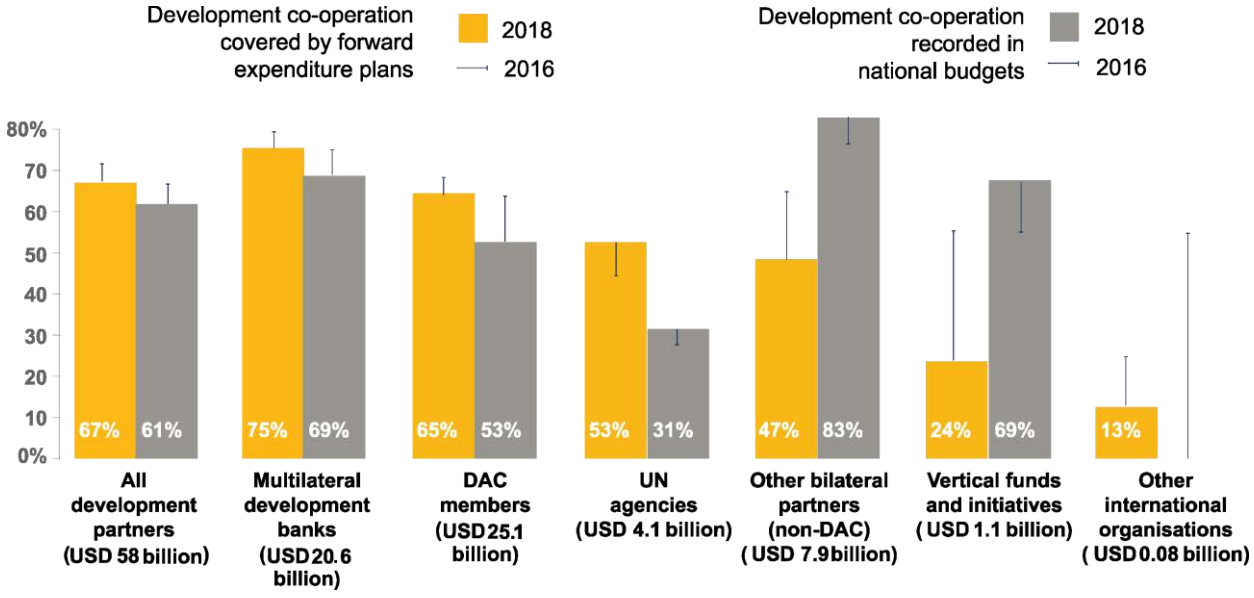
Source: Draws on assessment of medium-term predictability of development co-operation and development co-operation on budget (Indicators 5b and 6). Further information is available in GPEDC (2018, pp. 35-37 and 56-57[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019419

Against the overall decline, UN agencies improved their forward visibility since 2016. While the proportion of development co-operation covered by forward expenditure plans and recorded on budget decreased overall, it has increased for some development partners[18] (Figure 5.14). Since 2016, for example, UN agencies improved forward visibility of their development co-operation. Their share of development co-operation recorded in partner country budgets also grew, although it remains among the lowest (along with that of other international organisations) relative to all development partners. Despite the decline, multilateral development banks performed better than other multilaterals.

Figure 5.14. In contrast to most other development partners, UN agencies are both increasing the availability of forward expenditure plans and development co-operation on national budgets

Proportion of development co-operation for which forward expenditure plans are made available to partner countries and proportion of development co-operation recorded on partner country national budgets, trend by type of development partner, 2016-18



Notes: DAC: Development Assistance Committee. Global aggregates for the share of development co-operation covered by forward expenditure plans are weighted by the total funding disbursed at country level expressed in USD (shown below each development partner group). Global aggregates for development co-operation recorded on budget are weighted using the total scheduled disbursements for the government sector expressed in USD. The amounts for each group are indicated in Figure 5.10.

Source: Draws on assessment of medium-term predictability of development co-operation and development co-operation on budget (Indicators 5b and 6). Further information is available in GPEDC (2018, pp. 35-37, 56-57[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

Forward expenditure plans are more readily available where a development partner and partner country government have an established relationship. Data analysis shows that more forward expenditure plans are available to partner countries where development partners have a country strategy (or partnership framework) in place or where a higher share of development co-operation is disbursed directly to the public sector.[19] This confirms the findings of the 2016 Progress Report, noting that established partnerships between partner country governments and their development partners increased the extent to which effectiveness principles are upheld in country. These analyses also highlight the importance of investing in long-term partnerships for development. For development partners, establishing a country strategy together with the partner country can be key. For partner countries, the findings confirm the utility of establishing policy frameworks for development co-operation. Such frameworks build trust and strengthen partnerships through defined roles and responsibilities for stakeholders, and also define joint

commitments for effective development co-operation (see Chapter 4 of this report on mutual accountability mechanisms).

The decreasing share of development co-operation disbursed to the public sector points to the need to ensure comprehensive and timely information sharing with partner countries. According to 2018 Monitoring Round data, direct disbursements to the public sector made up about two-thirds (65%) of development co-operation ultimately disbursed at country level by development partners, or USD 37.8 billion of the USD 58.8 billion disbursed overall.[20] This is a notable decrease from the share found in the 2016 Monitoring Round (80%), suggesting that a larger share of development co-operation is being disbursed to non-state actors (e.g. civil society organisations, the private sector and others) in participating countries. This shift is reflected in the decreased share overall of forward expenditure plans that are made available to partner country governments and of development co-operation that is recorded on national budgets. It also points more broadly to a need to rethink how development partners can ensure that information sharing on development co-operation with partner country governments is sufficiently comprehensive and timely to support both informed development planning (by governments and as part of the associated parliamentary oversight) and country ownership and sustainability of national development efforts.

Increased use of procurement systems is largely driving the marginal progress made by development partners in using country public financial management systems

An essential element of country ownership is the use by development partners of a country's public financial management (PFM) systems. Use of countries' own systems to deliver development co-operation helps to strengthen these systems as well as to promote country ownership. This also ensures sustainability of development results, lowers transaction costs by eliminating the creation and maintenance of parallel structures, and provides an entry point for partners to harmonise their processes (CABRI, 2014[25]). In recognition of these benefits and following commitments made in the Paris Declaration (2005) and the Accra Action Agenda (2008), the Busan Partnership agreement (Paragraph 19) affirms that use of country systems should be the default approach for managing co-operation provided to the public sector (OECD, 2011[5]). Box 5.6 discusses the use of country systems in more detail.

Box 5.6. What does it mean to use country systems?

A country's public financial management (PFM) system consists of different regulations, standards and processes that guide how the government uses and keeps tracks of its financial resources. (This is discussed in Box 2.5 in Chapter 2). The question of whether a development partner uses country PFM systems, then, is not black and white; the various system components can be used to varying degrees.

The Global Partnership monitoring exercise assesses the extent to which development partners use mechanisms and procedures related to four PFM system components: 1) budget execution; 2) financial reporting; 3) auditing; and 4) procurement.

In terms of budget execution procedures, the Global Partnership assesses whether development co-operation is on budget, meaning it is included in budgets that are submitted for parliamentary approval, and on treasury, meaning it is disbursed through a country's treasury system.[1] Figure 5.15 illustrates in greater detail what it means to use each of the four system components.

Figure 5.15. Characteristics of use of country public financial management systems

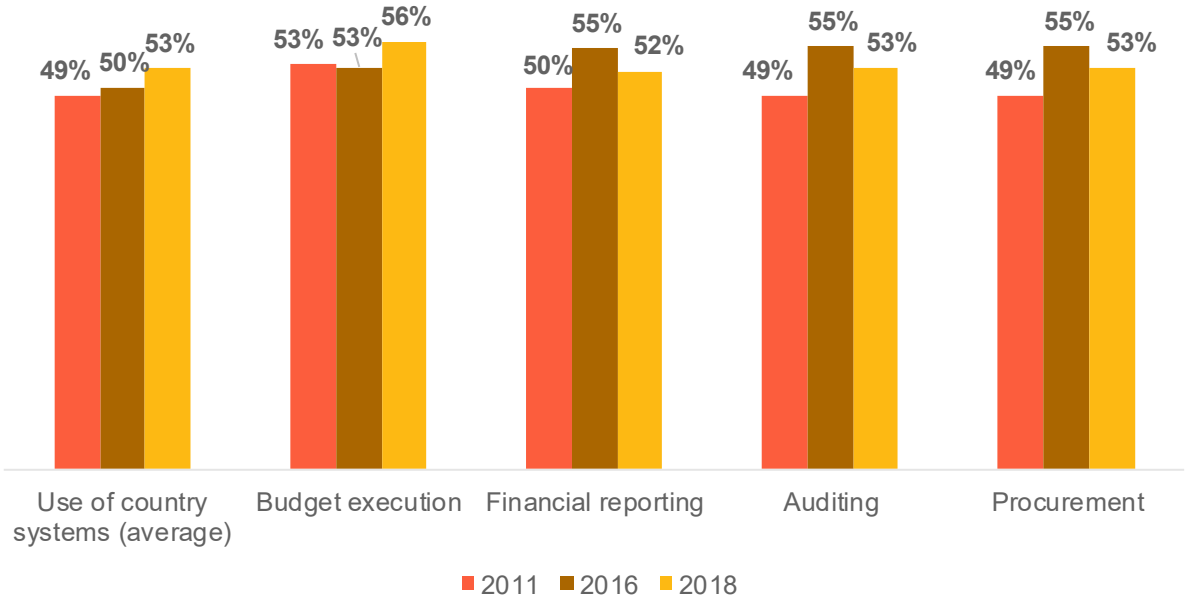


1. The Global Partnership monitoring exercise determines the share of on-budget development co-operation (Indicator 6) based on partner country governments' reporting on the amount that is recorded on the national budget in the reporting year. To assess use of national budget execution procedures (Indicator 9b), the exercise takes a broader approach, asking development partners whether: funds are recorded in annual budgets, the use of funds is subject to budget execution procedures without adjustment, funds are deposited and disbursed though the national treasury system, and the opening of separate bank accounts are required.

Development partner use of country PFM systems has increased slightly overall, with notable gains made in the use of procurement systems. Globally, use of country PFM systems has increased slightly, from 50% in the 2016 Monitoring Round to 53% in the 2018 round. The 2016 data signalled a need for accelerated efforts to increase the use of country procurement systems; the notable 13 percentage-point increase in the use of procurement systems reported in 2018 demonstrates that development partners, and particularly multilateral development banks (MDBs), did make that effort.[21] At the same time, use of budget execution procedures increased by only 3 percentage points between the 2016 and 2018 rounds, while use of financial reporting and auditing systems fell by 3 and 2 percentage points, respectively (Figure 5.16).

Figure 5.16. Use of country public financial management systems has grown since 2011

Development partner use of country public financial management systems as a proportion of disbursements to the public sector by system component



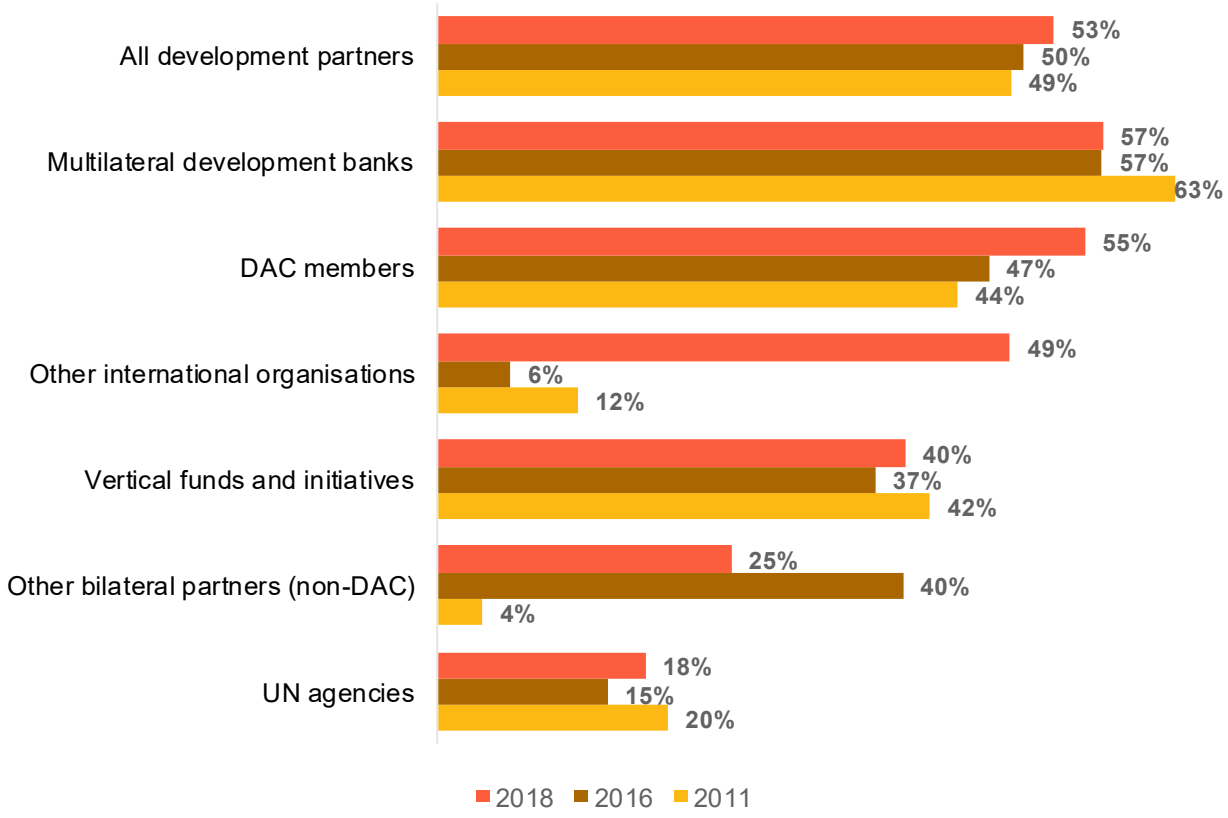
Source: Draws on assessment of use of country public financial management systems (Indicator 9b). Further information is available in GPEDC (2018, pp. 58-61[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019438

The MDBs, followed closely by DAC members, lead in using country systems. DAC members' use of country PFM systems continued to grow, increasing from 47% to 55% from the 2016 to the 2018 Monitoring Rounds (Figure 5.17). Among the countries showing the greatest individual increase in the 2018 data (listed in order of largest volume of disbursements to the public sector) were Japan (from 68% to 74%), EU institutions (from 45% to 52%), Australia (from 33% to 41%), Korea (from 46% to 86%), Canada (from 52% to 75%), Italy (from 51% to 94%) and Norway (from 56% to 81%). Beyond the improvements made by these members, other DAC members maintained their high use of country systems, including Sweden (66%), Denmark (92%), Ireland (63%) (also in order of largest volume). On the other hand, use of country PFM systems by non-DAC bilateral partners declined from 2016 to 2018 and results for UN agencies and vertical funds largely stayed the same during this period.[22]

Figure 5.17. DAC members lead in increasing use of partner country public financial management systems

Use of country public financial management systems from 2011 to 2018, by type of development partner



Notes: DAC: Development Assistance Committee. Aggregate figures for other international organisations for the 2016 Monitoring Round have been adjusted to reflect changes in the way they were classified.
Source: Draws on assessment of use of country public financial management systems (Indicator 9b). Further information is available in GPEDC (2018, pp. 58-61[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019457

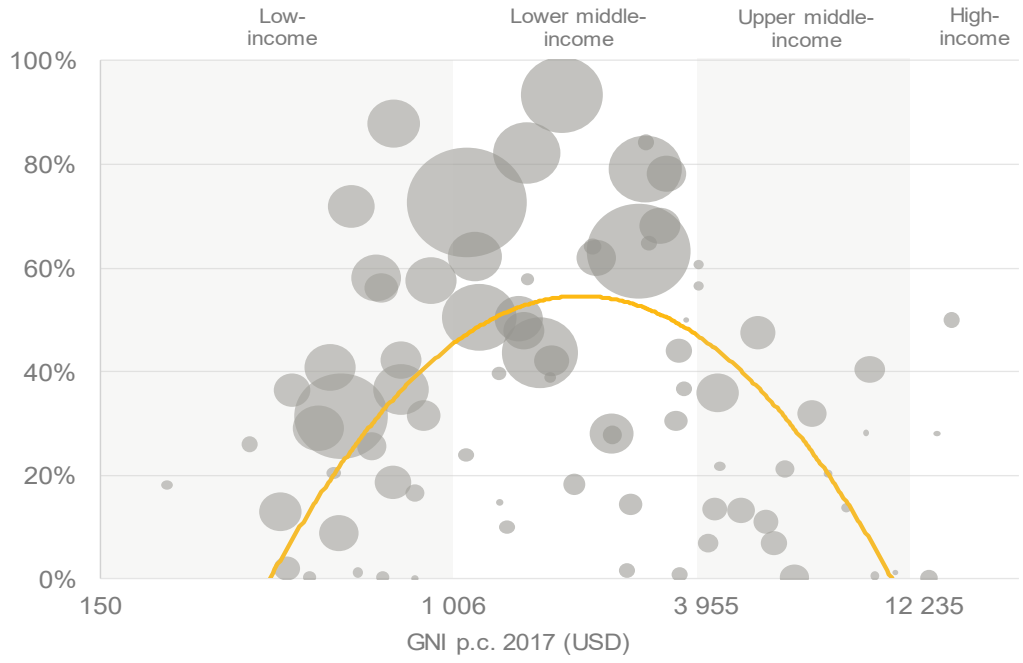
A development partner's relationship with a partner country is a stronger determinant of its use of country PFM systems than the partner country's characteristics

No clear link is evident between the strength of country PFM systems and their use by development partners. The political commitments around the strengthening and use of country PFM systems are grounded in mutuality: partner countries have committed to strengthen these systems and development partners have committed to increase the use, and thus further improve the quality, of the systems. However, results show that factors other than system quality nevertheless continue to determine development partners' use of country systems. According to 2018 data, there is no obvious correlation between the quality of a partner country's PFM systems and the extent to which development partners use them.

The highest use of country PFM systems occurs in lower middle-income countries. The extent to which development partners use the systems of low-income countries is considerably below the global average of 53%, but notably increases for those of lower middle-income countries (Figure 5.18). This increase seems to largely reflect greater reliance on loans to deliver development co-operation. The share of disbursements to the public sector in the form of loans, as opposed to grants, rises from 30% for low-income countries to 74% for lower middle-income countries, and further analysis shows that loans are much more frequently administered using country systems.[23] A small number of Eastern European and Western Asian UMICs appear to be driving the observed downward trend in use of country systems in countries with gross national income per capita above approximately USD 1 800.[24] Use of country systems in small island developing states (SIDS) is in line with this trend. A majority (13 of 20) of the SIDS participating in the 2018 Monitoring Round are either UMICs or high-income countries, and in SIDS, country PFM systems are used for only 28% of funds disbursed to the public sector. This could be related to capacity challenges faced by some SIDS (see Box 2.7 in Chapter 2 of this report) in setting up and operating PFM systems that can manage financial flows from various development partners.[25] In extremely fragile contexts, 34% of development partners' funds that are disbursed to the public sector use PFM systems. In other contexts, 55% of development partners' funds use these systems.

Figure 5.18. Lower middle-income countries show highest use of country systems

Use of country systems plotted against GNI per capita



Notes: Shaded areas correspond to World Bank income classifications (gross national income per capita [GNI p.c.], 2017): low-income up to USD 1 006; lower middle-income up to USD 3 955; upper middle-income up to USD 12 235; high-income above this level. Circle surfaces are proportional to disbursements (grants and loans) of all development partners in a given country. The figure also plots a quadratic fit (statistically significant, R-squared: 0.32) showing a positive correlation between use of country systems and GNI p.c. until (on average) a GNI of circa USD 1 752 and a negative correlation between use of country systems and GNI p.c. (on average) thereafter. Calculations are based on 80 partner countries participating in the 2018 Monitoring Round for which data on the use of country systems are available.

Source: Draws on assessment of use of country public financial management systems (Indicator 9b). Further information is available in GPEDC (2018, pp. 58-61[7]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019476

Individual development partner use of country PFM systems varies substantially. Individual development partners' use of country PFM systems is not consistent across their partner countries. In other words, it is not that some partners always use countries' systems and others do not. Rather, development partners are making a choice on a case-by-case basis about when to use country PFM systems. For example, about half of providers used country systems for all of their disbursements to the public sector in at least one country, but also chose not to use country systems at all in at least one other of their partner countries.

Development partners that have increased their funding to the public sector have also increased their use of country PFM systems. The global increase in the use of country PFM systems has been driven mostly by development partners that have increased the share of their co-operation that is disbursed to the public sector. In partner countries that experienced an increase in disbursements to the public sector between the 2016 and 2018 Monitoring Rounds, use of country PFM systems reached 57% in 2018 (compared to the global average of 53%).[26] In 32 countries that participated in both rounds and that together represent more than USD 18 billion in public sector disbursements, changes in the share of funds disbursed to the public sector and use of country systems moved in concert. This could indicate that where development partners are firmly set on working with the public sector, they are also set on strengthening and using national systems.

The longer development partners engage in partner countries, the more they tend to use these countries' PFM systems. Building trust takes time. So does identifying both shared priorities and areas for potential, larger scale development co-operation programmes to justify initial transaction costs in starting to use country systems. Moreover, using country systems might require both the development partner and partner country to first better understand each other's relevant institutional arrangements and legal provisions. Data from the 2018 Monitoring Round suggest a positive correlation between the length of time that a development partner engages in a partner country and its likelihood to use that partner country's systems. Analysis also shows that use of country systems is increasing most strongly in the first few years of a development partner's engagement in a new partner country.[27] This suggests that use of country systems, among other things, benefits from building institutional knowledge and relies on practice and improvements over time.

Box 5.7. Determinants of use of country public financial management systems

While Global Partnership monitoring points to some factors that may shape development partner decisions to use partner country public financial management (PFM) systems, it is understood that many other considerations also influence the degree to which development partners use these systems. A 2014 study by the Collaborative Africa Budget Reform Initiative (CABRI) looked at some of these factors. While it is not a comprehensive list, the following were identified as possible determinants of the use of country PFM systems by development partners:

- Fiduciary factors. Development partners continually cite fiduciary concerns – ensuring that development co-operation resources are used for the intended purpose and achieve value for money – as the primary consideration in using partner country PFM systems. This should mean that stronger systems result in increased use. However, and as noted in this chapter, there is no clear link between these two variables.
- Non-fiduciary factors. Research shows that development partners consider non-fiduciary factors when determining use of partner country PFM systems, including the strength of development policies, political stability and human rights situation.

- Partner country development co-operation policies. Research shows that when partner countries specifically highlight use of their PFM systems as the preferred approach for managing co-operation provided to the public sector, use of these systems increases.
- Development partner capacity. Partner country PFM systems vary, requiring that development partner staff build specific knowledge of an individual partner country's procedures and regulations.

Source: CABRI (2014[25]), *Towards a Greater Use of Country Systems in Africa: Recent Trends and Approaches*, https://www.cabri-sbo.org/en/publications/towards-a-greater-use-of-country-systems-in-africa-recent-trends-and-approaches-synthesis-report

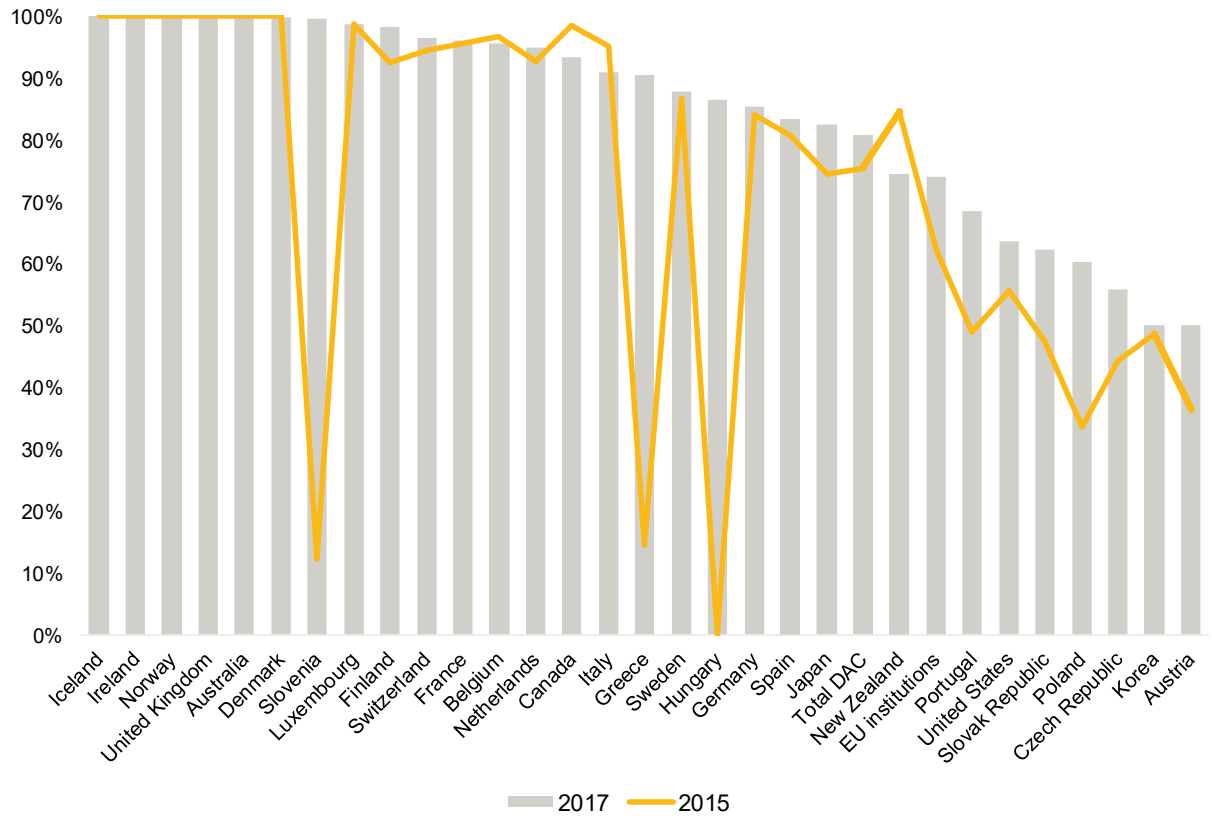
Further action is needed to go beyond formally untying ODA to better untie in practice

Bilateral development partners have consistently committed to untying their ODA. Untying ODA means removing the legal and regulatory barriers to open competition for procurement funded by official development assistance. In practical terms, ODA is considered untied when the development partner does not attach geographical constraints on its use. There has been a formal recommendation on this matter by members of the DAC since 2001, when they agreed to untie ODA to the LDCs (OECD, 2019[26]). Since then, coverage of the Recommendation has been extended to more countries,[28] although it still does not cover all countries receiving ODA. This commitment to untie is based on the understanding that 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, 2019[27]).

The share of untied ODA increased in the period from 2015 to 2017,[29] but progress has been uneven across development partners. DAC members self-report to the OECD on the tying status of their ODA (i.e. whether each activity is tied, partially tied or untied). According to analyses of the latest reported data, the untied share of total DAC ODA increased from 76% in 2015 to 81% in 2017. When disaggregated by DAC member, however, the data show that progress has been uneven: 7 DAC members have fully untied their ODA; a further 9 members reported 90-100% of their ODA as untied; and 14 DAC members reported less than 90% of ODA is untied, including 7 that reported less than 70% of untied ODA (Figure 5.19). Since 2015, five DAC members increased their share of untied ODA by 20% or more. As new members join the DAC, they also start reporting on the Recommendation. Hungary, for example, joined in 2016 and reported 87% untied ODA in 2017.

Figure 5.19. Despite progress, not all DAC members have yet fully untied their official development assistance

Proportion of untied ODA, 2015-17



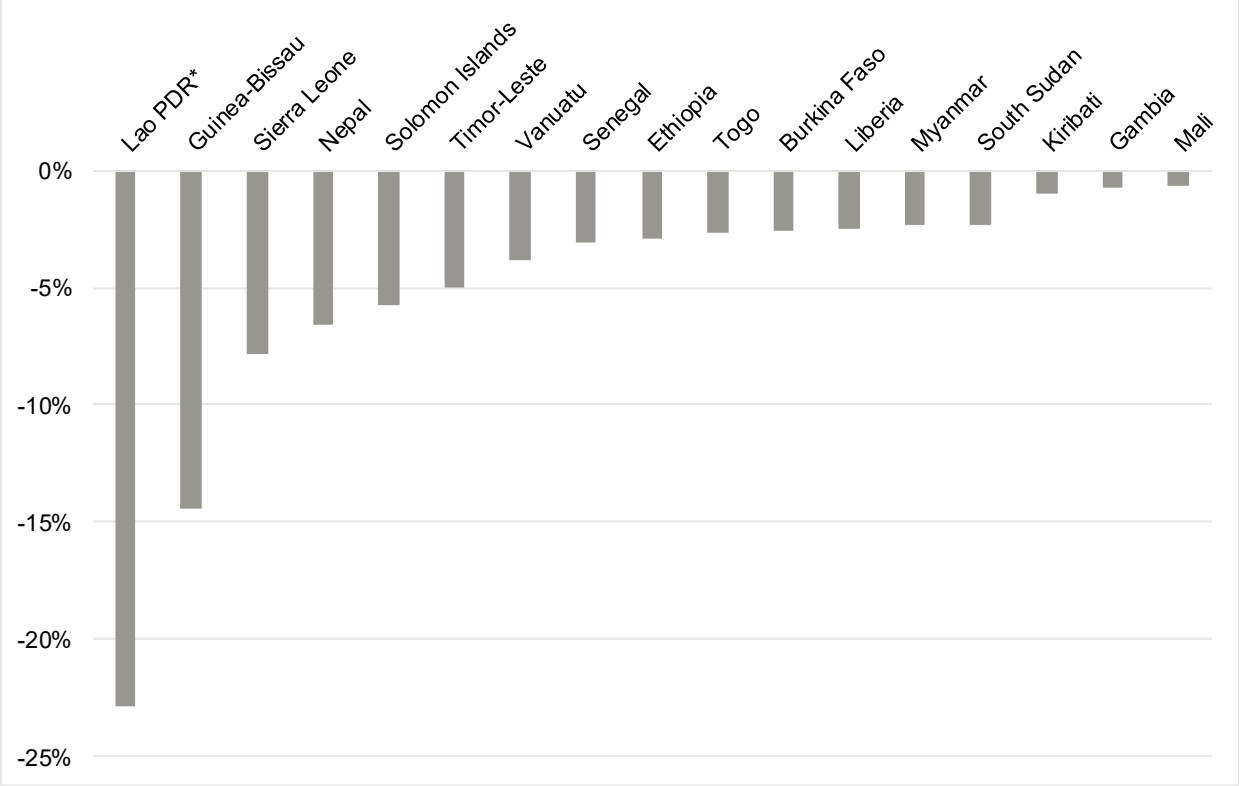
Notes: DAC: Development Assistance Committee. Data exclude donor administrative costs and in-donor refugee costs. Total DAC includes EU institutions.
Source: OECD (n.d.[28]), *Creditor Reporting System* (database), https://stats.oecd.org/Index.aspx?datasetcode=CRS1

StatLink https://doi.org/10.1787/888934019495

Development partners' good global performance on untying aid is not trickling down to all partner countries. Data on ODA commitments to the 56 partner countries that participated in both the 2016 and the 2018 Global Partnership Monitoring Rounds show an increase in the share of untied aid, from 76% in 2015 to 82% in 2017. Nevertheless, the proportion of untied ODA received by many partner countries decreased in the same time period (Figure 5.20). This was the case for a number of the LDCs, among them Guinea-Bissau and Lao People's Democratic Republic, that experienced a drop of at least 10% in the share of untied ODA despite the LDCs being specifically covered by the *DAC Recommendation on Untying Official Development Assistance*. Overall, the share of untied ODA declined from 2015 to 2017 for 17 of the 43 LDCs that participated in the 2018 monitoring exercise; for most of the others, the share increased (25 countries) or remained the same (1 country).

Figure 5.20. Official development assistance to some least developed countries is increasingly tied

Drop in share of untied ODA to some least developed countries from 2015 to 2017



* Lao PDR refers to Lao People's Democratic Republic.
Note: The figure shows the 17 least developed countries that experienced a decrease in the share of untied official development assistance and that participated in the 2018 Monitoring Round.
Source: OECD (n.d.[28]), *Creditor Reporting System* (database), https://stats.oecd.org/Index.aspx?datasetcode=CRS1

StatLink https://doi.org/10.1787/888934019514

While DAC untying rates are generally improving, ODA-funded contracts are still largely awarded to suppliers based in the country of the development partner. Reports on the DAC untying Recommendation not only track DAC members' commitments to untie ODA, but also provide analyses of the contracts awarded, including information about the countries in which the winning suppliers are based (OECD, 2018[29]; 2017[30]). In 2016, about 40% of ODA-funded contracts were awarded to companies based in the development partner country, according to the 2018 (OECD[29]) report on the untying Recommedation. While this might be the natural result of competitive and open procurement, it is also possible that bidding processes are imbalanced in favour of the development partner market. The same report notes, for instance, that for nine DAC members,[30] 70% of contract volume was awarded to suppliers based in their own country. Awarding ODA-funded contracts to suppliers in partner countries helps to create jobs, generate income and build capacity in these countries. It also supports the main objective of ODA: to promote the economic development and welfare of developing countries. If contracts are won by suppliers based in the country of the development partner, partner countries will not reap these additional benefits produced by ODA.

To increase its effectiveness, ODA that is *de jure* untied should remain *de facto* untied. Research by Ellmers (2011[31]) found that development partners' procurement practices can make it difficult for some companies and individuals to win ODA-funded contracts and end up favouring specific suppliers or

countries. Even when legally there are no geographical constraints, certain procurement practices may create uneven tender conditions and thus skew contract awards. Practical barriers that can hinder firms based in partner countries from winning contracts include language (e.g. tenders advertised only in English or only in the language of the development partner); communication channels (e.g. tenders advertised only on international platforms and not using media outlets from the partner country in question); and the size of contracts (e.g. large contracts that are not split into smaller, more manageable lots), among others (Meeks, 2018[32]). To fully realise the intended benefits of untied ODA, development partners need to ensure that their procurement practices do not create obstacles that potentially prevent suppliers from any country, including from partner countries, from winning ODA-funded contracts for the provision of goods and services.

References

CABRI (2014), *Towards a Greater Use of Country Systems in Africa: Recent Trends and Approaches*, Collaborative African Budget Reform Initiative, Pretoria, https://www.cabri-sbo.org/en/publications/towards-a-greater-use-of-country-systems-in-africa-recent-trends-and-approaches-synthesis-report. [25]

CABRI (2008), *Putting Aid on Budget - Good Practice Note: Using Country Budget Systems*, Collaborative Africa Budget Reform Initiative, Pretoria, https://www.cabri-sbo.org/uploads/files/Documents/report_2008_cabri_transparency_and_accountability_use_of_country_systems_english_putting_aid_on_budget_-_good_practice_note_-_using_country_systems.pdf. [24]

Celasun, O. et al. (2008), "Predictability of aid: Do fickle donors undermine aid effectiveness?", *Economic Policy*, Vol. 23/55, pp. 545-594, https://www.jstor.org/stable/40071862. [20]

Ellmers, B. (2011), *How to Spend It: Smart Procurement for More Effective Aid*, European Network on Debt and Development (Eurodad), Brussels, https://eurodad.org/files/pdf/4639-how-to-spend-it-smart-procurement-for-more-effective-aid-.pdf. [31]

GPEDC (2018), *2018 Monitoring Guide for National Co-ordinators*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf. [7]

GPEDC (2016), *Nairobi Outcome Document*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/wp-content/uploads/2016/12/OutcomeDocumentEnglish.pdf. [6]

Meeks, P. (2018), *Development, Untied: Unleashing the Catalytic Power of Official Development Assistance through Renewed Action on Untying*, European Network on Debt and Development (Eurodad), Brussels, https://eurodad.org/files/pdf/5ba3a41be1899.pdf. [32]

Mokoro Ltd (2011), "Synthesis of findings and good practices", in *Aid Predictability Volume 1*, OECD, Paris, http://www.oecd.org/development/effectiveness/49066202.pdf. [19]

OECD (2019), *DAC Recommendation on the Humanitarian-Development-Peace Nexus*, OECD, Paris, https://legalinstruments.oecd.org/public/doc/643/643.en.pdf. [23]

OECD (2019), *Development aid drops in 2018, especially to neediest countries*, OECD, Paris, http://www.oecd.org/dac/financing-sustainable-development/development-finance-data/ODA-2018-detailed-summary.pdf. [2]

OECD (2019), *Revised DAC Recommendation on Untying ODA*, OECD, Paris, https://one.oecd.org/document/DCD/DAC(2018)33/FINAL/en/pdf#_ga=2.203348817.1312642867.1559033644-1414738044.1526984290. [26]

OECD (2019), *Untied aid (web page)*, OECD, Paris, https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/untied-aid.htm. [27]

OECD (2018), "2018 report on the DAC untying recommendation", DCD/DAC(2018)12/REV2, OECD, Paris, https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DCD-DAC(2018)12-REV2.en.pdf. [29]

OECD (2018), *Global Outlook on Financing for Sustainable Development 2019: Time to Face the Challenge*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264307995-en. [3]

OECD (2018), *States of Fragility 2018*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264302075-en. [34]

OECD (2017), "2017 Report on the DAC untying recommendation", DCD/DAC(2017)6/FINAL, OECD, Paris, http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/2017-Report-DAC-Untying.pdf. [30]

OECD (2017), *Development Co-operation Report 2017: Data for Development*, OECD Publishing, Paris, https://dx.doi.org/10.1787/dcr-2017-en. [18]

OECD (2011), *Busan Partnership for Effective Development Co-operation*, OECD, Paris, https://www.oecd.org/dac/effectiveness/49650173.pdf. [5]

OECD (2005), *The Paris Declaration on Aid Effectiveness*, OECD, Paris, https://www.oecd.org/dac/effectiveness/34428351.pdf. [12]

OECD (n.d.), *Creditor Reporting System (database)*, OECD, Paris, https://stats.oecd.org/Index.aspx?datasetcode=CRS1. [28]

OECD (n.d.), *Official development assistance – definition and coverage*, http://www.oecd.org/dac/stats/officialdevelopmentassistancedefinitionandcoverage.htm. [33]

PARIS21 (2018), *Partner Report on Support to Statistics: PRESS 2018*, PARIS21, Paris, https://paris21.org/sites/default/files/inline-files/PRESS2018_BAT_web_v2.pdf. [16]

PBSB Dialogue (2016), *Stockholm Declaration: Addressing Fragility and Building Peace in a Changing World*, International Dialogue on Peacebuilding and Statebuilding, http://www.pbsbdialogue.org/media/filer_public/1e/23/1e237c73-5518-4a03-9a87-b1aa6d914d20/stockholm_declaration.pdf. [21]

PBSB Dialogue (2011), *A New Deal for Engagement in Fragile States*, International Dialogue on Peacebuilding and Statebuilding, https://www.pbsbdialogue.org/media/filer_public/07/69/07692de0-3557-494e-918e-18df00e9ef73/the_new_deal.pdf. [22]

Sethi, T. and M. Prakash (2018), *Counting on Statistics: How Can National Statistical Offices and Donors Increase Use?*, AidData, William & Mary, Williamsburg, VA, https://docs.aiddata.org/ad4/pdfs/Counting_on_Statistics--Full_Report.pdf. [15]

UN (2019), *United Nations Sustainable Development Cooperation Framework: Internal Guidance*, United Nations Sustainable Development Group, New York, https://undg.org/wp-content/uploads/2019/06/UN-Cooperation-Framework-Internal-Guidance-Final-June-2019.pdf. [11]

UN (2018), *Repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system*, United Nations General Assembly, New York, https://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/72/279. [10]

UN (2018), *The Sustainable Development Goals Report 2018*, United Nations Department for Economic and Social Affairs, New York, https://unstats.un.org/sdgs/files/report/2018/TheSustainableDevelopmentGoalsReport2018-EN.pdf. [17]

UN (2016), "A/RES/71/243", in *Quadrennial comprehensive policy review of operational activities for development of the United Nations system*, United Nations General Assembly, New York, https://undocs.org/A/RES/71/243. [8]

UN (2016), *Report of the Inter-Agency and Expert Group on Sustainable Development Goal Indicators: Note by the Secretary-General*, United Nations Economic and Social Council, New York, https://unstats.un.org/unsd/statcom/47th-session/documents/2016-2-IAEG-SDGs-Rev1-E.pdf. [13]

UN (2015), *Addis Ababa Action Agenda*, United Nations, New York, https://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf. [4]

UN (2015), *Transforming Our World: The 2030 Agenda for Sustainable Development*, United Nations General Assembly, New York, https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A_RES_70_1_E.pdf. [1]

UN (2012), "A/RES/67/226", in *Quadrennial comprehensive policy review of operational activities for development of the United Nations system*, United Nations General Assembly, New York, https://www.un.org/ga/search/view_doc.asp?symbol=A/RES/67/226. [9]

WHO (2019), *WHO Presence in Countries, Territories and Areas: 2019 Report*, World Health Organization, Geneva, https://www.who.int/country-cooperation/publications/who-presence-report-2019/en. [14]

Notes

[1] Official development assistance flows are defined by the OECD as those flows that go to countries and territories on the DAC List of ODA Recipients and to multilateral development institutions; they are provided by official agencies and administered with the promotion of the economic development and welfare of developing countries as their main objective; and they are concessional in character. More detail on the definition is available in (OECD, n.d.[33]).

[2] As of December 2018, 47 countries are included in the UN Committee for Development Policy list of least developed countries. The list is available at: https://www.un.org/development/desa/dpad/wp-content/uploads/sites/45/publication/ldc_list.pdf

[3] The 2018 report, *Global Outlook on Financing for Sustainable Development*, found that foreign direct investment to developing countries plunged by around one-third over 2016 and 2017.

[4] Global Partnership monitoring uses a broad definition of CRFs to account for the possibility that some countries may not articulate their priorities through a single, integrated CRF. This broad definition includes CRFs in national or subnational strategies, sector plans, ministerial or institutional plans, and joint government-development partner strategies. The full CRF definition is available in GPEDC (2018, pp. 50-51[7]).

[5] For purpose of readability, "programme and projects" are hereafter referred to as projects across this report.

[6] Of the strategies that do not include results indicators drawn from CRFs, plans and strategies (28% of all strategies), 63% are in partner countries where there is a single, integrated CRF that is part of the national development strategy. The remaining 37% of strategies are in ten partner countries where there is no integrated country-owned results framework within the national development strategy. However, this does not exclude that sector strategies or other national planning documents could contain results frameworks to which partners could align.

[7] The 2018 OECD fragility framework classifies 58 contexts as fragile across a spectrum of intensity and in economic, environmental, political, security and societal dimensions. Of these 58, 45 are partner countries that participated in the 2018 Global Partnership Monitoring Round. The OECD further classifies 15 of the 58 fragile contexts as extremely fragile; 12 of these 15 are partner countries that participated in the 2018 Monitoring Round. The OECD (2018[34]) report, *States of Fragility*, presents the fragility framework.

[8] The relationship between alignment of country strategies and alignment of individual projects was tested on the four assessed elements of alignment and found to be statistically significant for each element. The data draw on development partner-partner country pairs for which information is available on alignment at the level of both country strategy and project and where the country strategy started in 2017 or earlier.

[9] When disaggregated by development partner, some types of partners have increased alignment of project objectives. However, for the vast majority of projects on average across all development partners, alignment at the level of the projects' objectives decreased since the 2016 round, driving down the global average.

[10] Commitments to improve predictability of development co-operation that were made in the Paris Declaration on Aid Effectiveness (OECD, 2005[12]) have been renewed in the Busan Partnership agreement (OECD, 2011[5]), the Nairobi Outcome Document (GPEDC, 2016[6]) and the Addis Ababa Action Agenda (UN, 2015[4]).

[11] The greater predictability of development co-operation by other international organisations is largely explained by International Organization for Migration improvement (from 75% to 98%) and by the high annual predictability of organisations that reported at country level for the first time in the 2018 Monitoring Round. Aggregate figures for UN agencies and other international organisations for the 2016 Monitoring Round have been adjusted to reflect changes in the way they were classified.

[12] In the 2018 Monitoring Round, information on development co-operation funding scheduled for disbursement to the public sector and disbursements was available for 84 countries.

[13] Annual predictability is the extent to which development partners disbursed scheduled funding to partner country government within the same fiscal year as planned; medium-term predictability refers to whether development partners have shared forward expenditure plans with partner country governments.

[14] Fostering humanitarian-development-peace coherence is one of six action areas in the Global Partnership's recently endorsed tailored approach to monitoring effective development co-operation in fragile contexts. The tailored approach includes a placeholder for which an indicator to measure humanitarian-development-peace coherence is to be developed based on agreed actions, including monitoring the recently adopted *DAC Recommendation on Humanitarian-Development-Peace Nexus*.

[15] The term "on budget", as used in this report and measured by Indicator 6 of the Global Partnership for Effective Development Co-operation monitoring framework, refers only to the recording of funding planned by development partners in the parliament-approved budget. It does not indicate whether or not the development partner used the government budget process to disburse the funds.

[16] See Footnote 7.

[17] Analysis of the 2018 monitoring data shows a positive and statistically significant correlation between the existence of aid information management systems and the share of development co-operation recorded on national budgets.

[18] Non-DAC bilateral partners and vertical funds diverged from the overall trends in that the decrease in the share of development co-operation covered by forward expenditure plans did not correspond to a lower share of development co-operation recorded on budget. This can be partially explained by variation among the two groups in reporting on the two indicators and by changes in the composition of the groups between 2016 and 2018.

[19] Data analysis shows a positive correlation between the existence of country strategies and forward expenditure plans. Data analysis additionally indicates that the higher the share of development co-operation disbursed to the public sector, the higher the share of development co-operation for which development partners have made forward plans available to partner country governments.

[20] While the proportion of development co-operation funding that goes to the public sector declined sharply in all contexts, this decline is even more pronounced – from 77% to 31% over the same period – in extremely fragile contexts. Data from the OECD Creditor Reporting System show a slight increase, from 1.4% in 2015 to 1.5% in 2017, in the proportion of core support to civil society organisations in extremely fragile contexts as a share of total ODA disbursed in these contexts.

[21] The MDBs improved use of country procurement systems overall by 18 percentage points between the 2016 and 2018 Monitoring Rounds.

[22] For non-DAC bilateral partners this decrease may relate to a change in the sample. Eleven non-DAC bilateral development partners are included in both the 2016 and 2018 Monitoring Rounds. Nineteen non-DAC development partners were included in the 2016 round and 24 in the 2018 round.

[23] Data from the 2018 Monitoring Round show a strong positive relationship between the share of loans (in disbursements to the public sector) and use of country systems. On average, a 10 percentage-point increase in the loan share of a country is associated with a 4.9 percentage-point increase in the use of country systems, according to analysis based on 80 countries participating in the 2018 Monitoring Round for which data are available.

[24] In addition, 64% of development co-operation funding is disbursed in loans in the UMICs compared to 74% in lower middle-income countries, further contributing to the observed trend.

[25] It should be noted that while the relationship between use of country systems and national income holds for SIDS – mainly because they are overwhelmingly UMICs or high-income countries – SIDS do not drive this trend. When SIDS are excluded from the analysis, a very similar pattern to that presented in Figure 5.17 is observed.

[26] The analysis is based on the 69 countries that participated in both the 2016 and the 2018 Monitoring Rounds and provided development partner data on use of country PFM systems and disbursements. The same trend is not observed for those countries in which there was an increase in the use of country PFM systems in 2016. This indicates that the observed difference is not driven by initial differences, but rather a change in disbursements to the public sector over time.

[27] The duration of engagement between a partner country and a development partner is gauged by the number of years the development partner has reported disbursements to the OECD-DAC Creditor Reporting System, going back from 2018 to the beginning of the reporting in that partner country or to the first break in reporting for more than two consecutive years.

[28] The Recommendation on untying now extends to the LDCs, heavily indebted poor countries, other low-income countries and countries that are eligible only for financing from the International Development Association (IDA) (“IDA-only countries”).

[29] The latest available data at the time of writing are from 2017.

[30] According to the “2018 Report on the DAC untying recommendation” (OECD[29]), Table 6, the nine DAC members are Australia, Canada, the Czech Republic, Finland, Poland, Slovenia, Sweden, the United Kingdom and the United States.

6 Development partners are taking steps to reinforce a whole-of-society approach to development

This chapter examines how development partners are supporting the participation of diverse actors through their development efforts. It focuses on how they engage national stakeholders in the preparation and implementation of development co-operation policies, strategies and programmes. It also provides a deeper assessesment of how development partners are supporting civil society in partner countries.

Realising the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) depends on collective efforts. Indeed, the specific objective of SDG 17 is to strengthen global partnerships that bring together all parts of society, including national governments, civil society organisations (CSOs), the private sector, the international community and other actors. The Nairobi Outcome Document (GPEDC, 2016[1]) also recognised the need for inclusive, multi-stakeholder partnerships and called for the contributions of all partners to be co-ordinated and complementary. In addition to working effectively with governments, development partners can support the participation of diverse actors through their development efforts. This can be done directly, by engaging these stakeholders in the preparation, implementation and monitoring of country strategies, programmes and projects, and it can be done indirectly, by promoting an environment that enables development actors to operate and to contribute to national development in their own right.

Through its multi-stakeholder platform, the Global Partnership champions a whole-of-society approach to sustainable development. While a variety of development actors are captured across several areas of Global Partnership monitoring, there is a dedicated indicator on a CSO-enabling environment and another on public-private dialogue. The results of these two indicators, as well as how other stakeholders contribute to development efforts, are discussed in Part I of this report. This chapter provides a brief overview of national stakeholders engaged in the preparation and implementation of development co-operation policies, strategies and programmes, followed by a more detailed assessment of one of the four areas of the CSO indicator, on how development partners are supporting civil society in partner countries.

Development partners' support to and engagement with CSOs is particularly important for SDG implementation. Assistance from development partners to CSOs can enable better organisation of citizens, create direct communication channels with elected representatives and support overall public engagement for citizens to hold their governments to account (Seery and Seghers, 2019[2]). While this chapter focuses on official development partners, other development actors such as philanthropies also play a crucial role in supporting CSOs in partner countries. For example, the Aga Khan Foundation partners with civil society to develop citizen-led organisations that seek inclusive solutions to common problems (Aga Khan Foundation, 2018[3]). In one such project, it created a social innovation lab with CSOs in Kenya to discuss social and economic challenges for the youth and collaboratively design solutions to address them.

The key findings of this chapter are:

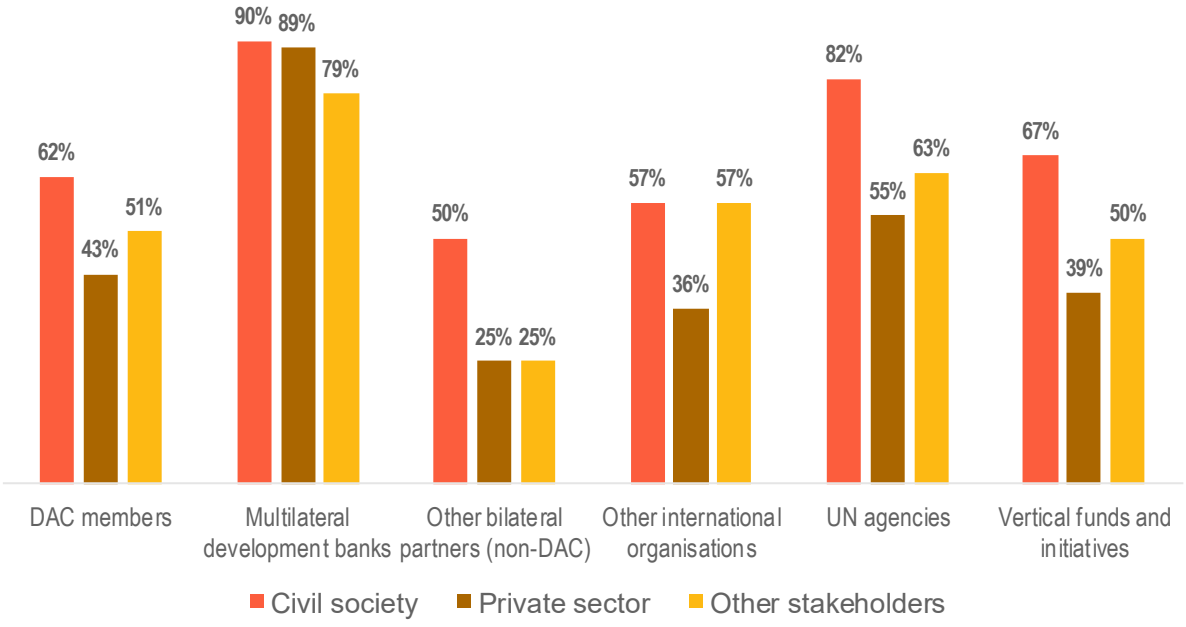
- More inclusive and predictable engagement by development partners would allow for better-quality inputs from national stakeholders. Of all the national stakeholders, CSOs are consulted the most. Nevertheless, CSOs in more than half of participating partner countries reported that consultations[1] with development partners are episodic, unpredictable and not systematically conducted. Additionally, by engaging more systematically a diverse range of national actors, development partners would help to ensure that development efforts are country-owned and relevant to the needs and priorities of different parts of society.
- By raising the enabling environment as a regular agenda item in policy dialogues with partner country governments, development partners would enhance the conditions for civil society to operate and contribute to development in partner countries. While most development partners reported that they include this issue in policy discussions, CSOs in the majority of partner countries find that it is raised by only some development partners and not regularly.
- Improving the quality of financial support to CSOs is critical. Development partners in a majority of partner countries consider their funding mechanisms to be predictable, transparent and accessible to a diversity of CSOs, but CSOs agreed with this assessment in less than 20% of partner countries. Moreover, CSOs consider funding received to be primarily driven by development partners' own interests and priorities. In addition to safeguarding core support to CSOs, development partners can also better co-ordinate, simplify and harmonise funding requirements among themselves to maximally enhance the environments in which CSOs operate.

Development partners are not yet fully leveraging the contributions of diverse stakeholders in a systematic way that reflects a whole-of-society approach

Development partners did not involve CSOs in the preparation of one-quarter of their country strategies, leaving room for more inclusive dialogue. They involved the private sector to an even lesser extent (Figure 6.1). Engaging national stakeholders in preparing development partners' country strategies and partnership frameworks can play an important role in supporting development efforts that are owned by the whole of society. This helps to ensure the relevance of country strategies and projects to the needs and priorities of different parts of society in the partner country. In addition, inclusive engagement when planning development efforts can support collaborative and complementary efforts across the various development actors and maximise potential synergies. On average, development partners engaged CSOs in preparing 74% of the 831 country strategies reported in the 2018 Monitoring Round, the private sector in 54% of strategies, and other stakeholders (i.e. academia, trade unions, other development partners, experts, youth groups, etc.) in 60% of strategies. Among development partners, multilateral development banks consulted with non-governmental stakeholders the most, followed by UN agencies. Non-DAC bilateral partners engaged non-governmental stakeholders the least.

Figure 6.1. Civil society organisations are consulted the most in preparing development partners' country strategies

Proportion of country strategies where non-governmental partner country stakeholders are engaged by development partners in their preparation, by partner type



Notes: DAC: Development Assistance Committee. Data presented in this figure relate to the 831 cases in which development partners have a country strategy or partnership framework. "Other stakeholders" mentioned by respondents include academia, trade unions, other development actors, experts and youth groups.

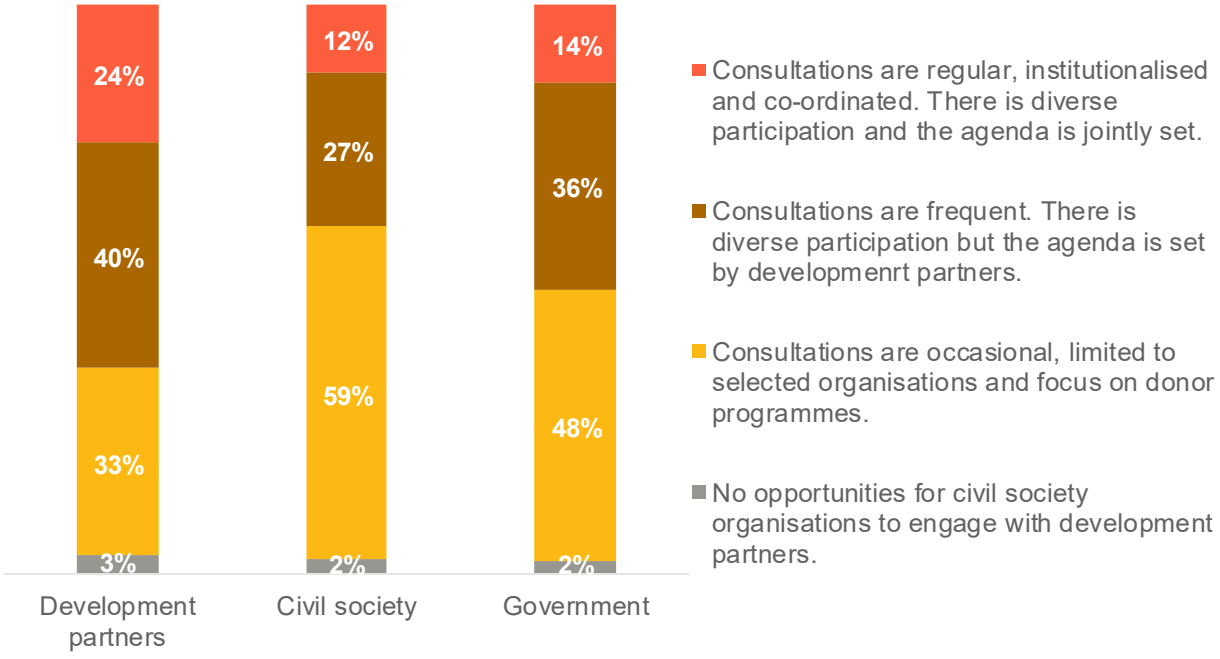
Source: Draws on assessment of development partners' use of country-led results frameworks (Indicator 1a, Module 1). Further information is availabe in GPEDC (2018, pp. 46-52[4]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019533

The perception among CSOs in most partner countries is that consultation with development partners is episodic, unpredictable and not systematically conducted. Over half of participating partner countries reported on the enabling environment for civil society (see Section 3.2 in Chapter 3 of this report). One of the four areas assessed as part of the enabling environment is the effectiveness of development partners' work with CSOs.[2] Aggregate results for this area, as rated by governments, civil society and development partners, declined from 79% in the 2016 Monitoring Round to 49% in the 2018 round.[3] As shown in Figure 6.2, CSOs also reported on the extent to which development partners consult them in the design, implementation and monitoring of their development co-operation policies and programmes. In this regard, CSOs in 59% of participating partner countries reported that consultation with development partners is episodic, unpredictable and not systematically conducted. CSOs in these countries also reported that the agenda of these consultations is largely set by development partners and focuses on pre-determined policies and priorities. In addition, CSOs in these countries reported that consultations are not co-ordinated adequately to include a diverse range of CSOs.

Figure 6.2. Civil society organisations in most countries reported that development partner consultations are occasional and not inclusive

Responses from development partners, civil society and governments on the extent to which development partners consult civil society on their development co-operation policies and programmes (share of countries)



Notes: Results include all views received from focal points of development partners, civil society and government who answered this question. Focal points were encouraged to consult with their constituencies to provide representative views. The complete wording of the response options is presented in the Characteristics of Practice, which can be downloaded at: http://bit.ly/Indicator2CoP

Source: Draws on assesment of the environment for civil society organisations (Indicator 2, Module 3, Question 3A). Further information is available in GPEDC (GPEDC, 2018[4]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

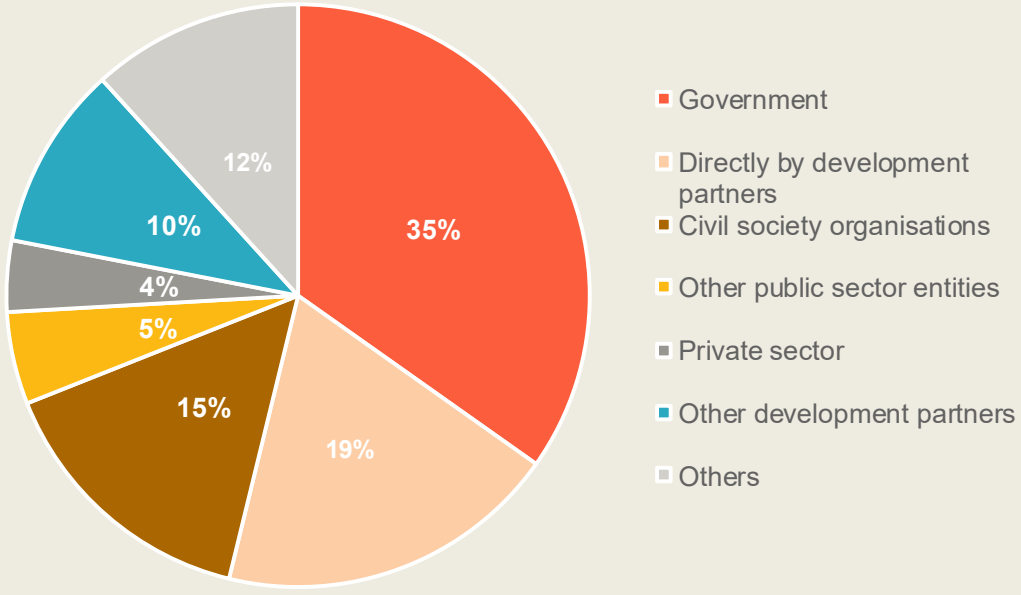
StatLink https://doi.org/10.1787/888934019552

In addition to being consulted by development partners, CSOs and the private sector play a role as implementers of development co-operation projects. Development partners value CSOs as partners because they bring expertise, grass roots knowledge and capacity to deliver services in places that development partners may not be able to reach on their own (OECD, 2012[5]). The proximity of CSOs to beneficiaries and their ability to react quickly in crises are also considered comparative advantages (Hedman and Mc Donnell, 2011[6]). Likewise, development partners work with the private sector to take advangage of its in-country knowledge, sectoral expertise and innovative solutions to address development challenges. Its capacity to mobilise additional resources is also cited as a reason to engage the private sector in project implementation (OECD, 2016[7]). CSOs and the private sector implement just under a quarter of development partners' projects assessed through the 2018 Monitoring Round (Box 6.1).[4]

Box 6.1. Civil society organisations and the private sector as project implementers

Civil society organisations are the main implementers of 15% of the more than 3 300 projects reported by development partners in the 2018 Monitoring Round; the private sector, national and international, is the main implementer of another 4% of projects. The government is responsible for implementing 35% of projects; the development partner for 19% of projects; and other public entities for 5% of projects. This disaggregation of implementing partners, illustrated in Figure 6.3, is consistent with the findings of the 2016 Monitoring Round.

Figure 6.3. Main implementers of the largest development projects approved in 2017



Notes: Development partners were asked to report on their six largest programmes or projects above USD 100 000 and approved during 2017 in the 86 participating countries. They reported a total of more than 3 300 projects. "Others" include universities, research centres, banks, financial intermediaries and private foundations.
Source: Draws on assessment of development partners' use of country-led results frameworks (Indicator 1a, Module 2). Further information is available in GPEDC (2018, pp. 46-52[4]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019571

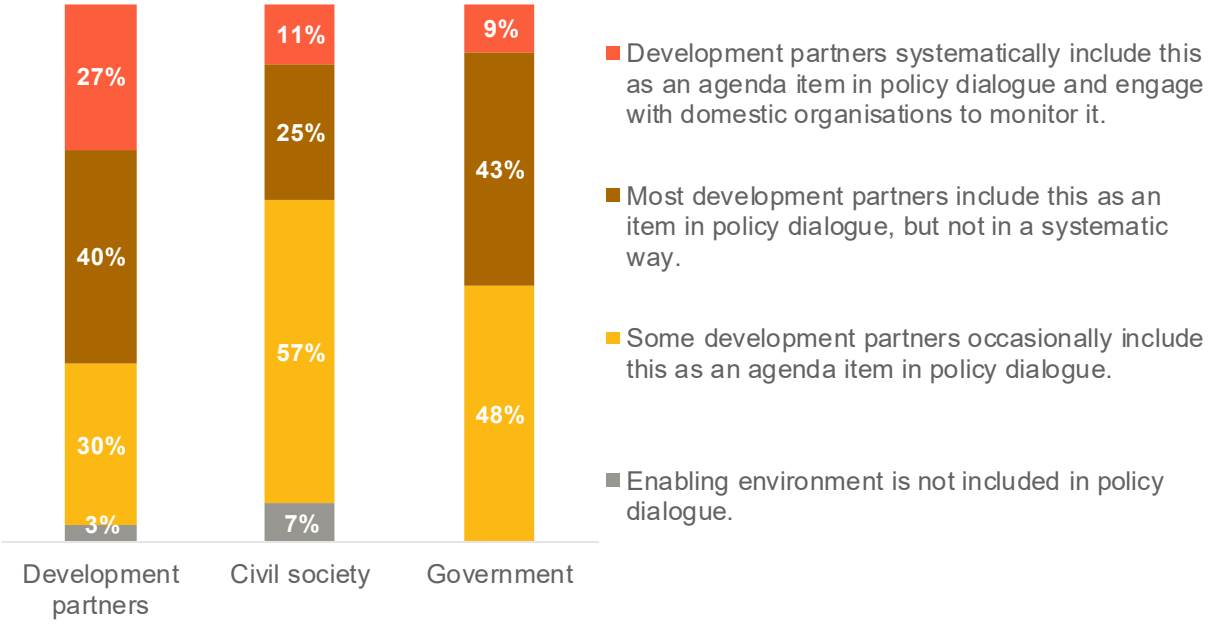
Development partners have an important role in supporting the enabling environment in which civil society organisations operate

Development partners can support whole-of-society participation in development by promoting an enabling environment for CSOs to operate. This can be done in many ways, including by: advocating for an enabling environment for CSOs as a key development concern in policy dialogue with governments; improving mechanisms to fund CSOs in ways that strengthen their operations and increase their independence and responsiveness to community needs; and making support to CSOs more transparent to facilitate the co-ordination of operations and funding in partner countries.

Development partners do not systematically raise the enabling environment for CSOs as an issue in policy dialogue with partner country governments. Civil society organisations in a majority of countries (57%) reported that development partners only occasionally include elements of an enabling environment for CSOs in their policy dialogue with partner country governments. This view is also held by 48% of partner country governments (Figure 6.4). According to a recent study by Wood and Fällman (2019[8]), only 19 of the 30 DAC members reported that they engage in dialogue on the need for enabling environments with both partner country governments and in international and regional fora (see Box 6.4). Part I of this report discusses overall negative trends across several conditions for CSOs to operate and effectively contribute to development, supporting views of a contracting civic space (CIVICUS, 2019[9]). In view of these findings, there is room for development partners to take on a more systematic advocacy role to help strengthen the enabling environment for CSOs. Dialogue with partner country governments, for instance, provides the opportunity for development partners to stress the need to address constraints on the enabling environment and actively seek to identify measures to improve it. Development partners also can gear their government-to-government support to reinforcing partner country institutions that protect and uphold the CSO-enabling environment.

Figure 6.4. Development partners and partner country governments do not systematically discuss promoting a CSO-enabling environment

Responses from development partners, civil society and governments on the extent to which the promotion of an enabling environment for CSOs is an agenda item in development partners' policy dialogue with the government (share of countries)



Notes: Results include all views received from focal points of development partners, civil society and government who answered this question. Focal points were encouraged to consult with their constituencies to provide representative views. The complete wording of the response options is presented in the Characteristics of Practice, which can be downloaded at: http://bit.ly/Indicator2CoP

Source: Draws on assessment of the environment for civil society organisations (Indicator 2, Module 3, Question 3B). Further information is available in GPEDC (2018, pp. 62-67[4]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

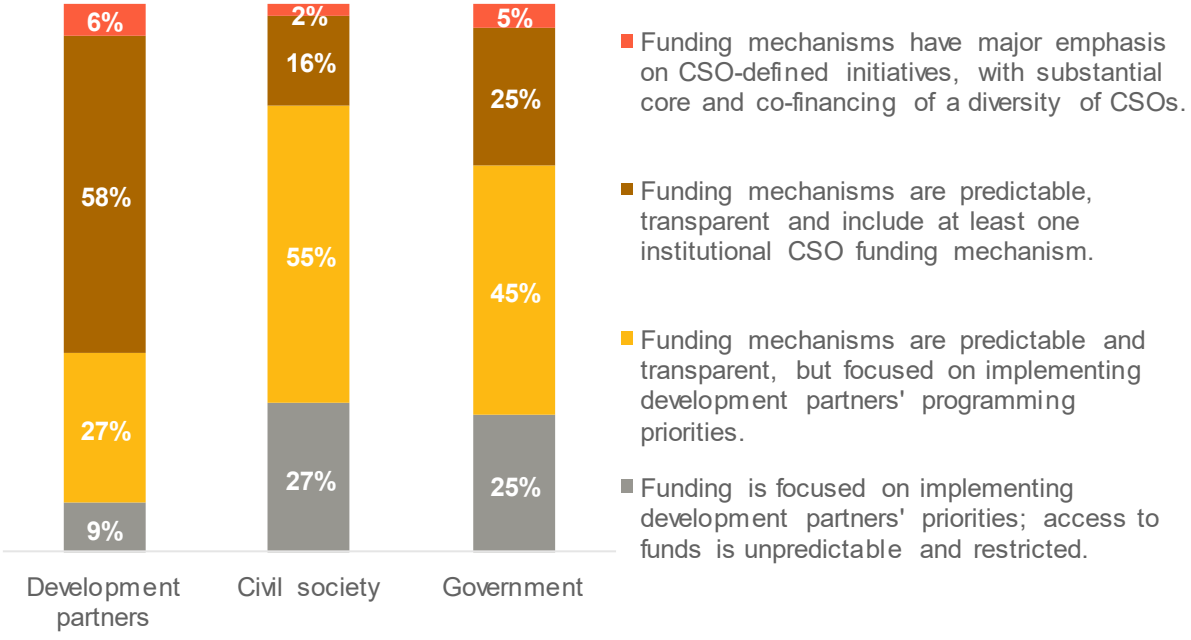
StatLink https://doi.org/10.1787/888934019590

The vast majority of CSOs consider that development partners' funding mechanisms are driven primarily by these partners' own interests and priorities. As highlighted in the Busan Partnership agreement, *"CSOs play a vital role in enabling people to claim their rights, in promoting rights-based approaches, in shaping development policies and partnerships, and in overseeing their implementation".* The Nairobi Outcome Document restated the essential role of civil society as an independent partner. Development partners have the opportunity to strengthen CSO operations and increase CSOs' independence, diversity and responsiveness to community needs and priorities through their financial support. CSOs in 82% of partner countries reported that funding priorities and mechanisms are exclusively driven by development partners' own programming interests or tied directly to implementation of their own priorities (Figure 6.5). This suggests that those CSOs receiving funding from development partners consider themselves more as implementers than as equal partners and actors in their own right able to bring knowledge on local needs and priorities. As discussed in Part I of this report, CSOs expressed similar views when funding comes from other, larger CSOs and from international CSOs. These perspectives are particularly relevant given current trends, whereby funding provided directly to local CSOs is declining and funding channelled through local and other types of CSOs is increasing (Box 6.3). An example of how to strengthen CSOs as independent development actors in their own right is organisational support in the

form of core funding targeted to a CSO's own objectives and programmes. Co-ordination, simplification and harmonisation of funding requirements among development partners also constitute good practice that contributes to reduced transaction costs and increased access for a diversity of CSOs (Box 6.2 discusses Samoa, a case in practice).

Figure 6.5. Civil society organisations and governments in most partner countries consider development partners' funding mechanisms to be focused on implementing the development partners' own programming priorities

Responses from development partners, civil society and governments on the extent to which development partner financial support maximises sustainable engagement of partner country CSOs in development (share of countries)



Notes: CSO: civil society organisation. Results include all views received from focal points of development partners, civil society and government who answered this question. Focal points were encouraged to consult with their constituencies to provide representative views. The complete wording of the response options, and detail on funding mechanisms, is presented in the Characteristics of Practice, which can be downloaded at: http://bit.ly/Indicator2CoP.

Source: Draws on assessment of the environment for civil society organisations (Indicator 2, Module 3, Question 3C). Further information is available in GPEDC (2018, pp. 62-67[4]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019609

Box 6.2. Co-ordinating support to civil society organisations in Samoa

The Civil Society Support Programme (CSSP) was designed to strengthen Samoan civil society organisations (CSOs) and facilitate their participation in the sustainable delivery of social and economic benefits. The programme set out two objectives.

1. Providing an efficient and accountable funding mechanism that enables CSOs to implement effective and innovative development initiatives in response to the priority needs of vulnerable communities.
2. Serving as a responsive resource for civil society development in Samoa by building CSO capacity, strengthening partnerships, promoting alliances, providing information and conducting research.

In extending its support to CSOs, the CSSP provides a single point of contact and a common set of application forms and reporting requirements. It further provides for CSO capacity building in project and organisational management and in proposal writing. Grantees are offered technical assistance to improve the implementation of their projects within a sustainable framework. The CSSP additionally supports information exchange among community organisations on their projects and best practices.

The CSSP is governed and managed by the government of Samoa, civil society representatives and development partners, including the Australian government through AusAID, the World Bank, the United Nations Development Programme and the European Union. The CSSP allows for improved co-ordination, simplification and harmonisation of funding requirements. It also contributes to reducing transaction costs and increases access to funding for a diverse range of CSOs.

Source: Government of Samoa (Government of Samoa, n/d[10]), www.cssp.gov.ws/about-us.

Box 6.3. Disparities in funding for civil society organisations

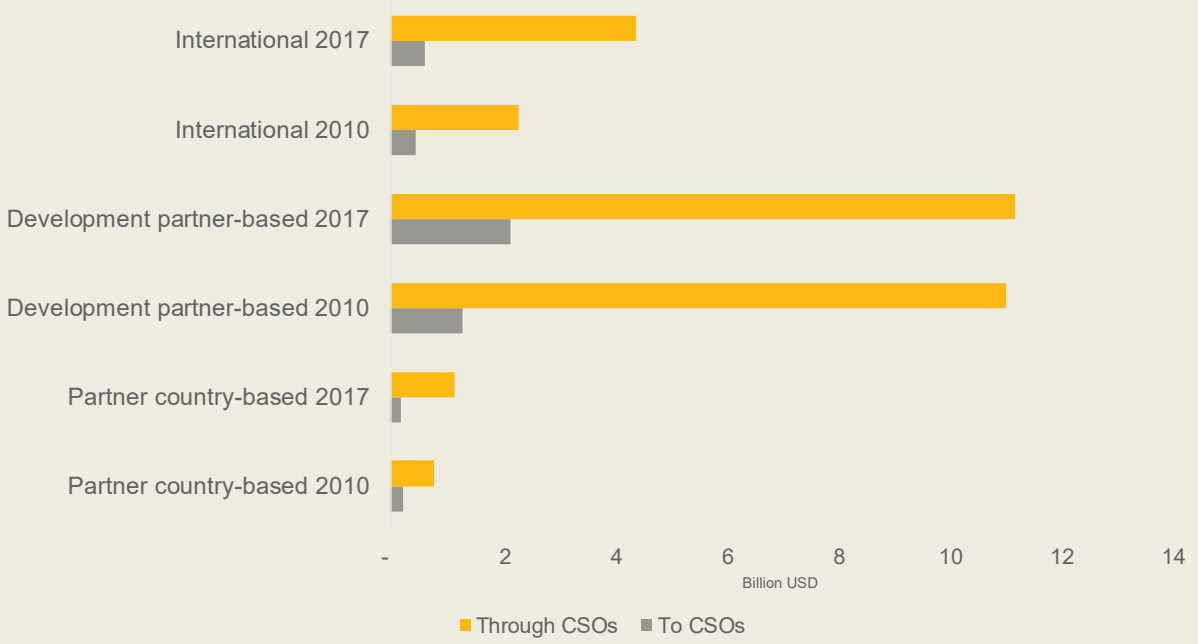
Although civil society organisations (CSOs) are receiving more financial support from development partners than ever before, funds to CSOs based in partner countries have decreased. According to recent OECD statistics on official development assistance (ODA) to CSOs (OECD, 2018[11]), Development Assistance Committee (DAC) funds to and through CSOs increased from USD 17 billion to USD 20 billion from 2010 to 2017 (Figure 6.6). ODA to CSOs comprises **core contributions** that are programmed by the CSO; ODA through CSOs is **earmarked funding** that is channelled through CSOs to implement development partner-initiated projects.

This overall increase, however, is not equally reflected in the different forms of assistance or in the types of organisations. ODA through CSOs has increased for all types of CSOs, most notably for international ones.[1] ODA to CSOs decreased overall for partner country-based CSOs.[2] While ODA to CSOs increased for international CSOs, the biggest increase was for CSOs that are based in development partner countries.[3]

International CSOs often work with CSOs based in partner countries, so an increase in funds to international CSOs could translate into an increase in funds to partner country-based CSOs. However, these partnerships often are not equitable and are typically based on the projects and interests defined by the financing CSO (see Chapter 3 of this report). As a result, such funding does not directly increase

the ability of CSOs based in partner countries to implement their own programmes in response to the needs and priorities of the local communities they serve.

Figure 6.6. DAC assistance to civil society organisations (CSOs) (core) and through CSOs (earmarked), 2010-17



Notes: Official development assistance (ODA) to CSOs refers to core contributions and contributions to programmes. These funds are programmed by the CSOs. ODA through CSOs (earmarked funding) refers to funds channelled through CSOs and other private bodies to implement development partner-initiated projects.
Source: OECD (n.d.[12]), *Creditor Reporting System* (database), https://stats.oecd.org.

StatLink https://doi.org/10.1787/888934019628

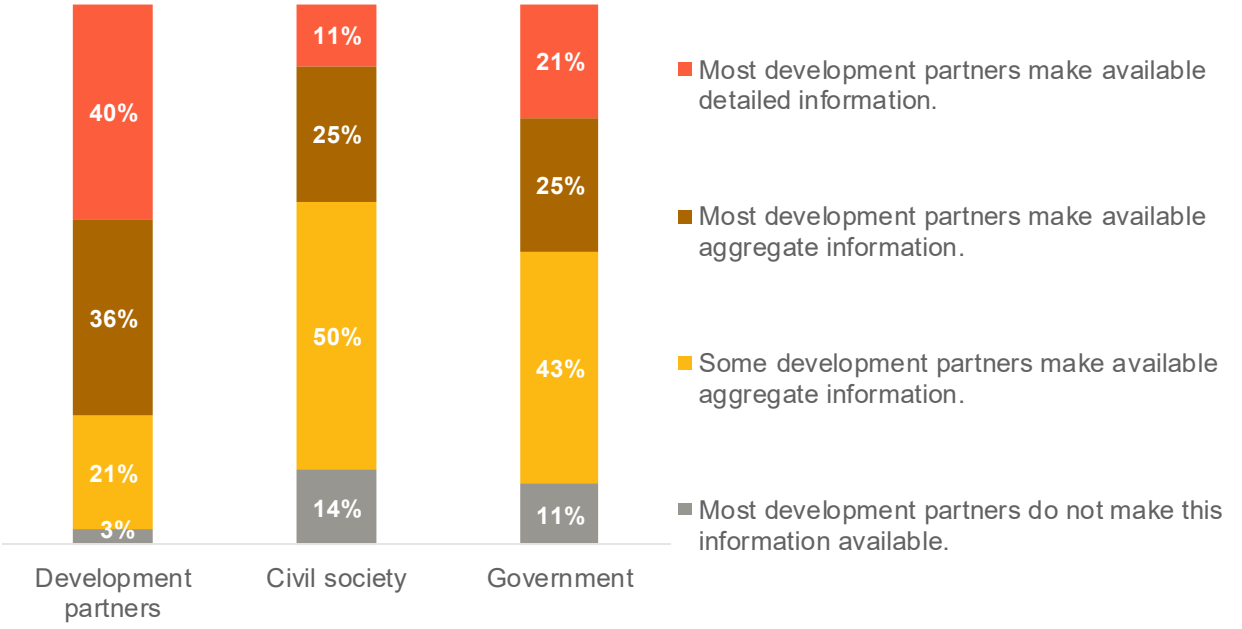
1. International CSOs are organised on an international level. International organisations may act as umbrella organisations with affiliations in several development partner and/or partner countries.
2. Partner country-based CSOs are organised at the national level, and are based and operated in ODA-eligible countries.
3. CSOs based in the country of development partners are organised at the national level, and are based and operated either in the country of the development partner providing the funds or another development partner country.

More detailed information on development partners' support to CSOs would increase transparency and accountability towards citizens. Development partners in 40% of partner countries reported that they make available detailed information (sectors, programmes, objectives, financing, results) on their support to CSOs. However, CSOs in only 11% of partner countries agreed that this is the case. In 50% of countries, CSOs reported that only some development partners make information available on their support to CSOs at aggregate level, and without activity-level or beneficiary-level information. Governments in 11% of countries and CSOs in 14% of countries reported that they believe information is not available on the majority of development partners' support to international and domestic CSOs working in the country. Transparency regarding flows for CSOs is important to enhance the accountability of CSOs in partner countries towards their citizens. One option is reporting information about financial support to CSOs to national or international online platforms. Such information – including details on sectors,

objectives, geographic locations, financing and results – also can be made available through development partners' websites. In Albania, for example, most development partners make informaton about their support to CSOs publicly available on different platforms such as social media, publications and their own websites.

Figure 6.7. More transparent information on development partners' support to civil society organisations is needed

Responses from development partners, civil society and governments on the extent to which development partners make available information about their CSO support (share of countries)



Notes: Detailed information on support for civil society organsations includes sectors, objectives, geographic location, financing and results, both on international platforms and on development partners' websites. Results include all views received from focal points of development partners, civil society and government who answered this question. Focal points were encouraged to consult with their constituencies to provide representative views. The complete wording of the response options is presented in the Characteristics of Practice, which can be downloaded at: http://bit.ly/Indicator2CoP

Source: Draws on assessment of the environment for civil society organisations (Indicator 2, Module 3, Question 3D). Further information is available in GPEDC (2018, pp. 62-67[4]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019647

Box 6.4. Study on how DAC members work with civil society

Wood and Fällman, in a paper published by the OECD (Wood and Fällman, 2019[8]), find that, overall, Development Assistance Committee (DAC) members are striving to implement the OECD's Partnering with Civil Society recommendations (OECD, 2012[5]). The new study explores DAC members' policies regarding civil society, including on consultation; funding; and approaches to monitoring, evaluation and accountability, and it will inform up-to-date guidance to be developed in collaboration with DAC members and other stakeholders. The study's conclusions, moreover, dovetail with results from the 2018 Global Partnership Monitoring Round. Their mutually reinforcing findings on how development partners work with civil society point to areas in need of attention going forward.

All 30 DAC members participated in a survey conducted in conjunction with the study. One of its findings was that all DAC members consult with CSOs at headquarters level regarding their civil society policies, and that 20 members have a regular and systematic consultation process in place. Only 7 members report having regular and systematic consultations at partner country level, although 20 members said ad hoc consultations take place at partner country level.

DAC members report that they promote an enabling environment for CSOs in different ways. Consistent with findings from the 2018 Monitoring Round (Figure 6.4), 19 of the 30 members report that they engage in dialogue on the need for enabling environments both with partner country governments and in international or regional fora. Among the additional means they pursue to promote enabling environments in partner countries are supporting civil society in countries where environments are disabling (23); supporting CSOs to strengthen their effectiveness and accountability (22); and encouraging partner country governments to engage in dialogue with CSOs (18). A less frequently used method, reported by only seven members, is self-assessment to better understand how their CSO support may indirectly contribute to disenabling environments.

In terms of transparency about their CSO support, the study finds that DAC members tend to favour tools such as annual reports to the public and to DAC member parliaments (15). Some DAC members have established open access databases of their CSO support (10). But, in line with the 2018 monitoring results, these are not necessarily disaggregated by partner country. Other members participate in open access databases covering CSO support in specific partner countries (6).

For a majority of DAC members (22), a main objective of their work with CSOs is strengthening civil society in partner countries, including to enable CSOs as independent development actors. The most-cited objective in working with CSOs was programme implementation in service delivery (23); 18 members reported programme implementation in human rights and democratisation was reported by 18 DAC members. More members use funding mechanisms such as calls for proposals or project and programme financing than use core support, even though core support is arguably more conducive to supporting CSO-defined initiatives and thus to enabling CSOs as development actors in their own right.

Source: Wood, J. and K. Fällman (2019[8]), "Enabling civil society: Select survey findings", https://doi.org/10.1787/54903a6a-en.

References

Aga Khan Foundation (2018), *AKF website*, https://www.akdn.org/our-agencies/aga-khan-foundation. [3]

CIVICUS (2019), *State of Civil Society Report 2019: The Year in Review*, CIVICUS, Johannesburg, https://www.civicus.org/documents/reports-and-publications/SOCS/2019/state-of-civil-society-report-2019_executive-summary.pdf. [9]

Government of Samoa (n/d), *Samoa Civil Society Support Programme (web page)*, http://www.cssp.gov.ws/about-us/. [10]

GPEDC (2018), *2018 Monitoring Guide for National Co-ordinators*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf. [4]

GPEDC (2016), *Nairobi Outcome Document*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/wp-content/uploads/2016/12/OutcomeDocumentEnglish.pdf. [1]

Hedman, J. and I. Mc Donnell (2011), *How DAC Members Work With Civil Society Organisations: An Overview*, OECD Publishing, Paris, https://www.oecd.org/dac/peer-reviews/Final_How_DAC_members_work_with_CSOs%20ENGLISH.pdf. [6]

OECD (2018), *Aid for Civil Society Organisations*, OECD Publishing, Paris, https://www.oecd.org/dac/financing-sustainable-development/development-finance-topics/Aid-for-Civil-Society-Organisations-2015-2016.pdf. [11]

OECD (2016), *Private Sector Engagement for Sustainable Development: Lessons from the DAC*, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264266889-en. [7]

OECD (2012), *Partnering with Civil Society: 12 Lessons from DAC Peer Reviews*, OECD, Paris, http://www.oecd.org/dac/peer-reviews/12%20Lessons%20Partnering%20with%20Civil%20Society.pdf. [5]

OECD (n.d.), *Creditor Reporting System (database)*, OECD, Paris, https://stats.oecd.org/Index.aspx?datasetcode=CRS1. [12]

Seery, E. and J. Seghers (2019), "Hitting the target: An agenda for aid in times of extreme inequality", *Oxfam Briefing Paper*, Oxford International, Oxford, UK, https://reliefweb.int/sites/reliefweb.int/files/resources/bp-hitting-the-target-aid-inequality-agenda-080419-en.pdf. [2]

Wood, J. and K. Fällman (2019), "Enabling Civil Society: Select survey findings", *OECD Development Co-operation Working Papers*, No. 57, OECD Publishing, Paris, https://dx.doi.org/10.1787/54903a6a-en. [8]

Notes

[1] The Global Partnership monitoring framework defines consultation as a process through which subjects or topics of interest are discussed within or across constituency groups. Consultations are more formal and interactive than dialogue. The objective of a consultation is to seek information, advice and opinions. In any consultative process, the convener is not only gathering input, but sharing information as well. The organiser seeks to identify and clarify interests at stake, with the ultimate aim of developing a well-informed strategy or project that has a good chance of being supported and implemented. Providing and sharing information are seen as the foundation of an effective consultation process.

[2] This area is Indicator 2, Module 3. The results from Module 3 are discussed across this chapter.

[3.] The relevant data sample is limited to the 36 countries that reported on CSO-enabling environments in both the 2016 and the 2018 Global Partnership Monitoring Rounds. For the 2018 round, the figure is the average result of individual responses of governments, civil society and development partners that reported on this area. For the 2016 round, the figure shows the responses provided by the government in consultation with civil society and development partners that reported on this area. Aspects covered in the assessment are discussed below in this chapter.

[4] These projects were approved during 2017, but actual implementation and disbursements may be phased over subsequent years. The projects were reviewed in the context of assessing development partners' alignment to country objectives and results. Development partners' disbursements at country level also are included in the dataset and inform other indicators. Of these disbursements, 35% were channelled to and through non-state actors, including CSOs and the private sector, as discussed in Chapter 2.

7 Development partners are strengthening transparency of development co-operation information as an important step to enhance accountability

This chapter examines how development partners are making information on their development co-operation publicly available. It focuses on the assessment of their reporting to global systems and standards, as well as reporting to country-level systems to track development co-operation. It also presents development partners' perceptions of country-level mutual accountability efforts.

Transparency and accountability are interlinked and integral elements that help to ensure that development efforts are conducted efficiently and effectively, thereby maximising results. Information on past, current and future efforts helps to hold officials and institutions accountable for their performance and how they use development resources. Access to high-quality and timely information on development co-operation helps governments to plan and manage resources for results; it also helps increasingly diverse development partners to co-ordinate their support and thus avoid fragmentation and duplication of efforts. The Addis Ababa Action Agenda recognises their importance, calling (Paragraph 58) for increased transparency and mutual accountably of development co-operation (UN, 2015[1]).

Development partners have continued to commit to making information on their development co-operation publicly available and to strengthening their participation in mutual accountability mechanisms.[1] This chapter examines development partner progress, both through reporting to global and country-level systems to track development co-operation information and through participation in country-level mutual accountability efforts.

The key findings of this chapter are:

- More development partners are making information on development co-operation publicly available. Since 2016, the number of development partners[2] reporting to the OECD Creditor Reporting System (CRS) and to the International Aid Transparency Initiative (IATI) has increased, signalling broadening uptake of the Busan commitment for transparent and accountable development co-operation.
- Challenges persist in the timeliness of reporting and in providing forward-looking information. While development partners' reporting on development co-operation is more comprehensive overall compared to the 2016 Monitoring Round, timely reporting and provision of forward-looking information are not progressing evenly across different transparency standards. This points to the need for a reinvigorated commitment to transparency – not only to provide the information, but to provide it in a way that is most useful to inform development efforts.
- Development partners at country level view mutual accountability assessments as important in improving effectiveness. Development partners perceive mutual accountability assessments as a key component in improving the ways of working at country level, signalling the need to continue to invest in mutual accountability frameworks even as the development co-operation landscape changes.

More development partners are making information on development co-operation publicly available

A greater number of development partners are making information on development co-operation publicly available. The assessment of transparency of development co-operation is grounded in development partner reporting to three global information systems and standards: the CRS, the OECD Forward Spending Survey (FSS) and the IATI.[3] (Box 7.1 provides additional details on these systems, their standards and the measurement approach.) Overall, the number of development partners reporting to one or more of these three systems and standards has increased, driven by new providers reporting to the CRS (a 5% increase in development partner reporting since 2016, from 91 to 96) and to the IATI (a 35% increase, from 43 to 58).[4] The number of development partners reporting to the FSS (44) remained the same from 2016 to 2018.

Box 7.1. Global Partnership measures of transparency

As noted, Global Partnership monitoring of the transparency of development co-operation relies on assessment of the extent to which information is made publicly available through each of the three reporting systems and standards. These systems and standards are recognised in the Busan Partnership agreement (Paragraph 23) for their complementary strengths, with the Creditor Reporting System and Forward Spending Survey providing statistical information and the International Aid Transparency Initiative providing management information.

OECD Creditor Reporting System (CRS): Records activity-level development co-operation flows for statistical, accountability and monitoring purposes.

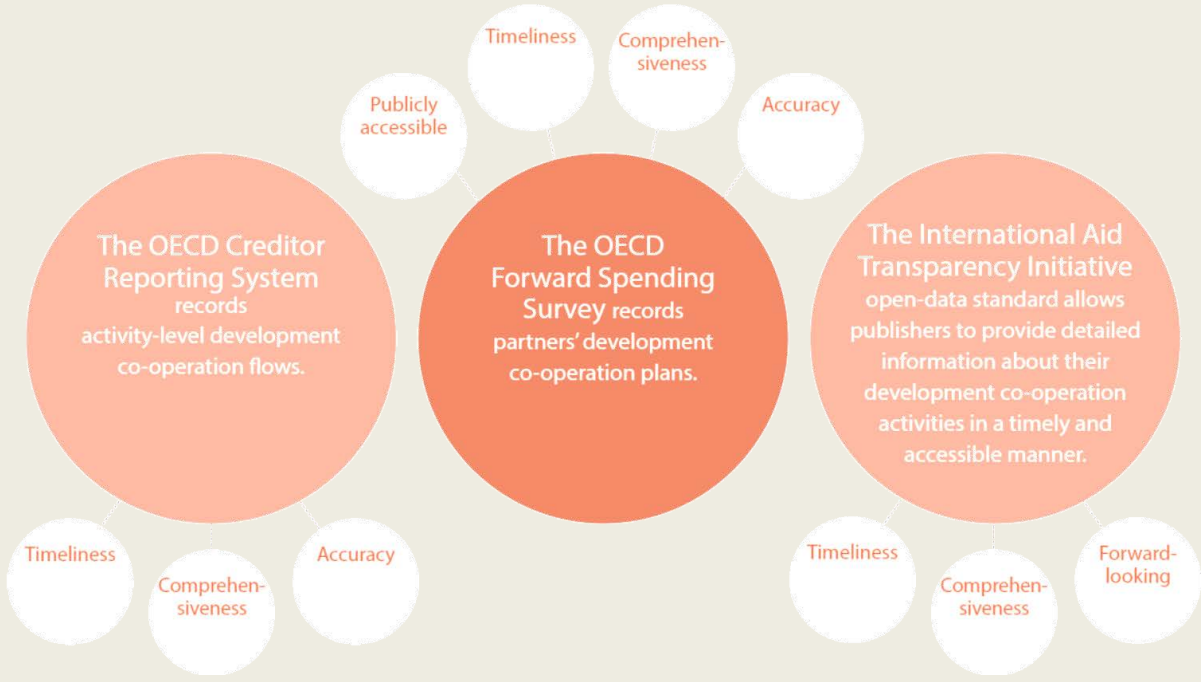
OECD Forward Spending Survey (FSS): Records development partners' development co-operation plans for greater predictability.

International Aid Transparency Initiative (IATI): An open-data standard that allows publishers to provide information about their development co-operation activities.

Evaluation of progress in increasing transparency relies on assessments produced by the secretariats of each of the three systems and standards. The assessment methodology differs across systems and standards, but all these methodologies are constructed around agreed dimensions of transparency. These include three dimensions agreed in the Busan Partnership agreement – timeliness, comprehensiveness and provision of forward-looking information – and the additional two dimensions of data accuracy and public availability, as part of the methodology agreed in 2016.[1] Figure 7.1 shows the dimensions assessed for each system and standard. Development partners' scores in dimensions are based on the information they provide to these systems; each is then assigned an overall percentage score for transparency. To facilitate interpretation of scores, the Global Partnership presents the assessments using a four-tiered scale of excellent, good, fair and needs improvement.[2]

The above-noted increase in the number of development partners reporting to one or more of the three systems and standards resulted in a 32% increase in assessments from the 2016 to the 2018 Monitoring Round.[3]

Figure 7.1. Dimensions of transparency assessed across the three reporting systems and standards

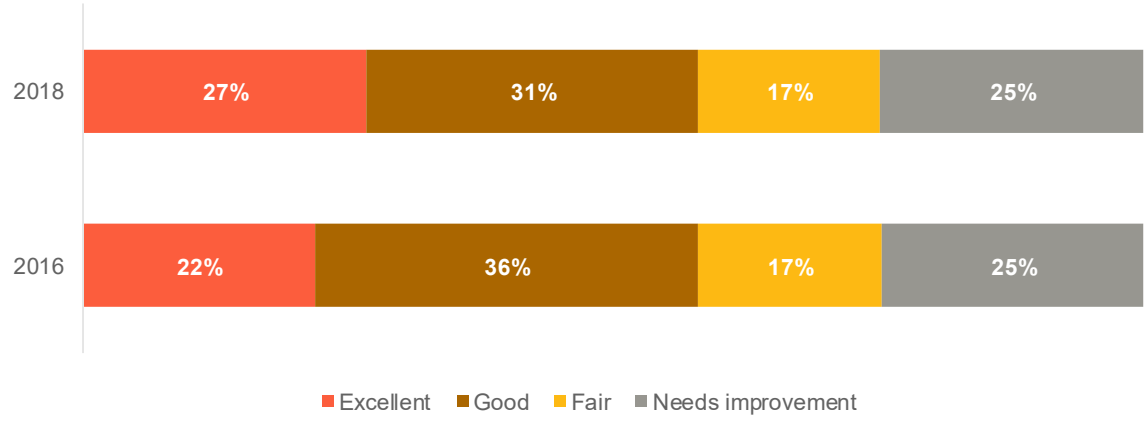


1. This dimension (publicly accessible) for the FSS was added as part of the revision to the monitoring methodology in the lead up to the 2016 Monitoring Round. While the CRS and the IATI, by default, are publicly available, the results of the FSS are not. The Global Partnership transparency assessment therefore includes development providers' willingness to disclose their spending plans as a dimension.
2. The weights of different dimensions vary by assessment. Given that the underlying methodologies are different, the Global Partnership tiered scale is not directly comparable across systems. Details on the scoring can be found in the *Technical Companion Document* (GPEDC, 2018[2]) The technical details of the specific methodologies for these three assessments can be accessed at: http://bit.ly/ind4final.
3. Global Partnership monitoring presents transparency assessment scores by country. In the cases of Canada, EU institutions, France, the United Kingdom and the United States, multiple government institutions publish individually to the IATI. For comparability purposes, the average assessment for these is presented at government level (weighted by the size of the specific development co-operation programme).

Overall levels of transparency of development co-operation remain unchanged. Results from the 2018 Monitoring Round are similar to those from the 2016 round, with 27% of the assessments across all three global information systems and standards rated as excellent (Figure 7.2). One-third (38%) of development partners received a score of excellent in at least one of the three assessments. Three-fourths (76%) of development partners are rated as good at least once.[5] The African Development Bank, the Asian Development Bank, Canada, EU institutions, the Global Environment Facility, the Nordic Development Fund, Sweden, the United Nations Children's Fund and the United Nations Development Programme have excellent scores in at least two of the three assessments. However, transparency trends across systems and standards differ. More development partners reporting to the CRS and the IATI obtained a score of excellent in the 2018 round than in the 2016 round (Figure 7.5).[6] In contrast, fewer development partners obtained scores of excellent on their reporting to the FSS in the 2018 round compared to the numbers in the 2016 round[7] (Figure 7.4). To highlight an example of good practice, Norway has improved the quality of its reporting to each of the three systems and standards since 2016. This is the result of its increasing emphasis on high-quality reporting to the OECD systems and of higher frequency of reporting to the IATI.

Figure 7.2. Transparency of development co-operation remains steady

Development partners' ratings across three transparency systems and standards



Notes: Percentages for 2018 are based on 176 instances in which a development partner appears in an assessment across all three transparency systems and standards. Percentages for 2016 are based on 133 instances.
Source: Draws on assessment of the transparency of development co-operation (Indicator 4). Further information is available in GPEDC (2018, pp. 74-78[3]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019666

Information on development co-operation is more comprehensive, but development partners struggle to provide timely reporting and forward-looking information

The comprehensiveness of reported information on development co-operation has improved. Among the three dimensions of transparency highlighted in the Busan Partnership agreement, the most notable progress has been made in the comprehensiveness of information reported to the FSS and the IATI. For 42% of development partners reporting to the FSS, information reported is more complete than it was in 2016. Between the 2016 and 2018 Monitoring Rounds, 62% of development partners increased the comprehensiveness of information published to the IATI, although comprehensiveness declined for 30% of development partners. Only 14% of development partners reported more complete information to the CRS since the 2016 round, while 21% reported less complete information.

The timeliness of information differs across systems. For the CRS and the FSS, timeliness of information reported decreased between the 2016 and 2018 Monitoring Rounds, with more development partners reporting in a less timely manner in this area.[8] However, encouraging progress has been made in the timeliness of reporting to the IATI by development partners that published their information to the platform in both 2016 and 2018; in these cases, 59% development partners – mainly DAC members and UN agencies – improved the timeliness of their reporting.[9]

Accelerated efforts are needed to make forward-looking development co-operation information available. The assessment for the FSS (which focuses specifically on forward-looking information) shows an overall decline, with a lower proportion of development partners (55%) ranked as good or excellent than in the 2016 round (66%). This is a reversal of the positive trend seen from 2014 to 2016. Furthermore, while many development partners (45%) publishing to the IATI improved their forward-looking data provision, the least progress was reported in this dimension within the IATI assessment, as was the case

in 2016. These findings confirm results on development partners' limited provision of forward-looking expenditure plans. The consistent shortfall in development partners' provision of forward-looking information on their development co-operation, demonstrated by both these findings, can have an impact on partner countries' ability to effectively plan and budget for development activities. In addition to comprehensive, timely and forward-looking information, the information reported should be presented in a relevant and accessible manner for decision makers. One example of how these systems and standards are adapting to the demands of the 2030 Agenda is discussed in Box 7.2.

Box 7.2. Creditor Reporting System reporting has a new Sustainable Development Goals focus

In 2018, members of the OECD-DAC Working Party on Development Finance Statistics agreed to create a new Sustainable Development Goal (SDG) focus field in the Creditor Reporting System (CRS). This SDG data field identifies the specific SDGs and/or targets to which development co-operation projects intend to contribute, thus permitting development co-operation in support of the implementation and monitoring of the 2030 Agenda to be tracked. The SDG focus is tracked at target level, with the possibility to report at goal level for a transitional period. Reporting at target level allows greater granularity and permits targets from different goals to be combined to cover cross-cutting topics.

Reporting on the SDG focus is on a voluntary basis and started in 2019 for reporting on 2018 flows. Data collected through the SDG data field can be used to analyse the distribution of official development assistance (ODA) by SDG and SDG target, and examine ODA commitments for a specific set of targets. By tracking the achievement of SDG targets via specific indicators, reporting to the CRS could help to establish a link between inputs and outputs or outcomes, opening up new possibilities to use the data to assess and ultimately improve the effectiveness of development finance flows.

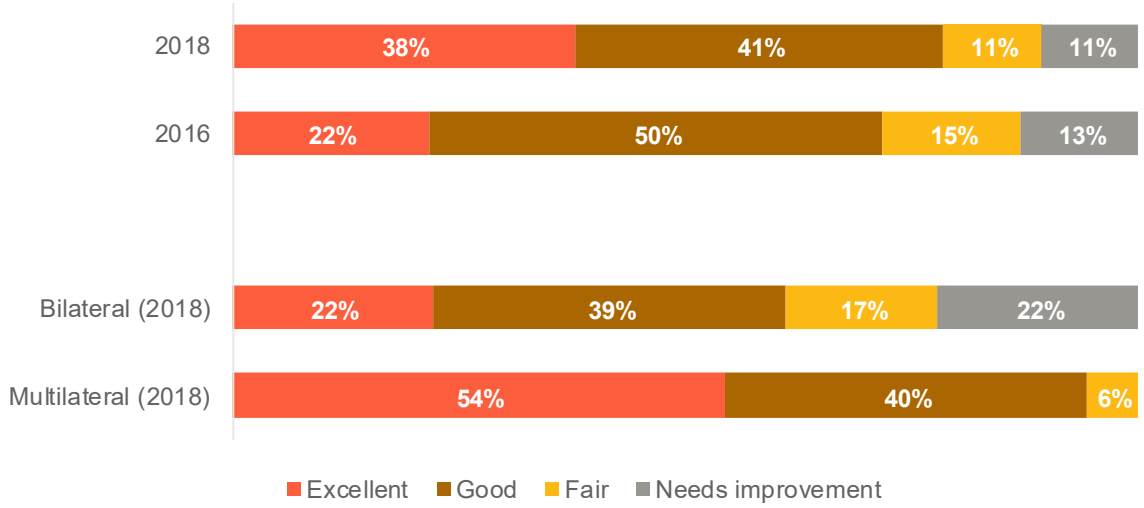
Source: OECD (OECD, 2018[41]), "Proposal to include an SDG focus field in the CRS database", one.oecd.org/document/DCD/DAC/STAT(2018)41/REV1/en/pdf

Progress in strengthening the transparency of development co-operation is inconsistent

Multilateral development partners perform well in all three global assessments. In the 2018 Monitoring Round, half of multilateral partners achieve a rating of excellent in the assessment of information reported to CRS. Among multilaterals, UN agencies are the top performers, with 57% rated as excellent in the CRS transparency rating. Likewise, multilateral development partners perform well in the FSS and the IATI assessments. Figure 7.3, Figure 7.4 and Figure 7.5 show results of assessments of the information reported to each system. The assessment of each system was carried out against different criteria and adapted to the purpose and technical features of each system respectively. Therefore, the information shown in the three graphs is not directly comparable.

Figure 7.3. Reporting to the Creditor Reporting System has improved for a proportion of development partners

Assessment of reporting to the OECD Creditor Reporting System

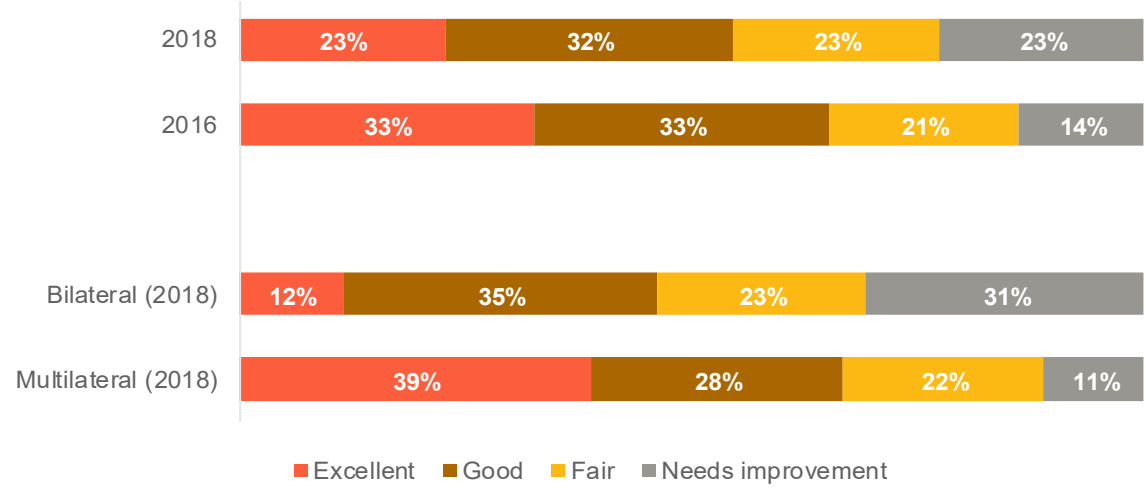


Notes: Reporting to the CRS by bilateral development partners and multilateral organisations is different and categories for the transparency indicator differ in some cases. For example, multilateral organisations do not report on tying status. Figures for bilateral partners are based on 36 observations; figures for multilateral partners are based on 35 observations.
Source: Draws on assessment of the transparency of development co-operation (Indicator 4), which is based on the data provided by the secretariat of the DAC. Further information is available in GPEDC (2018[3]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019685

Figure 7.4. Forward-looking reporting is declining

Assessment of reporting to the OECD Forward Spending Survey

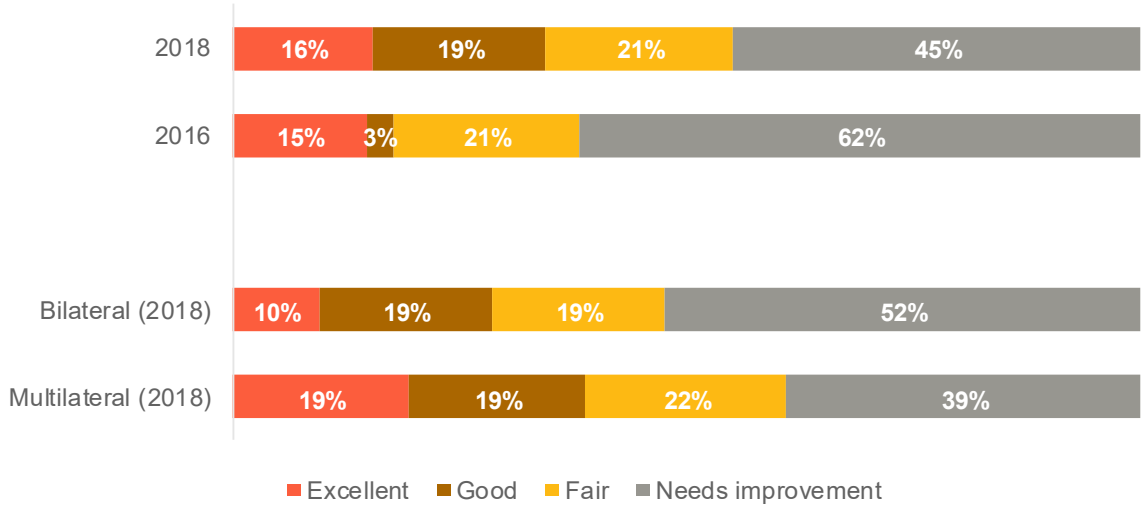


Note: Figures for bilateral partners are based on 26 observations; figures for multilateral partners are based on 18 observations.
Source: Draws on assessment of the transparency of development co-operation (Indicator 4), which is based on the data provided by the secretariat of the DAC. Further information is available in GPEDC (2018[3]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019704

Figure 7.5. Improvements in reporting to the International Aid Transparency Initiative are driven by multilateral partners

Assessment of reporting to the International Aid Transparency Initiative



Note: Figures for bilateral partners are based on 21 observations; figures for multilateral partners are based on 36 observations.
Source: Draws on assessment of the transparency of development co-operation (Indicator 4), which is based on the data provided by the secretariat of the DAC. Further information is available in GPEDC (GPEDC, 2018[3]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019723

The scores of more than one-third of development partners declined in at least one of the three systems between the last two Monitoring Rounds. Scores improved in at least one system for half of the development partners for which assessments are available for both the 2016 and 2018 exercises, but declined in at least one system in this period for 38% of these development partners. This finding indicates that progress in making information on development co-operation publicly available requires continued attention and effort. Box 7.3 shows examples of how two development partners are making strides in this area.

Box 7.3. Using development co-operation data: Good practice examples

In early 2019, the European Commission launched the EU Aid Explorer, a user-friendly online tool that helps external stakeholders to access and use development co-operation data from EU institutions and the 28 EU member states. The tool brings together, on a single platform, data produced internally by the European Commission, data reported by member states to the OECD Creditor Reporting System and data published to the International Aid Transparency Initiative (IATI). The EU Aid Explorer aims to make EU development co-operation data more transparent, accessible and usable to development partners, partner countries and the public. By consolidating information on who does what and where, the tool is an essential support to EU joint programming and action in partner countries. It also helps EU institutions and member states to increase the quantity and quality of EU publishing to the IATI through mutual learning.

Another essential tool is the United Nation's data cube initiative. Initially focused on UN system-wide funding data, the initiative is a response to calls for increased transparency among UN entities that emerged from the 2016 quadrennial comprehensive policy reviews, the 2017 report on the repositioning of the UN development system and the 2019 UN funding compact. The first phase of the data cube initiative was completed in October 2018, with the approval of data standards for reporting of UN system-wide financial information. In developing the data standards, efforts were made to align to international data standards, including those of OECD Development Assistance Committee (DAC) and the IATI. UN data standards entered into effect on 1 January 2019; the transition period will run until 31 December 2021, after which the standards are to be fully adopted. It is expected that, over time, the data standards will be used by all UN system entities in their reporting of financial information to the UN Chief Executives Board for Coordination, the IATI and the OECD.

Global transparency efforts must be matched with country-level reporting. Availability of information on development co-operation at global level is a complement to information provided and collected at the country level. As seen in Box 4.2 in Chapter 2, most partner countries (96%) have one or more information management systems in place to collect information on development co-operation. Data from the 2018 Monitoring Round show that, on average, 83% of development partners report to those systems, but that reporting lacks consistency and quality (UNDP, 2018[5]). Comprehensive and timely reporting to these country-level systems is essential to ensure that partner country governments, their development partners and other stakeholders at country level have the information they need for effective development planning, budgeting, and monitoring and evaluation (Box 7.4).

Box 7.4. The International Aid Transparency Initiative aims to increase country-level data availability and usability

Global transparency systems are not considered to be core elements of national data ecosystems. Country-level stakeholders report difficulties in accessing the data on development co-operation that they need to inform decision making; systems are difficult to use; and globally available data are incorrect or inconsistent with data reported to country systems. The International Aid Transparency Initiative (IATI) aims to overcome these challenges by increasing the availability and usability of quality development co-operation information at country level. Some examples of its work are the following:

- In **Ghana**, the IATI supported awareness-raising events and the development of a global guide to the different tools available for accessing and using IATI data.
- Development Gateway and UNICEF, both IATI members, worked with Development Initiatives and the governments of **Madagascar** and **Senegal** to develop a curriculum and tools to provide training in the use of IATI data alongside country-level information management systems. This successful project funded and trained two fellows to work with government counterparts in the countries' Ministry of Finance to institutionalise the IATI standard in their use of aid management platforms.
- Country case studies commissioned as part of the IATI's strategic planning process highlighted challenges with data use in **Malawi** and **Somalia**. These also pointed to the need to strengthen advocacy, particularly at subnational levels, and extend capacity-building efforts to bring about a significant increase in data use.

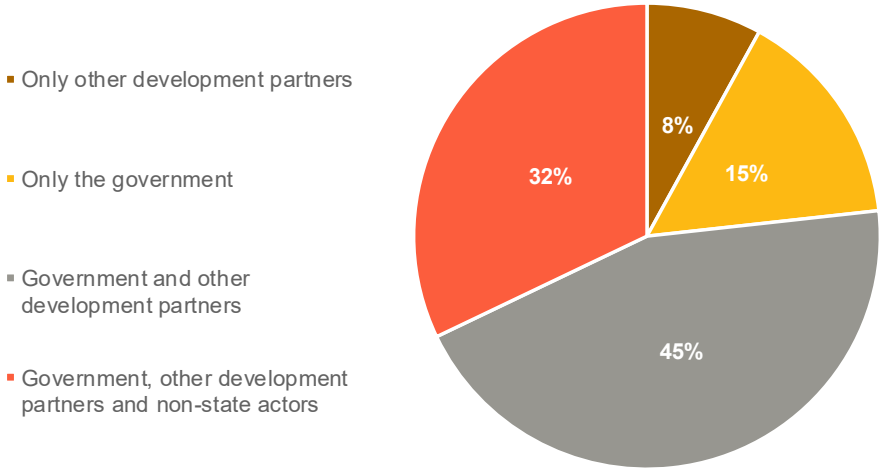
The majority of development partners consider country-level mutual accountability assessments to be effective

Transparency is further strengthened through mutual accountability mechanisms, which are rapidly adapting to the evolving development co-operation landscape. Mutual accountability mechanisms are made up of multiple, reinforcing components that can help to enhance transparency and accountability at country level (see Box 4.1 in Chapter 4). These mechanisms go beyond information on development co-operation that is reported to global and country-level transparency systems, allowing partner country governments, their development partners and other stakeholders to hold each other accountable for their country-level commitments – not only in terms of what co-operation is provided, but also how it is provided. Partner country governments are updating their mutual accountability mechanisms, both policy frameworks for development co-operation and mutual assessments to track progress towards effective development co-operation, to reflect the growing diversity and range of development partners and co-operation modalities.

The vast majority of development partners reported that mutual accountability assessments are either somewhat or very effective in informing the ways of working in the partner country. In 2018, Global Partnership monitoring asked development partners for the first time to report on their perceptions of the inclusiveness and value added of mutual assessments. This reporting was in addition to assessment of the quality of mutual accountability mechanisms as a whole (see Chapter 4 of this report). Of the 117 development partners reporting, 86 responded that they took part in one or more mutual accountability assessments across partner countries in the two years prior to the monitoring exercises. In 77% of mutual assessments, development partners reported that both the national government and other development partners were involved (Figure 7.6). Development partners reported that mutual accountability assessments in 88% of cases were either somewhat or very effective in informing the ways of working in the country to improve ownership, inclusiveness and focus on results and to increase transparency and accountability (Figure 7.7). This finding points to the continued importance of mutual accountability frameworks as a way to strengthen the effectiveness of development co-operation and increase development impact amidst a rapidly changing landscape.

Figure 7.6. Development partners report strong inclusiveness of mutual assessments

Stakeholders involved in mutual accountability assessments, as reported by development partners

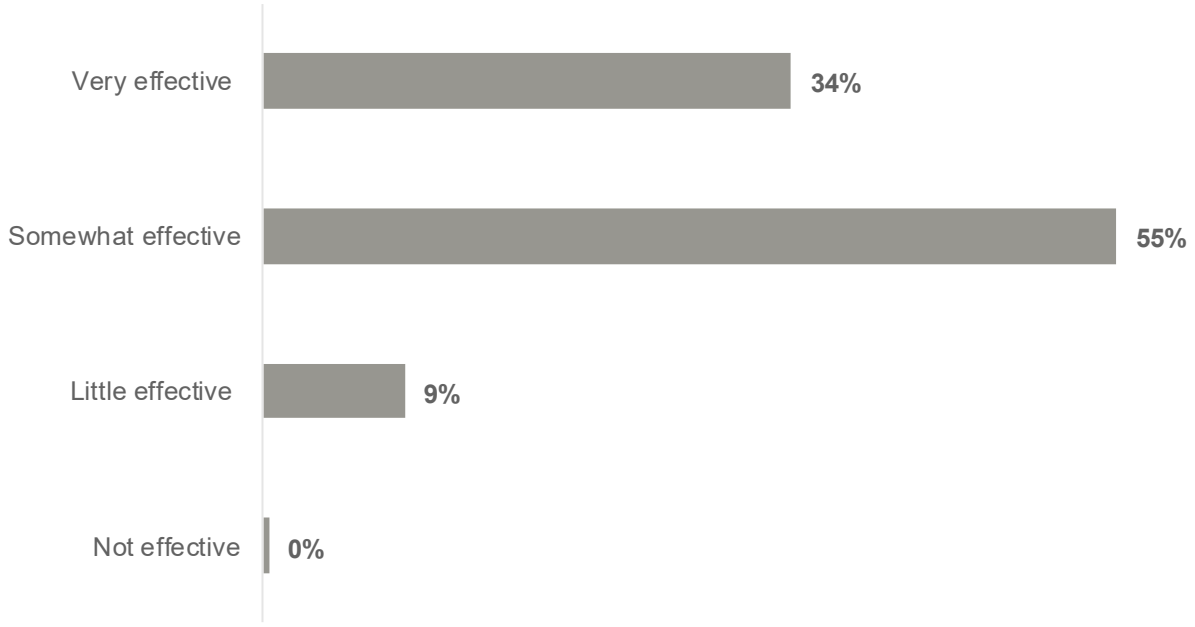


Notes: This figure illustrates the level of inclusiveness of mutual accountability assessments reported on by development partners. The results show that in more than two-thirds of these mutual accountability assessments, the government and other development partners were involved in the assessment exercise.
Source: Draws on assessment of complementary information collected from development partners on mutual accountability at country level (Indicator 7). Further information is available in GPEDC (2018, pp. 38-40[3]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019742

Figure 7.7. Development partners view mutual assessments as effective

Effectiveness of mutual accountability assessments, as reported by development partners



Note: Development partners were asked to report on the extent to which they find mutual assessments effective in informing the ways of working in the country to improve ownership, inclusiveness and focus on results, and increase transparency and accountability.
Source: Draws on assessment of complementary information collected from development partners on mutual accountability at country level (Indicator 7). Further information is available in GPEDC (2018, pp. 38-40[3]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

StatLink https://doi.org/10.1787/888934019761

References

GPEDC (2018), *2018 Monitoring Guide for National Co-ordinators*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf. [3]

GPEDC (2018), *Technical Companion Document*, Global Partnership for Effective Development Co-operation, New York and Paris, http://effectivecooperation.org/pdf/Technical_Companion_27_July_Final.pdf. [2]

OECD (2018), *Proposal to include an SDG focus field in the CRS database*, OECD Publishing, Paris, http://one.oecd.org/document/DCD/DAC/STAT(2018)41/REV1/en/pdf. [4]

UN (2015), *Addis Ababa Action Agenda*, United Nations, New York, https://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf. [1]

UNDP (2018), *Making Development Finance Management Information Systems Work for the Evolving Development Cooperation Landscape*, United Nations Development Programme, New York, https://www.undp.org/content/undp/en/home/librarypage/development-impact/making-development-finance-management-information-systems-work-f.html. [5]

Notes

[1] The commitment to making information publicly available is contained in Paragraph 23 of the Busan Partnership agreement and Paragraph 77 of the Nairobi Outcome Document. The commitment to strengthen participation in mutual accountability mechanisms is contained in Paragraph 25 of the Busan Partnership agreement and Paragraph 77 of the Nairobi Outcome Document.

[2] As indicated in the introduction of this report, "development partner" refers to official agencies, including state and local governments, or their executive agencies.

[3] The results for transparency (Indicator 4) of the 2016 and 2018 Monitoring Rounds capture the latest assessments available at the time of reporting for each of the respective rounds. CRS data for the 2018 round refer to assessment on reporting to the CRS in 2017; CRS data for the 2016 round refer to assessment on reporting to the CRS in 2014. FSS data for the 2018 round refer to the 2018 survey; FSS data for the 2016 round refer to the 2015 survey. IATI data for the 2018 round refer to scores extracted from the online platform in December 2018; IATI data for the 2016 round refer to scores extracted in May 2016.

[4] The sample of 96 development partners reporting to the CRS includes only official development partners among the 122 that report to the CRS. The 58 development partners reporting to the IATI only include official development partners; over 1 000 organisations have published to the platform.

[5] In the 2016 Monitoring Round, 39% of development partners obtained a score of excellent at least once and 72% obtained a score of at least good at least once. It should be noted that in the 2018 Monitoring Round, the total number of development partners for which transparency assessments are available increased from 61 to 94. When comparing the same set of 61 development partners for which assessments are available in both the 2016 and 2018 rounds, results are similar: 41% of development partners had at least one "excellent" score and 72% had at least one "good" score.

[6] For development partners for which the CRS and IATI transparency scores were available for the 2016 and 2018 Monitoring Rounds, data confirm that positive trends are linked to improvements made by these development partners over time and are not driven by the good performance of development partners reporting to the two systems and standards for the first time.

[7] This negative trend is confirmed for the subset of development partners for which the FSS assessment was available in both the 2016 and 2018 Monitoring Rounds.

[8] Timeliness declined for 36% of development partners reporting to the CRS and for 29% of those reporting to the FSS; timeliness improved for 19% of development partners reporting to the CRS and for 13% of those reporting to the FFS.

[9] This trend is not caused by new development partners being assessed and is consistent when the analysis is restricted to those development partners for which scores are available for 2016 and 2018 monitoring exercises.

Part III Reflections of Global Partnership stakeholders

8 Looking forward: Initial reflections of Global Partnership stakeholders

This chapter presents initial reflections of various Global Partnership stakeholders on the 2019 monitoring results, drawn from written contributions from Global Partnership Steering Committee members, discussions at the 2019 Monitoring Dialogue (Bonn, May 2019), sessions of the 2019 Senior Level Meeting (New York, July 2019) and a post-monitoring survey conducted among national co-ordinators. It highlights possible priority areas for future action, as well as actions already taken by some stakeholders to enhance effectiveness in line with the objectives of the monitoring exercise.

> "The multi-stakeholder approach of the Global Partnership, which brings all development actors together on a more equal footing, will be a key factor to achieve effective contributions to the implementation of the 2030 Agenda." (Statement of the Co-Chairs at the GPEDC Senior Level Meeting)

Global Partnership monitoring evidence is informing action to enhance effectiveness and drive progress towards achieving the 2030 Agenda. This chapter presents initial stakeholder reflections on the 2019 monitoring results and highlights possible priority areas for future action. It draws directly on written contributions provided by Global Partnership Steering Committee members,[1] as well as on discussions at the 2019 Monitoring Dialogue (Bonn, May 2019), sessions of the 2019 Senior Level Meeting (New York, July 2019) and a post-monitoring survey conducted among national co-ordinators. It also notes some of the actions that stakeholders have already taken to enhance effectiveness in line with the objectives of the monitoring exercise. These inputs have been consolidated by the Global Partnership OECD-UNDP Joint Support Team, but do not represent the views of either the OECD or the UNDP. Rather, the material presented in this chapter should be understood as the direct reflections of participating stakeholders as provided to the Joint Support Team.

> "The monitoring process is the cornerstone of the GPEDC and is unique in its orientation towards contributing to behavioural change." (International Trade Union Confederation)

Stakeholders remain committed to the development effectiveness agenda as an important accelerator for sustainable development, although the inputs also reinforce that progress has been uneven. Global Partnership monitoring continues to be seen as an important tool for providing data and evidence to contribute to increased learning, enhance development effectiveness and maximise the contributions of all stakeholders to the Sustainable Development Goals (SDGs). In this vein, it was welcomed that the 2019 Progress Report highlights where progress is lagging and indicates where action is needed by partner countries, development partners and other development actors and where multi-stakeholder efforts can be multiplied.

> "The data of the 2018 monitoring round hint at a mixed picture of the state of effectiveness, suggesting that more needs to be done in order to truly implement effective development co-operation." (Germany)

Strengthened ownership and alignment are needed to accelerate development progress

Recognising that ownership over development co-operation is critical, stakeholders pointed to the need to build increased institutional capacity to lead and manage co-operation partnerships and resources. This includes building strong development planning, management and accountability systems as well as ensuring both an institutional mandate for the management of development co-operation and adequate administrative capacity to deliver. Partner countries are already taking steps to strengthen their leadership role: Uganda, for example, is developing a new co-operation policy and strengthening its system to track and manage co-operation resources. There was also recognition that strengthened leadership

from partner country governments, including leadership in demanding effectiveness from their development partners, is needed to bring about behaviour change on the part of development partners.

It is important not only to build strong planning, management and accountability systems, but also to ensure stronger links between these systems. Strengthening the links between national development strategies, results frameworks, resources and monitoring systems was recognised as a priority. Enhancing partner countries' statistical capacity, with a specific focus on data for leaving no one behind, was also a priority. At the Senior Level Meeting (SLM), Myanmar shared its approach to strengthening these links through its Sustainable Development Plan, which serves as a national results framework and simultaneously provides a detailed strategic planning matrix that guides all development actors in the implementation of development initiatives. To ensure full implementation of its development effectiveness agenda, Myanmar has established the new Ministry of Investment and Foreign Economic Relations and has adopted a new development assistance policy to improve coherence and co-ordination of development co-operation.

Development partners' alignment to countries' priorities must be improved. Continued development partner support of the effectiveness agenda, including stronger alignment to partner countries' development priorities, was cited as key to effectiveness. Some development partners indicated they plan to integrate the effectiveness principles during the preparation of new development co-operation strategies, with the aim of strengthening the results orientation and use of country systems, improving predictability, boosting multi-stakeholder partnerships, reducing fragmentation and improving collaboration, and encouraging the partner country government's involvement in programme evaluations.

Partner countries highlight the importance of building trust as a prerequisite for strong partnerships among development actors. Commitment and actions by both development partners and partner country governments are considered important for building mutual trust among development actors. It was emphasised that trust requires sharing of information, including by facilitating the involvement of communities in development initiatives to foster stronger ownership and acceptance. It was noted, as well, that building trust requires strengthening capacities so that all actors are able to come together on an equal footing. The Global Partnership was recognised as the platform to build this trust. To make this change happen, it was stressed, good use must be made of the Global Partnership, a unique place where all stakeholders convene as peers.

> "We need to work to build trust. If this is not done, then effectiveness will never be achieved." (Uganda)

Facilitating the active engagement of the full range of stakeholders requires concerted effort

Initial reflections highlighted that for many stakeholders, reversing the trend of shrinking space for civil society is a pressing priority. Development partners recognised the importance of their support to civil society organisations (CSOs) as a way to increase civil society space. For their part, CSO representatives at the SLM recognised the need to implement the Istanbul Principles for CSO Development Effectiveness and strengthen their internal accountability systems to ensure these systems are progressive; well managed; and connected at the national, regional and sectoral level. Networking among CSOs from different countries was identified as helpful to building capacity in those countries where it is most needed. In response to this priority, several development partners indicated they plan to work to improve CSO effectiveness and the enabling environment for CSOs and encourage increased policy space through support to CSOs.

> "The capacity to engage in dialogue – together with the enabling environment for civil society – is one of today's greatest challenges, as well as a tremendous opportunity to advance effective development co-operation." (Center for International Private Enterprise)

Improved capacity for dialogue and inclusion of diverse private sector stakeholders in public-private dialogue were considered vital for forging effective partnerships. Some stakeholders expressed the intention to support higher quality and more inclusive public-private dialogue (PPD) and for translating the newly launched Kampala Principles on Effective Private Sector Engagement in Development Co-operation into practical guidelines for country-level practitioners. There was also stakeholder support for continuing to engage with governments and the private sector through social dialogue. At the SLM, partner countries that have been taking action to improve PPD at the country level shared their experiences. The government of Burkina Faso provided the examples of its newly created PPD directorate and its strengthening of the legal framework to enhance an enabling environment for private sector. The government of Peru pointed to its establishment of a framework to encourage multi-stakeholder partnerships that emphasise the role of the private sector as a development actor.

Strengthened parliamentary oversight over development co-operation is needed to ensure that resources are spent effectively, fight corruption and increase transparency in the use of co-operation resources. At the SLM, the International Parliamentary Union provided a number of suggestions for improving parliamentary oversight of development co-operation, including involving parliaments in negotiations pertaining to official development assistance; establishing binding procedures for funding disbursements, with reporting on the use of funds; and introducing regular parliamentary debates on development issues.

There is a need to move from evidence to action, using monitoring results to further SDG progress

Data and evidence should be better used to inform dialogue and behaviour change. It was noted that increased focus on putting in place both country-level and global follow-up processes is needed. At the country level, results need to be analysed in context to inform further action and build political momentum for effectiveness efforts. In this vein, it was suggested that a dedicated Global Partnership process be put in place to help stakeholders put monitoring results to practical use. Such a process could support partner countries, development partners and other development actors to elaborate action agendas based on their specific monitoring results. A further suggestion was to better link monitoring results with the Global Partnership's country-level work, with a focus on ensuring effectiveness efforts are undertaken with a view to improve progress towards the SDGs. Constituency-specific and global-level dialogue was also highlighted as crucial to driving enhanced effectiveness and addressing so-called unfinished business.

> "We need practical action using the data from the latest monitoring round at country level to develop action plans for improvement." (European Union)

Many stakeholders are already using Global Partnership monitoring results to improve planning, partnerships and actions for greater effectiveness. In the post-monitoring survey undertaken with national co-ordinators, most partner countries indicated that they plan to use the results as a baseline to track country-level progress towards effectiveness commitments and to structure national development

dialogue processes. Some partner countries also indicated that they plan to use the monitoring results to review the policies that inform development co-operation and to improve partnerships with the private sector and civil society. Some development partners indicated that they are already or will be analysing results to identify actions that are needed to improve effectiveness; others plan to use results to improve the effectiveness of their programming in country contexts or engage in country-level dialogue. There was also an appetite for in-depth discussion in the OECD Development Assistance Committee to identify actions that development partners can take and to identify priorities for support to partner countries.

Global Partnership monitoring must continue to adapt to the challenges of the 2030 Agenda

Global Partnership monitoring remains a vital tool in the pursuit of sustainable development and work to adapt the exercise to the evolving co-operation landscape should continue. The Global Partnership has already made strides in adapting its monitoring framework to better respond to context-specific needs and the changing modalities of co-operation. There was broad support for the continuation of this work, including for further reviewing the monitoring process. Regarding the process, it was noted that maintaining the country-led nature of the exercise, including integrating the monitoring with existing processes and systems, is essential. Other suggestions to adapt the monitoring exercise included exploring means to further simplify the process, particularly with a view to ensure that all development actors are able to actively engage; revisiting the frequency of monitoring rounds; considering smaller and targeted samples; undertaking studies to complement the broader monitoring exercise; providing contextual capacity support to partner country governments (e.g. regional approaches for small island developing states); and improving the alignment between the monitoring exercise and the SDG follow-up and review process, including with voluntary national reviews. Discussions at the SLM confirmed the intention of all Global Partnership stakeholders to work to further strengthen the monitoring exercise as an essential element in enhancing sustainable development impact.

> "Our monitoring process must become more influential in triggering change at country level that boosts development effectiveness, working toward the 2030 Agenda and other global policy processes." (Statement of the Co-Chairs at the GPEDC Senior Level Meeting)

Note

[1] Inputs were provided by the CANZUS constituency (including consolidated views of Australia, Canada, New Zealand and the United States), the Center for International Private Enterprise, the European Union (including consolidated views of EU institutions and member states), Germany, the International Trade Union Confederation, Switzerland and the United Kingdom.

Annex A. Indicators' coverage

The Global Partnership monitoring exercise tracks country-level progress in implementing the four internationally agreed effective development co-operation principles: 1) country ownership; 2) a focus on results; 3) inclusive partnerships; and 4) transparency and mutual accountability to one another. The biennial exercise reports on a monitoring framework that consists of ten indicators that focus on strengthening developing countries' systems; increasing the transparency and predictability of development co-operation; enhancing gender equality; and supporting greater involvement of civil society, parliaments and the private sector in development efforts. These ten indicators, and how they inform different chapters of the Progress Report, are listed in Table A.1.

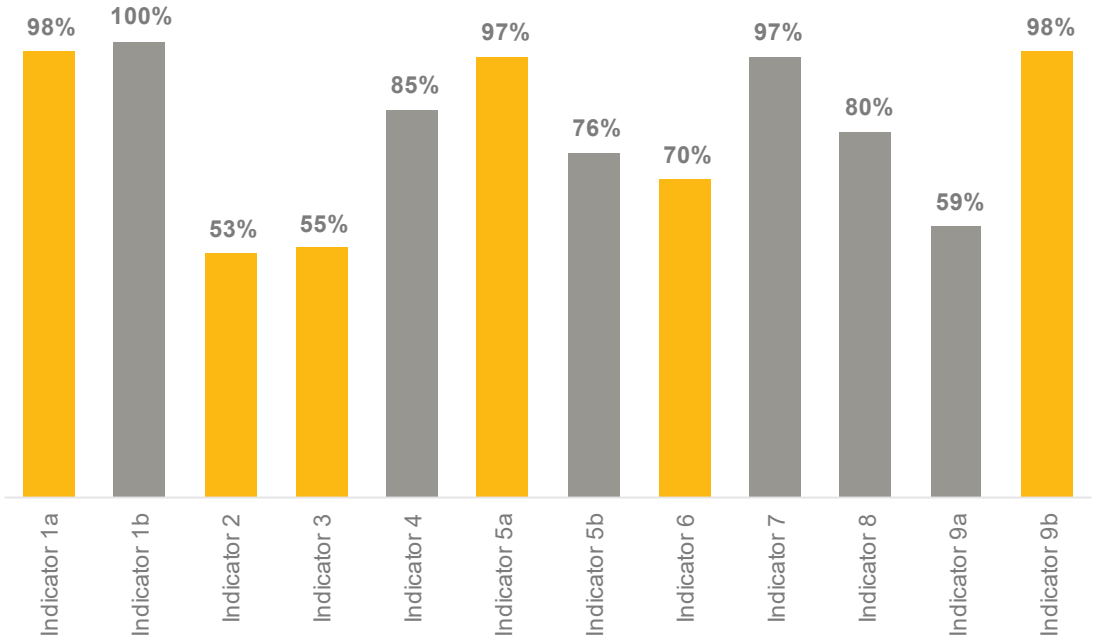
Table A.1. Global Partnership indicators and where to find analysis on indicator results in the 2019 Progress Report

Part I: How partner countries are promoting effective partnerships
Chapter 2: Partner country government leadership has advanced national development aspirations
• Quality of national development strategies and results frameworks (Indicator 1b). • The country strengthens its public financial management systems (Indicator 9a). • Development co-operation is included in budgets subject to parliamentary oversight (Indicator 6). • The country has systems to track and make public allocations for gender equality and women's empowerment (Indicator 8, SDG 5.c).
Chapter 3: Partner country governments can enable more meaningful engagement to maximise a whole-of-society approach
• Creates an enabling environment for civil society organisations (Indicator 2). • Quality of public-private dialogue (Indicator 3).
Chapter 4: Mutual accountability mechanisms are adapting to an evolving development landscape
• Quality of mutual accountability mechanisms (Indicator 7). • Transparent information on development co-operation is reported at country level (Indicator 4).
Part II: How development partners are promoting effective, country-led partnerships
Chapter 5: Walking the talk: Development partners are not fully facilitating country leadership over development efforts
• Development partners use national development strategies and results frameworks (Indicator 1a, SDG 17.15). • Annual predictability of development co-operation (Indicator 5a). • Medium-term predictability of development co-operation (Indicator 5b). • Development co-operation is included in budgets subject to parliamentary oversight (Indicator 6). • Development partners use public financial management systems (Indicator 9b). • Aid is untied (Indicator 10).
Chapter 6: Development partners are taking steps to reinforce a whole-of-society approach to development
• Create an enabling environment for civil society organisations (Indicator 2).
Chapter 7: Development partners are strengthening transparency of development co-operation information as an important step to enhanced accountability
• Transparent information on development co-operation is published at global level (Indicator 4). • Development partners' perspective on mutual accountability mechanisms at country level (Indicator 7).

With regard to the response rates to each of the ten Global Partnership indicators, not all countries responded to or provided data on each aspect covered by the monitoring exercise. A total of 86 partner countries participated in the 2018 Monitoring Round, but the proportion of participating partner countries that responded varies across the 10 indicators. Figure A.1 presents an overview of the response rates on each indicator.

Figure A.1. Coverage of the country-level indicators in the 2018 Monitoring Round

Proportion of participating countries that reported on country-level indicators



Notes: The grey bars refer to indicators that are reported directly by the participating country. Yellow bars refer to indicators reported by the participating country with inputs from and/or in consultation with development partners and domestic stakeholders. Indicator 4 above refers to the country-level transparency assessment. Indicator 4 (global-level transparency) and Indicator 10 are not included in the figure because they are not collected at country level.

StatLink https://doi.org/10.1787/888934018849

Annex B. 2018 Monitoring Round

Table B.1. Countries and territories participating in the 2018 Monitoring Round

Africa		
Angola	Ethiopia	Rwanda
Benin	Gambia	Saint Helena
Burkina Faso	Guinea	Sao Tome and Principe
Burundi	Guinea-Bissau	Senegal
Cabo Verde	Kenya	Seychelles
Cameroon	Liberia	Sierra Leone
Central African Republic	Madagascar	Somalia
Chad	Malawi	South Sudan
Comoros	Mali	Sudan
Congo	Mauritania	Togo
Côte d'Ivoire	Mozambique	Tanzania
Democratic Republic of the Congo	Niger	Uganda
Egypt	Nigeria	Zimbabwe
Equatorial Guinea		
Americas		
Antigua and Barbuda	Guatemala	Peru
Costa Rica	Haiti	Saint Lucia
Dominican Republic	Honduras	Trinidad and Tobago
El Salvador	Paraguay	
Asia		
Afghanistan	Georgia	Nepal
Armenia	Jordan	Philippines
Azerbaijan	Kyrgyzstan	Timor-Leste
Bangladesh	Lao People's Democratic Republic	Viet Nam
Bhutan	Myanmar	Yemen
Cambodia		
Europe		
Albania	Bosnia and Herzegovina	Moldova
Belarus	Kosovo	Montenegro
Oceania		
Cook Islands	Palau	Tokelau
Fiji	Papua New Guinea	Tonga
Kiribati	Samoa	Tuvalu
Marshall Islands	Solomon Islands	Vanuatu
Nauru		

Table B.2. Development partners included in the 2018 Monitoring Round

DAC members			
Australia Austria Belgium Canada Czech Republic Denmark EU institutions Finland	France Germany Greece Hungary Iceland Ireland Italy Japan	Korea Luxembourg Netherlands New Zealand Norway Poland Portugal Slovak Republic	Slovenia Spain Sweden Switzerland United Kingdom United States
Other bilateral			
Brazil Chile China (People's Republic of) Colombia Cuba	Estonia Hungary India Israel Kuwait	Mexico Monaco Morocco Qatar Saudi Arabia	South Africa Thailand Turkey United Arab Emirates
Multilateral development banks			
African Development Bank Arab Bank for Economic Development in Africa Asian Development Bank Banco Centroamericano de Integración Económica	Banque de développement des États de l'Afrique centrale Caribbean Development Bank Council of Europe Council of Europe Development Bank	Development Bank of Latin America European Bank for Reconstruction and Development Inter-American Development Bank	International Fund for Agricultural Development International Monetary Fund Islamic Development Bank West Africa Development Bank World Bank Group
UN agencies			
United Nations Food and Agriculture Organization International Atomic Energy Agency International Labour Organization Office of the United Nations High Commissioner for Human Rights Office of the United Nations High Commissioner for Refugees United Nations Capital Development Fund United Nations Mine Action Service	United Nations Peacebuilding Fund United Nations Volunteers UN Women United Nations Children's Fund United Nations Conference on Trade and Development United Nations Development Programme United Nations Economic and Social Commission for Asia and the Pacific	United Nations Educational, Scientific and Cultural Organization United Nations Environment Programme UN Habitat United Nations in Bosnia and Herzegovina United Nations Industrial Development Organization United Nations International Strategy for Disaster Reduction	United Nations Office for Project Services United Nations Office on Drugs and Crime United Nations Population Fund United Nations Programme on HIV and AIDS World Food Program World Health Organization World Meteorological Organization World Tourism Organization
Vertical funds and initiatives			
Arab Fund for Economic and Social Development Adaptation Fund Bhutan Trust Fund For Environmental Conservation Climate Investment Funds	Global Alliance for Vaccines and Immunization Global Climate Fund Global Environment Facility Global Partnership for Education	Global Fund to Fight Aids, Tuberculosis and Malaria Nordic Development Fund OPEC Fund for International Development	Pacific Environment Community Fund South Pacific Regional Environment Program
Other international organisations			
African Union Caribbean Community Economic Community of West African States Fondo financiero para el desarrollo de la Cuenca del Plata	Instituto Latinoamericano de las Naciones Unidas para la prevención del delito y la justicia penal International Committee of the Red Cross	International Development Law Organization International Organization for Migration Organisation for Security and Co-operation in Europe	Organización de Estados Iberoamericanos Pacific Community

OECD PUBLISHING, 2, rue André-Pascal, 75775 PARIS CEDEX 16
ISBN 978-92-64-31895-3 – 2019
UNDP, One United Nations Plaza, NewYork, NY 10017, USA

Making Development Co-operation More Effective

2019 PROGRESS REPORT

Helping countries to improve the lives of their citizens requires effective international development co-operation. The Global Partnership for Effective Development Co-operation's principles (country ownership, focus on results, inclusive partnerships, and transparency and mutual accountability) have been guiding relationships between development partners for close to a decade, helping them to strengthen and improve the way they co-operate and ensuring that all citizens are invested in the process.

The Organisation for Economic Co-operation and Development (OECD) and the United Nations Development Programme (UNDP) work together to monitor progress in using these principles. In 2018, data was collected by 86 partner countries and territories, in collaboration with more than 100 development partners, to serve as the basis for this work and provide evidence. By highlighting where progress has been made and where challenges remain, the work helps governments and their partners strengthen collective action towards the 2030 Agenda for Sustainable Development.

This work is published on the OECD and UNDP iLibraries.
Visit ***www.oecd-ilibrary.org*** and ***www.undp.org/library***.

Consult this publication on line at ***https://doi.org/10.1787/26f2638f-en***.

2019

OECD*publishing*
www.oecd.org/publishing

ISBN 978-92-64-31895-3