Global Partnership
for Effective Development Co-operation

Making Development Co-operation More Effective

2014 PROGRESS REPORT

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Making Development Co-operation More Effective

2014 PROGRESS REPORT

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Foreword

The first High-Level Meeting of the Global Partnership for Effective Development Co-operation will take place in Mexico City 15-16 April 2014. It will represent a crucial midpoint between the Busan High Level Forum in 2011 – where the Global Partnership for Effective Development Co-operation was envisioned – and the agreement of a post-2015 international development agenda. In Mexico, ministers from all over the globe, heads of international organisations, civil society actors, foundations, business leaders and parliamentarians will come together, and the first question they will need to ask each other is: Have we made our development co-operation more effective over the past two years?

This report provides a central piece of evidence to help answer that question. The report, based on data provided by 46 countries that receive development co-operation, reveals that despite global economic turbulence, new conflicts, changing political landscapes and budgetary pressures in many high-income countries, commitment to effectiveness and continued reform remains strong. The quality – not just the quantity – of development co-operation is receiving a great deal of attention all over the world, and it is improving. For example, providers of development co-operation have managed to sustain progress achieved on some critical aid quality commitments that date back to 2005 – particularly untying aid. Organisations and governments all over the world are becoming more open and transparent about the co-operation flows they receive and send. Many governments now track how particular groups – such as women and girls – are allocated resources. New approaches such as the "Compacts" that are being introduced through the New Deal for Engagement in Fragile States are helping to ensure recipient countries are in the driving seat – even where governments are in transition. Businesses are recognising the positive impact they can have on development – some of this because their dialogue with governments is intensifying.

It is very encouraging to read about this progress. However, there is more to be done, and the true challenge lies ahead.

As co-chairs of this first crucial period for the Global Partnership for Effective Development Co-operation, we are very grateful to all 46 countries that submitted data for input in this report. We hope that more countries and organisations will engage in this data collection process in the future so that it can deliver the credible evidence we need as a community. In addition, whilst good progress, data on ten indicators cannot give us a full picture of progress on development effectiveness. Many of the indicators in this report are simply focused on the quality of aid – rather than the quality of broader tools for development – such as tax or trade. We will need to find ways to reflect progress on these broader tools in our work.

That said, we have an ambitious agenda, and we are now only at the midpoint. We have enough evidence that more can be done now – even without a more comprehensive approach. For instance, we can all become more inclusive – especially with regard to

creating more space for civil society to engage and drive development. We can all do more to put recipient countries' priorities at the forefront – learning from South-South co-operation and the New Deal in particular. We can all do more to ensure the data from new transparency efforts itself drive further reform.

The Global Partnership for Effective Development Co-operation is a key, multi-stakeholder movement for action to continuously improve and reform development co-operation so that we can all reduce poverty now and in a post-2015 landscape – leaving no-one behind. We hope all Global Partnership members and the international community at large will use this report and the other pieces of evidence presented in Mexico City to reflect on this challenge – and take action to do even more.

The "how", not just the "what", matters. We look forward to discussing this with members of the Global Partnership for Effective Co-operation in Mexico.

Armida Alisjahbana Justine Greening Ngozi Okonjo-Iweala

Co-Chairs, Global Partnership for Effective Development Co-operation

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Notes

1. Throughout this document and for ease of reference, the term "country" is used to refer to developing countries and territories that reported to the Global Partnership monitoring in 2013. Participation in this process and mention of any participant in this document is without prejudice to the status or international recognition of a given country or territory.

2. References to Kosovo shall be understood to be in the context of United Nations Security Council Resolution 1244 (1999).

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Acronyms and abbreviations

AAA	Accra Agenda for Action
AIMS	Aid Information Management System
BPa	Busan Partnership agreement
CABRI	Collaborative African Budget Reform Initiative
CPIA	World Bank Country Policy and Institutional Assessment
CRS	Creditor Reporting System
CSO	Civil society organisation
DAC	OECD Development Assistance Committee
DAD	Development Assistance Database
EEI	Enabling Environment Index
FSS	Forward Spending Survey
HIPCs	Highly indebted poor countries
HLF	High-level Forum on Aid Effectiveness
IATI	International Aid Transparency Initiative
IBP	International Budget Partnership
LDCs	Least developed countries
New Deal	New Deal for Engagement in Fragile States
NGO	Non-governmental organisation
ODA	Official development assistance
PEFA	Public Expenditure and Financial Accountability
PFM	Public financial management
PPD	Public-private dialogue
SWAp	Sector-wide approach
UN DESA	United Nations Department of Economic and Social Affairs
WP-EFF	Working Party on Aid Effectiveness

Executive summary

In 2011, the international development community convened in Busan, Republic of Korea to take stock of advances in improving the delivery of aid. Participants generally agreed that the global economy and the development landscape had undergone fundamental changes since the Paris Declaration's aid effectiveness principles were defined in 2005 and reviewed in Accra in 2008. For development co-operation to increase its effectiveness as a catalyst for poverty reduction, a fundamental change of focus was required: from global structures to a country-led approach, recognising the range of actors in development partnerships and the important but different roles each plays. The Busan Partnership agreement embodies this shift with its four principles for achieving common development goals: ownership of development priorities by developing countries, a focus on results, inclusive development partnerships, and transparency and accountability.

How is progress in implementing these commitments assessed?

This report represents the first effort to take stock of the implementation of the commitments agreed in Busan. Released at the midpoint between the Busan High-Level Forum and the 2015 target date for the Millennium Development Goals, it assesses progress and outlines concrete actions to accelerate implementation of commitments and deliver more effective development co-operation. The report draws on the Global Partnership monitoring framework and its ten indicators that were designed to uphold global accountability for selected Busan commitments.

Data for six of these indicators (use of country results frameworks, predictability, aid on budget, mutual accountability, gender equality and use of country systems) was provided by developing countries, drawing on their own information management systems as well as reporting from their development co-operation providers. The remaining indicators (enabling environment for civil society, private sector engagement, transparency and aid untying) draw on existing global processes and information sources. The data in this report captures 46% of total official development assistance that is programmed for developing countries annually.

The 46 developing countries that submitted data on a voluntary basis range from low- to middle-income status and represent all regions. The commitment of these countries to the monitoring process reflects the importance the development community places on accountability.

A diverse set of development co-operation providers also participated in data collection, including bilateral and multilateral development agencies, global funds and programmes, as well as members of the Arab co-ordination group and emerging economies. This engagement reflects the diversity of the Global Partnership and is recognised as an important expression of the spirit of inclusiveness forged at the Busan High-Level Forum.

What is the state of play?

Globally, the results are mixed. Longstanding efforts to change the way development co-operation is delivered are paying off, but much more needs to be done to transform co-operation practices and ensure country ownership of all development efforts, as well as transparency and accountability among development partners.

The report reveals that despite global economic turbulence, changing political landscapes and domestic budgetary pressures, commitment to the Busan principles remains strong. Achievements made on important aid effectiveness commitments that date back to 2005 have been broadly sustained – confirming that political commitment can translate into better practices at the country level, given sufficient time and sustained commitment. More needs to be done, however, to meet the targets that the Global Partnership set for 2015.

Country ownership continues to strengthen. Achievements made in 2010 around strengthening and using country systems – although falling short of the Paris and Accra targets – have broadly been sustained despite unfavourable conditions for development co-operation in many provider countries. This shows that investments in strengthening country systems are paying off in the long term. It is too early to say whether strengthened commitment to ownership is translating into increased use of developing countries' own results frameworks to guide development co-operation on the whole. Stronger dialogue is needed to promote greater alignment with the priorities and systems of the developing countries.

Inclusiveness – the "core" of the Busan Partnership agreement – is translating into stronger recognition and engagement of non-state development actors in national systems and accountability processes. Nonetheless, the development co-operation architecture is still skewed towards a government-centred, North-South perspective. Concerted efforts among all stakeholders are needed to ensure that civil society organisations can exercise their role as independent development actors. Further work is needed to assess public-private dialogue which matters for private sector development and the investment climate. Inclusiveness is also about ensuring that development leaves no one behind; evidence shows strong commitment by an increasing number of countries to track allocations for gender equality to ensure that public expenditure targets both women and men.

The drive for transparency is starting to show results – but these need to be geared towards countries' needs. While increasingly transparent information is available, high-level political commitment in this area needs to work its way through co-operation providers' systems and procedures to allow truly transparent and predictable co-operation, where information is geared towards supporting developing countries' own planning needs and activities. Greater transparency is also needed in country-level review processes to fully reflect mutual accountability among all stakeholders for shared effectiveness principles.

Experience indicates that **the shift towards developing country-led monitoring is feasible.** Global Partnership stakeholders can advance this shift by supporting individual countries' and regional structures' efforts to strengthen country accountability frameworks, embed the data collection for global indicators within these frameworks, and exchange knowledge and good practice. Country leadership needs to be matched by stronger engagement of providers at the country level. This will ensure that reviews of

lessons and future refinements within the Global Partnership monitoring framework are guided by the experiences and needs of developing countries themselves.

In 2011, an unprecedentedly wide group of development stakeholders endorsed the Busan Partnership, committing to make development deliver better results for the world's poor. As the Global Partnership prepares to take stock of accomplishments and chart out areas where further efforts are needed – during its first High-Level Meeting – this report identifies remaining technical and institutional challenges and points to where political leadership can help to overcome them. Showing both successes and shortcomings, it provides an evidence base for reflection and motivation to intensify efforts and multiply the achievements that Global Partnership stakeholders will present in 2015 and beyond.

Chapter 1

Towards more effective development co-operation: Overview of monitoring findings

Two years after the endorsement of the Busan Partnership agreement for Effective Development Co-operation, are we on track to deliver on agreed commitments? What is the state of implementation of the Busan principles? How is progress assessed, and what are the limitations to the approach used? This chapter responds to these questions, drawing on evidence generated through the Global Partnership monitoring framework and its ten indicators, offering a concise overview of the findings that are explained in more detail in subsequent chapters.

Busan: A turning point for development co-operation

In 2011 when the global development community convened in Busan, Republic of Korea, for the Fourth High-Level Forum on Aid Effectiveness (HLF4), the international community was standing at a critical juncture in international development co-operation. The world had changed profoundly since development co-operation began over half a century earlier. In this changing landscape, development co-operation had undergone notable reform to improve its quality, and positive results had been achieved. Nevertheless, progress had been uneven and neither fast nor far-reaching enough to generate sustainable results for all citizens. With the 2015 target date for the Millennium Development Goals fast approaching, there had never been greater urgency to achieve strong, shared and sustainable growth. Success would depend on the results and impact of joint efforts.

Two key factors served to create a paradigm shift in the nature of development co-operation – the realisation that aid alone is not enough to achieve our shared development goals, and the recognition of an evolving and increasingly complex development "architecture" characterised by a greater variety of actors, country contexts and new forms of partnership.

The Busan Partnership agreement for Effective Development Co-operation (BPa) embodies this paradigm shift. The result of an inclusive process of consultation and negotiation, it reinforces the core principles of the Paris Declaration (2005) and the Accra Agenda for Action (2008) for effective aid, while also embracing diversity and recognising the distinct roles that all co-operation stakeholders can play to support development. In recognising that different stakeholders may approach a common agenda for development in different ways, building on voluntary engagement, it identifies four common principles which form the foundation for effective development co-operation (Box 1.1).

Box 1.1. **Shared principles to achieve common goals**

Ownership of development priorities by developing countries. Partnerships for development can only succeed if they are led by developing countries, implementing approaches that are tailored to country-specific situations and needs.

Focus on results. Our investments and efforts must have a lasting impact on eradicating poverty and reducing inequality, on sustainable development, and on enhancing developing countries' capacities, aligned with the priorities and policies set out by developing countries themselves.

Inclusive development partnerships. Openness, trust, and mutual respect and learning lie at the core of effective partnerships in support of development goals, recognising the different and complementary roles of all actors.

Transparency and accountability to each other. Mutual accountability and accountability to the intended beneficiaries of our co-operation, as well as to our respective citizens, organisations, constituents and shareholders, is critical to delivering results. Transparent practices form the basis for enhanced accountability.

Source: Busan Partnership for Effective Development Co-operation (2011), endorsed at the Fourth High-Level Forum on Aid Effectiveness, Busan, Republic of Korea, 29 November-1 December 2011, http://effectivecooperation.org.

The Busan Partnership agreement formed a new, inclusive Global Partnership for Effective Development Co-operation (Box 1.2) to support implementation of commitments at the political level and to act as a forum for the exchange of knowledge and the regular review of progress. It also called for agreement on a "selective and relevant set of indicators and targets through which we will monitor progress" (BPa, 2011: para 35).

Monitoring is key to uphold accountability and support implementation efforts in individual countries.

Box 1.2. **What is the Global Partnership for Effective Development Co-operation?**

The Global Partnership for Effective Development Co-operation was established at the Fourth High-Level Forum on Aid Effectiveness in Busan, Republic of Korea, in 2011 to sustain political dialogue on issues relating to the quality and effectiveness of development co-operation. It brings together a wide variety of development actors to improve the way development co-operation is delivered at the country level to ensure that it contributes to poverty eradication and shared prosperity.

The Busan Partnership agreement has so far been endorsed by 161 nations and territories and 54 international organisations, representing a wide range of stakeholders: governments from both provider and recipient countries; countries involved in South-South co-operation; multilateral organisations; civil society; and representatives of parliamentarians and the private sector. The Global Partnership provides these development players with an open forum for sharing experiences and ensuring that funding, knowledge and policy produce maximum impact for development. It also supports regular monitoring of progress in the implementation of the commitments agreed in Busan. While still in its early stage, the Global Partnership has the potential to play an important role in the global development co-operation architecture and contribute to implementing the post-2015 development agenda.

The Busan Partnership agreement invited the United Nations Development Programme (UNDP) and the Organisation for Economic Co-operation and Development (OECD) to work together to provide support for the effective functioning of the Global Partnership. The UNDP-OECD joint support team includes dedicated staff across the two organisations who provide day-to-day support to the Global Partnership. More information is available at: http://effectivecooperation.org.

There is a strong demand from developing countries for a global monitoring framework to support their own implementation efforts and accountability.

An evidence-based approach, geared towards learning and sharing of lessons, has been the key characteristic of international effectiveness efforts since 2005. In Busan, developing countries called for the continuation of a global monitoring framework to uphold accountability and support implementation efforts in individual countries. A rationale for continued monitoring efforts at the global level had emerged already in the preparations for the Busan High-Level Forum. The final Evaluation of the Paris Declaration recommended that the international development community build on the important international advances made through purpose-built joint partnership mechanisms to pursue further development co-operation reform (Wood et al., 2011). The

evaluation confirmed the Paris Declaration principles' relevance for all forms of development co-operation focused on ownership, alignment and harmonisation, results and accountability. It also pointed out that the implementation of these principles had helped to strengthen standards of partnerships, and legitimised demand from developing countries that good practice be observed. Likewise, the Co-Chairs of the former Working Party on Aid Effectiveness stated that inclusive global accountability mechanisms are needed to support strong, country-led partnerships (Abdel-Malek and Koenders, 2011). Drawing on experience to date, they highlighted the role of monitoring and evaluation of international commitments in creating and sustaining incentives for implementation and reform by refocusing global processes on essential learning and accountability functions.

Monitoring the Busan commitments globally and locally

The Global Partnership monitoring framework, developed by the multi-stakeholder Post-Busan Interim Group, was endorsed in June 2012 in the final meeting of the Working Party on Aid Effectiveness.[1] The framework consists of ten indicators which provide the basis for this report. Since the Busan Partnership agreement reaffirms the commitments of those countries and organisations signing up to the Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008), the Global Partnership monitoring framework retains those indicators from the Paris Declaration monitoring framework that developing countries identified as particularly important, while supplementing these with additional indicators that capture some of the broader dimensions of the Busan Partnership agreement. Each indicator includes a target for 2015, providing a foundation to measure progress in making co-operation practices more effective.

The Busan Partnership agreement strengthens the emphasis on country-level implementation of commitments, and the Global Partnership monitoring framework was designed to reflect this spirit of a country-led approach; developing countries choose when and how they engage in global monitoring efforts, based on their own data, planning cycles and country priorities. This approach draws on and helps to strengthen countries' own accountability processes. It places particular emphasis on behaviour change in development co-operation efforts in order to help achieve the results defined in developing countries' own development strategies. Its aim is not to monitor development outcomes themselves; this is the role of other international frameworks (e.g. the Millennium Development Goals).

The Global Partnership monitoring framework increasingly grounds data collection in existing national monitoring processes.

In this spirit of a "global light, country-focused" approach, the Global Partnership monitoring framework increasingly grounds data collection in existing national monitoring processes. Where relevant, developing countries are encouraged to use their own monitoring mechanisms and tools – where they exist – to report data to the global process. The aim of this monitoring approach is to ensure a degree of aggregation and comparability in the evidence generated through national frameworks, while moving away from parallel monitoring mechanisms and cycles that primarily serve international reporting needs.

This report provides a first global snapshot of the state of play in implementing selected Busan commitments. In the midpoint between the Busan High-Level Forum in 2011 and the 2015 goalpost that the international community has set for the Millennium Development Goals, this interim stocktake draws attention to areas where advances have already been made, where progress remains within reasonable reach, and other areas that warrant considerable attention if the international community aspires to demonstrate concrete progress on more effective development co-operation by 2015 and beyond.

This first chapter presents an overview of findings and future considerations, while Chapters 2 to 4 review findings from the ten indicators. Chapter 5 gathers observations and examples on country efforts to implement the Busan principles and to set up national accountability frameworks to monitor progress.

Are we on track to meet the Busan targets by 2015?

Despite slow progress, efforts initiated in 2005 have been broadly sustained and indicate a profound transformation in the way development co-operation is managed and delivered.

Overall, the glass is half full. Efforts to implement the monitored commitments are underway. At the same time, much more is needed to implement commitments by 2015. Findings confirm that reform takes time – but it works. Despite slow progress, previous achievements towards the "aid effectiveness" commitments have been broadly sustained; efforts initiated in 2005 shape how development co-operation is carried out today. In view of the political challenges that development co-operation faces today, this outcome should not be taken as a given. Since the global economic crisis, many providers of development co-operation have faced pressures on their budgets and increased domestic scrutiny over the way they spend funding and what such funding can achieve. This has not been without implications for choices regarding resource allocations, modalities for delivery and risk management. The fact that previous investments in more effective practices have resisted a less favourable environment indicates a profound transformation in the way development co-operation is managed and delivered today – and confirms that reform yields lasting results.

This knowledge should give Global Partnership stakeholders the impetus for the concerted and targeted action needed to build on successes and address bottlenecks. In doing so, the 2015 targets for effective development co-operation will be within reach. Particular effort will be needed to bring about the action and behaviour change required for the newer Busan commitments related to inclusive partnerships. In due course, these efforts will too begin to translate into reform and, eventually, more effective co-operation and more sustainable results.

Ownership and results of development co-operation (Chapter 2)

The Busan Partnership agreement sees developing countries' ownership of development priorities as the first of four fundamental principles for effective development. This principle is closely associated with the focus on results, the second principle. Countries and organisations agreed at Busan to do more to align their work with the priorities and policies set out by developing countries, ensuring that investments

and efforts have a lasting impact on eradicating poverty and reducing inequality, on sustainable development, and on enhancing developing countries' capacities.

Country ownership continues to strengthen. Achievements made in 2010 around strengthening and using country systems – although falling short of desired Paris and Accra targets – have broadly been sustained despite somewhat unfavourable conditions for development co-operation in many provider countries. This shows that investments in strengthening country systems are paying off in the long term. It is too early to say whether strengthened commitment to ownership is translating into increased use of countries' own results frameworks to guide development co-operation on the whole.

Table 1.1. **Ownership and results of development co-operation**

Indicators	2015 targets	State of implementation
Indicator 1. Development co-operation is focused on results that meet developing countries' priorities	***All providers*** of development co-operation use country results frameworks	***Too early to assess progress*** – indicator piloted in eight countries. Preliminary feedback suggests great variation in use between providers but consistent provider behaviour across countries.
Indicator 6. Aid is on budgets which are subject to parliamentary scrutiny	***Halve the gap*** – halve the proportion of development co-operation flows to the government sector not reported on government's budget(s). By 2015: 85% reported on budget.	***Some progress*** – 64% of scheduled funding is reported on government's budgets. Only seven countries have reached or are close to reaching the 85% target.
Indicator 9. Developing countries' systems are strengthened and used	***Half of developing countries move up at least one measure*** (i.e. 0.5 points) on the PFM/CPIA scale of performance. ***Reduce the gap*** in the use of PFM and procurement systems (by two-thirds where CPIA score ≥ 5; or by one third where between 3.5 and 4.5). By 2015: 57% of funding uses country systems.	***Previous achievements sustained but more progress is needed.*** No overall change in the quality of countries' public financial management systems. No change in use of country systems: Development co-operation funding using PFM and procurement systems remained at its level of 2010 (around 49%).
Indicator 10. Aid is untied	***Continued progress over time***	***Some progress –*** 79% of bilateral ODA is untied (in comparison with 77% in 2010).

Indicator 1: Increased use of countries' own indicators, statistics, and monitoring and evaluation systems strengthens country results frameworks and solidifies ownership and accountability

- Preliminary results indicate great variation in the use of country results frameworks, with providers showing high, moderate and low levels of use. This said, the tendency of individual providers to use country results frameworks across different countries seems to be consistent. These findings draw on piloting the indicator in eight countries and cannot be generalised at this stage.
- Further efforts among Global Partnership stakeholders are needed for a better understanding of what drives progress in this area. It would be particularly important to identify operational policies and instruments of individual providers that are more likely to increase their ability to use country results frameworks of developing countries to assess progress achieved through development co-operation.

Indicator 6: Including development co-operation funding in budgets enables alignment with national priorities, more accurate and comprehensive budgeting

and greater transparency and accountability in implementing development co-operation as part of national development efforts

- There has been some progress since 2010. In total, 64% of development co-operation funding scheduled for the government sector was reflected in national budgets of developing countries.
- Seven countries have reached the agreed minimum target of capturing at least 85% of scheduled co-operation funding in their national budgets.
- Caution is needed when looking at these results, given the discrepancy between what governments record in their budget and information from providers on their disbursement schedules. This calls for greater transparency and regular exchange of information at country level.

Indicator 9: Using developing countries' own institutions and systems will strengthen these institutions and systems themselves, reduce transaction costs and enable greater country-level accountability towards citizens and parliament

- The quality of public financial management (PFM) systems shows little change in most countries: three countries demonstrate increased quality of country systems, while quality has declined in three other countries.
- Half of development co-operation funding is channelled through PFM and procurement systems. There has been no change in the use of country systems since 2010.
- There are encouraging signs that the international community could reach the target set for 2015. This will require developing countries to continue the reforms to strengthen their systems while providers' efforts to update their policy guidance on use of country systems provide a good basis for further progress. This can be achieved through stronger dialogue at country level.

Indicator 10: Development co-operation which is not tied to specific geographic sources for the procurement of goods and services enables greater alignment to country priorities and systems and ensures better value for money

- Providers are delivering on their commitments to untie more official development assistance (ODA). The share of untied ODA was 79% in 2012, the highest level recorded, despite pressures on ODA budgets more generally.
- Reporting by providers on tied aid has also improved. Only 3.5% of ODA in 2012 did not have its tying status reported.
- Remaining inconsistencies in how and what providers report as tied aid need to be resolved.

Inclusive development partnerships (Chapter 3)

Inclusiveness – the "core" of the Busan Partnership agreement – is translating into stronger recognition and engagement of non-state development actors, including the private sector and civil society. Full engagement of these actors in national systems and accountability processes and recognition of their contributions to development will, however, require more time and effort in a development co-operation architecture which is still skewed towards a government-centred, North-South setting.

Inclusiveness goes beyond how different actors engage in development. Inclusiveness is also about development benefiting all, and men and women equally. There are encouraging signs that political commitment translates into greater accountability to track progress in this area. Evidence shows strong commitment by an increasing number of countries to ensure that public expenditure is targeting both women and men. This requires institutions, systems and data.

Table 1.2. **Inclusive development partnerships**

Indicators	2015 targets	State of implementation
Indicator 2. Civil society operates within an environment that maximises its engagement in and contribution to development	***Continued progress over time***	***Too early to assess progress*** – further thinking needed on measurement due to data limitation. Mixed picture with evidence of positive examples of government efforts to facilitate the work of civil society organisations however, notable challenges prevail in many countries.
Indicator 3. Engagement and contribution of the private sector to development	***Continued progress over time***	***Too early to assess progress*** – indicator pilot ongoing. Other sources of evidence suggest that the quality of private-public dialogue matters.
Indicator 8. Gender equality and women's empowerment	***All developing countries*** have systems that track and make public resource allocations for gender equality and women's empowerment	***A good start –*** one third of the countries have systems in place with indications of others committed to track gender allocations more systematically.

Indicator 2: Enabling civil society organisations to exercise their role as independent development actors will help to maximise their contribution to development

- Due to the limited data available, it has not been possible to develop a quantitative measure of the legal and regulatory framework for civil society organisations (CSOs). Examples of efforts by governments to facilitate the work of CSOs have been reported in the form of improved legislation or institutionalised CSO engagement in national policy dialogue. Evidence from different sources suggests that CSOs continue to face notable challenges in many countries: the creation of mandatory and/or complex registration process for CSOs, which can result in limiting the activities of organisations rather than providing a regulatory framework, and control and restrictions in relation to funding they receive.
- More concerted efforts among all actors are needed to ensure that CSOs can exercise their role as independent development actors. This includes: developing a common understanding on what has to be done to promote an enabling environment for civil society, and investing resources to generate primary data on CSO environment to show accurate and comparable information across countries and promote meaningful dialogue on the CSO enabling environment within the Global Partnership.

Indicator 3: Promoting better participation of the private sector in the design and implementation of development policies and in dialogue on reforms impacting their enabling environment will maximise the contribution of the private sector to development

- The indicator on private sector engagement is being piloted at the time of writing this report. The development of this indicator has been challenging, given the difficulty in both identifying an appropriate proxy for assessing private sector engagement and in drawing on existing methodology in such a complex area.
- Existing evidence suggests that initiatives to promote public-private dialogue have attached greater attention to the organisational effectiveness and outcome focus of formalised structures put in place. Such dialogue can be associated with a wide range of reforms within the financial and private sector development space/business-enabling environment. The dialogue process in itself has been a positive outcome for government reforms, in terms of communication, co-ordination and accountability.
- Public-private dialogue constitutes an entry point through which to implement broader and more ambitious development co-operation programmes focused on improving the investment climate and associated reforms.

Indicator 8: Tracking and making public budget allocations disaggregated by sex enable fuller use of this data to inform policy decisions and guide investments and allocate resources in a way that maximally benefits both women and men

- Countries are making serious efforts to put in place systems to track budget allocations on gender equality and women's empowerment. Out of 35 countries, 12 have systems in place to track and make public allocations on gender equality. Five additional countries have a tracking system, but allocations are not made public.
- There is scope for further progress: many of the countries without a system in place reported ongoing efforts to promote gender responsive budgeting and to develop mechanisms for tracking gender allocations in a more systematic manner. The fact that many of these countries voluntarily reported on this indicator despite not having systems in place is a sign of their commitment to making progress in this area.

Transparency and accountability for development results (Chapter 4)

The transparency drive is starting to show results – but these need to be geared towards countries' needs. Increased availability of information is not yet translating systematically into greater support to countries' strategic planning. Continued effort is needed for the high-level political commitment in this area to work its way through co-operation providers' systems and procedures to allow truly transparent and predictable co-operation, where information is geared towards supporting developing countries' own planning needs and activities.

Mutual accountability for implementing agreed commitments is growing stronger – which is underscored by the observations around the monitoring process itself. Greater transparency and inclusiveness is still needed to fully reflect mutual accountability among all relevant stakeholders for shared effectiveness principles.

Table 1.3. **Transparency and accountability for development results**

Indicators	2015 targets	State of implementation
Indicator 4. Information on development co-operation is publicly available	***Implement the common open standard*** for electronic publication of information on resources provided through development co-operation	***A good start but more progress needed.*** The average provider publishes data once-a-year that is six to nine months old and provides information for 50% of common standard data fields. Transparency of forward information is a challenge: 25% of providers do not publish any forward-looking information through the systems of the common standard.
Indicator 5(a). Annual predictability: proportion of development co-operation funding disbursed within the fiscal year in which it was scheduled by co-operation providers	***Halve the gap*** – halve the proportion of development co-operation funding not disbursed within the fiscal year for which it was scheduled. By 2015: 90% of funding is disbursed as scheduled	***Some progress –*** 84% of scheduled disbursements were disbursed as planned (in comparison to 79% in 2010).
Indicator 5(b). Medium-term predictability: proportion of development co-operation funding covered by indicative forward spending plans provided at country level	***Halve the gap*** – halve the proportion of development co-operation funding not covered by indicative forward spending plans. By 2015: plans cover 92% of estimated funding for 2016, 85% for 2017 and 79% for 2018.	***A good start but more progress needed.*** Forward spending plans cover: 83% of estimated total funding for 2014, 70% for 2015 and 57% for 2016.
Indicator 7. Mutual accountability among co-operation actors is strengthened through inclusive reviews	***All developing countries*** have inclusive mutual assessment reviews in place	***Some progress -*** 59% of countries have mutual assessment reviews in place. Encouraging efforts are underway to mutually track progress, but more is needed to make reviews inclusive and transparent.

Indicator 4: Implementation of the common, open standard on transparency will improve the availability and public accessibility of information on development co-operation and provide a stronger basis for enhanced accountability

- The provider community needs to raise its collective level of ambition and redouble efforts if it is to publish by 2015 timely, comprehensive and forward-looking information on development co-operation resources. To enhance the publication of information, urgent action is needed to report more frequently, using data that is less than six months old, and to overcome systemic/procedural hurdles to providing information on all agreed common standard data fields. To be more transparent about future plans, providers that do not yet publish any information should urgently start to publish at least aggregate country envelopes for future years, and aim to gradually move towards more detailed activity-level reporting.
- Further work is needed to assess the quality and usefulness of information. Insofar as the Global Partnership transparency indicator measures the implementation of the common standard, any evolution of the indicator will ultimately be guided by the evolution of the standard itself. In line with the Busan Partnership agreement, it is recommended that further work around the common standard focuses on improving the understanding of what timely, comprehensive and forward-looking information means in practice for developing countries and non-state stakeholders so that all transparency efforts respond effectively to local needs and country contexts.

Indicator 5: Accurate information on future development co-operation funding enables better planning and allocation of resources within and across sectors

and sound implementation of national development strategies over the medium term

- There has been some progress on annual predictability, with 84% of funds disbursed according to plan. However, developing country governments are faced with continued unpredictability and are managing increasingly complex resource equations where providers' disbursements both fall short of – and exceed – initial plans.
- Making development co-operation more predictable in the short term will essentially require providers to: (1) eliminate the remaining shortfalls in disbursements as compared to original schedules; (2) make disbursement schedules more accurate, realistically estimating the pace of programme implementation and revising plans upwards where necessary so that they provide reliable estimates for future funding; and (3) provide government with disbursement plans in the first place.
- Medium-term predictability remains a real challenge. The commitment for providers to share, by 2013, rolling three- to five-year forward expenditure plans has not been implemented. Forward expenditure plans for the third year ahead now cover just over half of estimated expenditure.
- Urgent action is needed from providers to adjust policies and procedures so that medium-term co-operation plans can be regularly updated and communicated to developing countries and broader stakeholders. Where changes in legislation, policies or procedures are required, revitalised political leadership is urgently needed to implement commitments and make medium-term predictability a reality.

Indicator 7: Comprehensive and inclusive reviews of progress provide the basis for mutual accountability for progress among all stakeholders at the country level

- More than half the countries have in place mutual review processes. An additional 11 countries now have processes in place in comparison with 2010, despite stricter criteria used for defining mutual review processes.
- Targeted efforts are needed to make mutual review processes more transparent and inclusive, extending participation to emerging providers, CSOs and the private sector. While some countries have taken positive action to strengthen inclusiveness of partnerships, mutual accountability frameworks and joint assessment reviews continue to be undertaken mostly between the government and traditional providers of development co-operation.

The monitoring process shows encouraging signs of commitment and involvement

The voluntary nature of the Busan Partnership agreement provides the basis for Global Partnership monitoring efforts. The set of countries and organisations covered by the global monitoring framework is thus determined through self-selection, and participation by different stakeholders may grow over time. The data featured in this report covers 46 developing countries that voluntarily collected and provided data for the country-level indicators. This group includes countries of low- and middle-income status and from all regions. Additionally, several other countries expressed their interest in drawing on the Global Partnership monitoring indicators to enhance their national accountability frameworks and, subsequently, to participate in future global monitoring rounds.

Between them, the countries participating in the monitoring exercise offer a reasonable sample of development co-operation today: this report captures roughly USD 41 billion, or around 46% of the ODA that is programmed for developing countries annually.[2] Data used for this report includes 77 providers of development co-operation – bilateral and multilateral providers as well as global funds and programmes[3] – drawn from self-reporting to government at the country level and/or their participation in other global processes that generate data for the monitoring framework.[4]

Strong country leadership over data collection signals that the focus on country implementation is the right way to go.

Collaboration with developing countries during this monitoring effort suggests increasingly strong country leadership over the data collection process, signalling continued commitment to participate in and contribute towards global monitoring efforts. This leadership has in several countries been intertwined with increased use of existing frameworks and tools to extract necessary data, such as aid information management systems and databases. These accountability frameworks build on country priorities and may encompass a much wider set of issues and commitments beyond the Global Partnership indicators, but also provide information necessary for global monitoring efforts. At the same time, *ad hoc* approaches to monitoring remain necessary in some countries that do not yet have processes or tools for periodic collection of the country-level data required for global indicators. With time it is hoped that there will be a decrease in the number of such countries.

The diversity of participants reflects the spirit of inclusiveness forged at the Busan High-Level Forum.

This monitoring exercise also saw an increasingly diverse set of co-operation providers such as members of the Arab Co-ordination Group and emerging economies participating in accountability processes at the country level. This engagement reflects the diversity of the Global Partnership and is recognised as an important expression of the spirit of inclusiveness forged at the Busan High-Level Forum.

Limitations to assessing progress

Comparison is limited given that country contexts differ and mandates and areas of intervention vary across providers.

The Global Partnership monitoring framework is primarily a mechanism to support global- and country-level accountability and learning to make development co-operation more effective. The process does not aim, as such, to offer a complete picture of progress and challenges. Due to the light global approach envisaged for the Global Partnership, the framework of indicators, and consequently of this report, is limited in scope:

- This report examines progress towards the specific commitments related to the ten agreed indicators of the Global Partnership monitoring framework. It does not monitor the many other commitments stemming from the Busan Partnership agreement. Findings and recommendations on the ten indicators are one input for broader political

dialogue on accountability and progress; they are not intended to offer comprehensive coverage of all principles and commitments on development co-operation.

- The ten indicators offer a degree of insight into the implementation efforts of stakeholders, and are intended to act as an entry point for political dialogue around monitored commitments. They are not intended as a score card for ranking countries or organisations; such direct performance rankings or comparisons over time or across countries and organisations are not feasible due to changes in the sample of participating countries and organisations, modifications to the indicator methodologies, and variation in country contexts and the mandates of co-operation providers.

Each of the Global Partnership monitoring indicators is accompanied by a target for 2015, and the data provides a sense of where we are on the road towards this milestone. At the same time, there are some limitations in the extent to which it is possible to assess the distance travelled. For some of the indicators measured previously under the Paris Declaration monitoring framework, there is scope for assessing progress within the subset of the 38 countries that participated in both 2013 and previous Paris Declaration monitoring efforts. However, even comparisons within this subgroup should be treated with caution, as country contexts and the composition of co-operation providers in-country may have evolved between 2010 and 2013.

For the new indicators piloted for the first time, the report offers a preliminary narrative on the status of implementation, but cannot yet offer a comprehensive assessment of progress. It should also be noted that developing new indicators, particularly those related to inclusive development partnerships (Chapter 3), has been challenging. While the introduction of these indicators was essential to construct a monitoring framework consistent with the vision set out in Busan, follow-up action is needed to translate this vision into specific and concrete actions to attain these goals. Substantial efforts have been invested to formulate conceptual frameworks and methodologies for assessing an enabling environment for civil society and private sector engagement. However, a robust measurement approach will mean further articulating the expected behaviour change required of relevant stakeholders.

Some of the challenges encountered in consolidating and validating data at the country level indicate that further efforts are needed to enhance transparency and accountability.

An inclusive approach has been encouraged throughout the process of data collection and validation. The aim is to encourage multi-stakeholder dialogue on progress in each country. Joint reviews of data by government and co-operation providers have been important, particularly to identify possible discrepancies between data extracted from government databases and matching data as understood by providers' country offices and headquarters. In some instances co-operation providers' understanding of accurate data has differed rather substantially from that extracted from government databases for the purposes of Global Partnership monitoring. The concerns expressed by these providers are duly noted. However, in helping to reveal such misunderstandings, miscommunication or inaccuracies, the Global Partnership monitoring framework is already fulfilling one of its important objectives: to bring together government and providers to identify these gaps in accountability structures and to find ways to improve them. Some of these challenges encountered in consolidating and validating data at the

country level indicate that further efforts among development stakeholders are needed to enhance transparency and accountability.

The gains of increased country leadership and more embedded monitoring efforts do not come without some data implications: collecting existing data and following national fiscal cycles means less consistency and comparability across countries and over time. Relying on countries' existing data collection mechanisms can mean a less comprehensive data set. Nevertheless, this transformation in the monitoring process is gradually strengthening country-driven accountability frameworks that primarily serve countries' needs for progress and accountability for results, while at the same time enabling light, periodic global reviews of progress.

Ways forward for strengthening global accountability

Refine indicators to strengthen the monitoring framework

The Global Partnership monitoring framework adopted in 2012 foresaw a light periodic review of global indicators and the methodology underpinning them to coincide with periodic reports on progress. A review could be envisaged to coincide with the second High-Level Meeting of the Global Partnership to take stock of monitoring efforts and contribute to continued global learning to inform future monitoring and accountability efforts. To further refine the monitoring framework in the meantime, stakeholders are invited to lend their support in the following way:

- Monitoring efforts in 2013 have highlighted that some of the indicators piloted in 2013 need further strengthening and sharpening. This is particularly the case where further political discussions are necessary to pin down concrete actions required to deliver on commitments (e.g. CSOs, private sector), and where strong political leadership is needed to guide further improvement in the measurement approach. In some cases, this is compounded by data gaps or methodological constraints (e.g. indicator 2 on CSO enabling environment, indicator 3 on private sector engagement and indicator 1 on use of country results frameworks). The relevant chapters of this report make suggestions to guide these refinements.

Support countries to strengthen national accountability frameworks and enable more comprehensive future global monitoring

The transformation towards monitoring led by countries themselves is both desirable and feasible. Lessons from monitoring efforts indicate that there is strong demand for country-owned monitoring, with several additional countries developing their own mechanisms to review progress on the Busan commitments. The following could be considered:

- Global Partnership stakeholders are invited to consider adequate support for individual countries and regional structures to strengthen country accountability frameworks, embed the collection of data for global indicators within these frameworks, and facilitate the exchange of knowledge and good practice. This will ensure that any review of lessons and future refinements within the Global Partnership monitoring framework are guided by the experiences and needs of developing countries themselves.
- Country leadership needs to be matched by stronger engagement by providers at the country level. To ensure legitimacy of global monitoring efforts which will increasingly

be embedded in national monitoring processes, more is needed from co-operation providers to re-align their systems and procedures to those of developing countries. This calls for better internal communication and co-ordination within provider organisations to address apparent disconnects between headquarters and country office operations. This will be key to accurately monitor progress and reinforce mutual accountability both at the country and global levels.

Notes

1. The Working Party on Aid Effectiveness – a multi-stakeholder group that had been working since 2008 to improve the effectiveness of development efforts – was tasked by the Busan Partnership agreement to convene representatives of countries and stakeholders to agree by June 2012 on the working arrangements and monitoring framework of the Global Partnership. After its final meeting, the WP-EFF gave way to the new Global Partnership for Effective Development Co-operation.
2. Known as country programmable aid (CPA), this is the portion of ODA that providers programme for individual countries. CPA seeks to capture the portion of flows that go directly to developing countries from the overall ODA envelope. For more information, see www.oecd.org/development/aid-architecture/cpa.htm.
3. Partners engaged in South-South co-operation were not expected to participate in the monitoring framework, but were invited to share their experience and achievements in implementing agreed principles of effective development co-operation on a voluntary basis. Nevertheless, contributions were received from a number of South-South partners, and this report benefits from their reporting at the country level.
4. Such as the OECD-DAC Creditor Reporting Systems, OECD Forward Spending Surveys or the International Aid Transparency Initiative, which source the data for indicators on transparency and untying (see Chapters 2 and 4).

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Chapter 2

Ownership and results of development co-operation

Leadership by developing countries over their development policies and strategies is essential for development partnerships to succeed. This means that development co-operation programmes must be aligned with developing countries' own systems, priorities and policies. This chapter reviews the state of implementation and challenges encountered in fulfilling key commitments made in the Busan Partnership agreement on promoting developing countries' ownership of their development agenda and delivering results that meet their priorities. It asks to what extent are providers of development co-operation using developing countries' own results as a basis for assessing the performance of their development co-operation programmes? Is development co-operation funding recorded in the national budgets of developing countries? Have the public financial management systems of developing countries improved and are they being used by providers of development co-operation? Are providers doing more to untie their aid and to report their untying progress?

When aligned to countries' priorities and systems, development co-operation can provide incentives and momentum to strengthen capacity, institutions and accountability.

The Busan Partnership agreement sees developing countries' ownership of development priorities as the first of four fundamental principles for effective development (Box 1.1). Country ownership means that development processes are led by developing countries themselves so that actions are tailored to their specific contexts and needs. The second principle is a focus on results: ensuring that investments and efforts have a lasting impact on eradicating poverty and reducing inequality, on sustainable development and on enhancing developing countries' capacities. The two principles are closely entwined: in order to increase focus on development results, countries and organisations agreed in Busan to do more to align their work with the priorities and policies set out by developing countries themselves.

This chapter outlines the results from the four indicators that have been designed to measure progress towards these two principles:

- Indicator 1: Development co-operation is focused on results that meet developing countries' priorities.
- Indicator 6: Aid is on budgets which are subject to parliamentary scrutiny.
- Indicator 9: Effective institutions – developing countries' systems are strengthened and used.
- Indicator 10: Aid is untied.

What is country ownership? The Accra Agenda for Action in 2008 broadened the definition of country ownership previously focused on the executive branches of central governments to give greater recognition to the role of societies as owners of development efforts alongside governments. The Busan Partnership agreement (BPa, 2011) explicitly recognises the distinct role that different stakeholders can play as development actors in their own right. The role and contribution of civil society organisations and the private sector is addressed through a set of specific commitments (see Chapter 3 on inclusive development partnerships). At the same time, the Busan Partnership agreement reaffirms the importance of using and strengthening government sector systems for building effective institutions. For development co-operation efforts to be most effective, they need to respond to developing countries' priorities and be provided in a way that uses and strengthens developing countries' own institutions and systems. Experience shows that when aligned to developing countries' priorities and systems, development co-operation efforts can provide incentives and momentum to help strengthen capacity, enhance accountability and contribute to more sustainable institutions. The Evaluation of the Paris Declaration on Aid Effectiveness confirmed this by showing that efforts to put effectiveness principles in action have helped to ensure that development co-operation is better managed while also strengthening the core state functions, for example by improving the management of all public expenditure, procurement and accountability (Wood et al., 2011).

The 2011 Survey on Monitoring the Paris Declaration showed that progress in implementing commitments to use country systems had not reached the level of ambition anticipated at the Paris and Accra High-Level Fora (OECD, 2011a). Already in 2008, the

Accra Agenda for Action placed greater emphasis on the systematic use of country systems ("use as a first option"); where use would not be feasible, providers would be expected to be transparent about the reasons for not using them and to establish safeguards and measures in ways that strengthen rather than undermine country systems and procedures. The Busan Partnership agreement strengthened the language on the use of country systems further, committing countries and organisations to use country systems as the "default approach" for providers supporting activities managed by the public sector. Providers should work with and respect the governance structures of both the provider of development co-operation and the developing country (BPa, 2011: para 19a). Providers and developing countries should also jointly assess country systems using mutually agreed diagnostic tools. The results should be the basis for deciding on the extent to which country systems can be used by providers (BPa, 2011: para 19b).

The Busan Partnership agreement also called for greater use and strengthening of country systems for results reporting and performance assessment, calling on individual developing countries to develop frameworks based on national needs and priorities for monitoring progress and promoting mutual accountability in efforts to improve the effectiveness of co-operation, and in turn, development results (BPa, 2011: para 35a).

Indicator 1: Development co-operation is focused on results that meet developing countries' priorities

Results frameworks are about objectives to be achieved, as stated in national development strategies and sector plans, indicators, and the baselines and targets to track progress in achieving results, as well as the monitoring and evaluation systems and tools available to do so.

Use of country results frameworks is a key element of the Busan Partnership agreement. Countries and organisations have agreed to adopt transparent, country-led and country-level results frameworks as a common tool to assess performance based on a manageable number of output and outcome indicators drawn from the development priorities and goals of the developing country (BPa, 2011: para 18b).

These frameworks define a country's approach to development results and the systems and tools to monitor and evaluate progress in achieving such results. They include objectives, indicators, a baseline and targets to measure progress in implementing them and achieving outputs, outcomes and impacts, as stated in national development strategies, sector plans and other frameworks (e.g. budget support performance matrices). Such frameworks should ideally have been developed through participatory processes involving relevant national stakeholders.

What is the measure?

Indicator 1: Proportion of providers of development co-operation using country results frameworks.

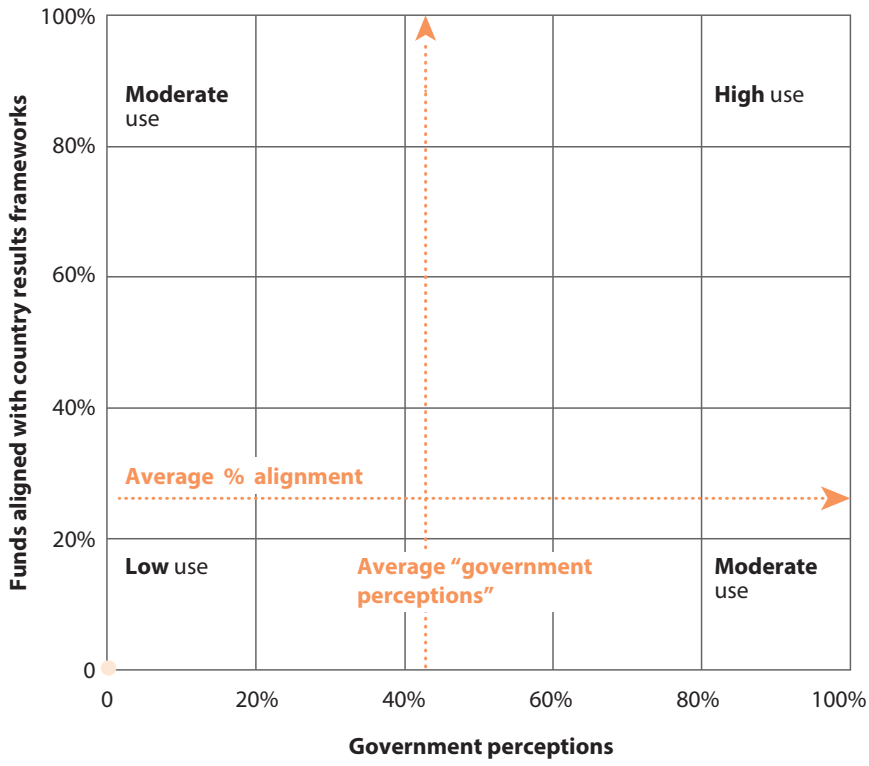
Target for 2015: All providers of development co-operation use country results frameworks.

Although providers' alignment with country results frameworks can be considered at various levels (e.g. strategy and programming, programme delivery and performance management), what matters ultimately is whether providers actually make use of these results frameworks as the basis for planning, implementation and reporting.

The indicator aims to capture the relationship between the proportion of funding allocated to support national priorities/expenditure programmes, the way in which this funding is disbursed, and its links to the country's results framework. To account for some of these important aspects, the indicator has been designed to draw on a combination of quantitative and qualitative information to assess (Figure 2.1):

1. Development co-operation activities that use and strengthen country results frameworks (vertical axis). This is measured as the proportion of development co-operation funds disbursed in a way that allows for alignment with a developing country government's own programming, implementation and annual reporting cycles. These include budget support, sector-specific budget support, government-managed pooled funding, and projects (as long as they are aligned).
2. Government perceptions (horizontal axis). This reflects the degree to which development partners' delivery of development co-operation bolsters country results frameworks through: a) their direct use; or b) development partners' direct involvement in the process of developing and strengthening these systems.

Figure 2.1. **Indicator 1: Use of country results frameworks**



To better illustrate the use of country results frameworks, the plane is broken down into four quadrants by using average results on both the vertical and horizontal axis as evaluatory benchmarks. This intuitive framework yields a spectrum of classifications from low to moderate and high use of country results frameworks (Table 2.1).

Table 2.1. **Levels of use of country results frameworks by development co-operation providers**

Level of use	Behaviour patterns
High use of country results frameworks	Providers allocating a relatively high (i.e. above average) proportion of funding through modalities associated with country results frameworks. Providers perceived to use and strengthen country results frameworks effectively (by comparison with other providers).
Moderate use of country results frameworks	Providers allocating a relatively high (i.e. above average) proportion of funding through modalities associated with country results frameworks. Providers perceived to use and strengthen country result frameworks ineffectively (compared to other providers). *OR* Providers allocating a relatively low (i.e. below average) proportion of funding through modalities associated with country results frameworks. Providers perceived to use and strengthen country result frameworks effectively (compared to other providers).
Low use of country results frameworks	Providers allocating a relatively low (i.e. below average) proportion of funding through modalities associated with country results frameworks. Providers perceived to use and strengthen country result frameworks ineffectively (compared to other providers).

The indicator construction recognises that providers can have an incremental approach to the adoption of country results frameworks as a basis for programming, implementing and reporting on the use of development co-operation funds. In fact, the tool is applicable for all developing countries, whether they have strong or weak results frameworks, by acknowledging that providers can actually use country results frameworks, as well as strengthening such systems in cases where they may not be readily available. In addition, the indicator also captures, through the assessment of government perceptions, the reality that some providers continue to impose additional reporting requirements in situations where poor coverage of results frameworks across and within sectors and low-quality data mean that current frameworks are not yet reliable.

What is the state of play?

The indicator has been piloted under the leadership of governments in eight participating countries.[1] These countries were each requested to invite four to six providers of development co-operation to participate in the process.[2] At the time of writing, further discussion and broader consultation still needed to take place before validating the approach and the methodology. In view of the limited sample size, the conclusions from the emerging pilot findings cannot at this stage be generalised.[3]

There is considerable variation in the use of country results frameworks, but individual providers seem to behave consistently across countries.

Preliminary results from the pilot indicate considerable variation in the use of country results frameworks, with providers showing high, moderate and low levels of use. This being said, individual providers seem to behave consistently across countries. There also seems to be a tendency for multilateral providers to perform better than their bilateral counterparts in terms of their ability to use country results frameworks. The way the indicator is constructed can hide great variation in behaviour among providers of development co-operation that use country results frameworks to a similar degree. For

instance, two providers categorised as moderate in their use of country results frameworks may differ significantly in the nature of their involvement at the country level. One provider can make a high use of delivery modalities closely associated with country results frameworks while another provider may not. In the first case, the provider's assessment may be adversely affected by its operational and institutional constraints, preventing full reliance on country results frameworks or imposing additional reporting requirements. In the second case, the provider may be assessed more favourably because of its commitment to build local capacity and strengthen the mechanisms supporting country results frameworks. In the future, further analysis will be important to identify operational policies and instruments of individual providers more likely to lead to further progress in this area.

Additional sources of evidence confirm that further progress is needed towards greater alignment. Country studies show that development co-operation providers who use project support rarely use developing countries' planning and budgeting systems – other than sector plans and sector-wide approaches (SWAps) – as a basis for programming development co-operation (CABRI, 2014). In other words, projects are planned and budgeted using providers' own systems. This confirms that aligning project objectives as well as management and delivery to government priorities and country results frameworks remains challenging.

Indicator 6: Aid is on budgets which are subject to parliamentary scrutiny

Integration of development co-operation funding on national budgets leads to better alignment with country priorities and greater accountability to parliaments and citizens.

What are the benefits of ensuring that aid is included in developing countries' budget preparation processes? If financial contributions from providers of development co-operation are fully and accurately reflected in national budgets, this means efforts have been made to connect development co-operation programmes with countries' development plans and to support domestic accountability for using development co-operation funding and for the results achieved. Thus, having "aid on budget" creates incentives for stronger budget processes, better alignment to country priorities, and greater accountability to legislatures and citizens. The resulting improvements in the budget documentation can, therefore, contribute to accelerate and deepen the implementation of commitments to strengthen the role of parliaments in the oversight of development processes, as agreed in Busan (BPa, 2011: para 21a).

What is the measure?

Indicator 6: Proportion of development co-operation funding scheduled for disbursement that is recorded in the annual budgets approved by the legislatures of developing countries.

Target for 2015: Halve the proportion of development co-operation flows to the government sector not reported on government's budget(s) (with at least 85% reported on budget).

Indicator 6 measures budget comprehensiveness: the extent to which a developing country's national budget reflects the available information on planned development co-operation funding as defined at the time of the budget formulation process.[4] The

indicator measures the proportion of disbursements scheduled for the government sector that are included in the budget estimates for the same fiscal year. This commitment is a shared responsibility between developing countries and providers, as the discrepancies in coverage of development co-operation funding in budgets may reflect poor information of available resources by providers and/or insufficient use of such information by budget authorities (Chapter 4, indicator 5). While budget support is always on budget, other modalities – including project support – can and should also be recorded on budget, even if funds do not pass through a country's treasury.

While this indicator looks at annual budgets that have been reported in the budget documentation to parliaments, it does not capture the extent to which budgets are actually subject to their scrutiny in practice. The Inter-Parliamentary Union and the Open Budget Initiative are undertaking more qualitative assessments on the strength of oversight institutions. These could provide a useful basis for further work in this area (see indicator 9a for more information on the quality of the country's public financial management systems).

What is the state of play?

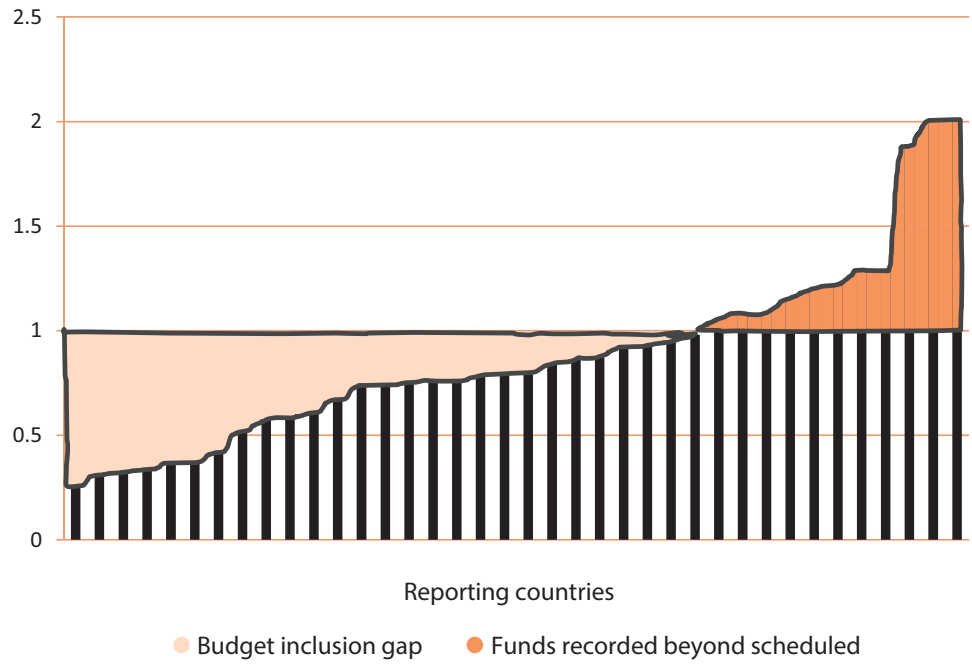
Across all the countries reporting on this indicator in 2013, 64% of scheduled development co-operation funding for the government sector was reflected in developing countries' national budgets. This represents a positive trend in comparison with 2010, with a share of 57% (Table A.6). Only seven countries have reached the minimum target of capturing at least 85% of scheduled co-operation funding in their national budgets (or are close to reach it with 84%): Bangladesh, Cabo Verde, Kenya, Lesotho, Mozambique, Nepal and Samoa. Reaching the 2015 target for this indicator requires the current aggregate ratio to increase to 85% by 2015, which is defined in the Global Partnership monitoring framework as the minimum acceptable level.

Aggregate results hide important variations across countries. Results for individual countries (Table A.6) show discrepancies in both directions, with national budgets including amounts both above and below those scheduled by providers. Figure 2.2 shows that in most reporting countries, governments capture a fraction of funding from providers in their national budgets: this overall budget inclusion gap of 36% affects 27 countries (in total, around USD 11 billion). At the same time, government budgets over-estimate expected amounts by providers in 11 countries: overall, funds recorded in budget beyond those scheduled represent 23% of total scheduled disbursements (in total, around USD 7 billion).

Results for individual countries show discrepancies in both directions, with national budgets both under-estimating and over-estimating development co-operation funds.

Over-estimation and under-estimation of funds in national budgets can equally undermine the efficiency of the implementation of governments' development strategies. The reasons for low coverage of development co-operation funding in budgets have been well documented (OECD, 2011a). They include the fact that developing country governments have little or no control over certain types of flows, and therefore decide not to include them in the budget, or that they may apply discount factors to planning figures to anticipate delays in disbursements.

Figure 2.2. **Funding recorded in developing country budgets as a proportion of providers' scheduled disbursements**



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Note: This figure does not include the six Pacific Island countries which were not in a position to provide information on providers' scheduled disbursements or two other countries which were not in a position to provide information on funding recorded in budget.

Feedback from stakeholders involved in the Global Partnership monitoring process indicates that governments, in order to enhance budget realism, tend to rely on their internal sources of information to record development co-operation funding in the national budget. For example, they draw on submissions by various project implementation units through their respective line ministries. The extent of the discrepancies between government records and information from providers points to the need for greater transparency and regular exchange of information.

Indicator 9: Effective institutions - developing countries' systems are strengthened and used

Using and strengthening developing countries' own systems remain central to efforts to build effective institutions.

The use and strengthening of developing countries' systems remain central to efforts to build effective institutions. Public sector institutions play a strong role in supporting development by fostering growth, providing services, reducing inequalities and creating an enabling political and social environment for sustainable development. The Busan Partnership agreement explicitly recognised the need for developing countries to lead in efforts to strengthen their institutions (BPa, 2011: para 29). The High-Level Fora in Paris, Accra and Busan recognised that using countries' own institutions and systems is central to efforts to build sustainable and effective institutions. Commitments were strengthened

in the Busan Partnership agreement, which requires the use of country systems to be the "default" approach for development support to public sector-managed activities. The agreement recognised, however, that there are circumstances under which development partners may have legitimate reasons not to use country systems (BPa, 2011: para 19).

This indicator explores progress towards the use of public financial management (PFM) systems by measuring two aspects:

- 9a. Quality of developing country PFM systems.
- 9b. Use of developing country PFM and procurement systems.

Indicator 9a: Quality of developing country public financial management systems

While strong systems are a pre-requisite to ensure that providers will disburse their funds through them, using country systems can be a means to strengthen them.

Strong PFM systems are essential for effective and sustainable economic management and public service delivery. States can be effective and accountable when they have good PFM institutions and systems. Good PFM systems are also indispensable in ensuring that aid is being used to achieve development goals. While strong systems are a pre-requisite to ensure that providers will disburse their funds through them, and in turn reduce their reliance on parallel systems or providers' own procedures and implementation, using country systems can be a means to strengthen them.

What is the measure?

Indicator 9a – PFM quality: Proportion of developing countries moving up at least one measure on the PFM/CPIA scale.

Target for 2015: Half of developing countries move up at least one measure (i.e. 0.5 points) on the PFM/CPIA scale of performance.

This indicator looks at the quality of developing countries' PFM systems, and is based on the World Bank Country Policy and Institutional Assessment (CPIA). It takes the form of a score ranging from 1.0 (lowest) to 6.0 (highest), scored in half-point increments (0.5).

The following three dimensions are rated by the World Bank using established criteria for the quality of a developing country's budget and financial management system:

1. a comprehensive and credible budget, linked to policy priorities
2. effective financial management systems to ensure that the budget is implemented as intended in a controlled and predictable way
3. timely and accurate accounting and fiscal reporting, including timely and audited public accounts and effective arrangements for follow up.

The higher the score, the more reliable the country's budget and financial management systems.[5]

What is the state of play?

The Global Partnership monitoring framework draws on the most recent CPIA scores (World Bank, 2013), which relate to the state of play in 2012 (Table 2.2). The results show progress in a limited number of countries. Of the 33 countries reporting to the Global Partnership monitoring framework in 2013 for which CPIA scores are available, 3 countries (Côte d'Ivoire, Honduras and Sudan) have moved up by one measure since 2010, while 3 countries have seen a decline by one measure since 2010 (Madagascar, United Republic of Tanzania and Viet Nam).

Table 2.2. **Quality of country public financial management systems (2010-12)**

Score		2010		2012	
		Number of countries	%	Number of countries	%
Strong	4.5	2	6%	2	6%
	4	6	18%	6	18%
Moderate	3.5	12	36%	11	33%
	3	7	21%	9	27%
	2.5	5	15%	4	12%
	2	1	3%	1	3%
Weak	1.5	0	0%	0	0%
Total countries assessed:		*33*		*33*	

The quality of public financial management systems has not changed in the majority of the countries but half the countries have relatively strong systems.

Over half of the countries reporting to the Global Partnership monitoring in 2013 for which CPIA results are available had a score of 3.5 or above. This proportion has remained stable since 2010. Countries with a strong score (4.0 and above) have maintained their strong performance. These include Armenia, Burkina Faso, Cabo Verde, Kosovo, the Republic of Moldova, Mozambique and Rwanda.

The variation in quality is not necessarily linked to a country's income in the sample of countries. For example, low-income countries such as Burkina Faso, Mozambique and Rwanda share the same score (or higher) than lower-middle-income countries such as Armenia, Honduras and the Republic of Moldova.

Public financial management in many countries is showing steady but incremental progress in terms of budget transparency.

Evidence from other sources suggests an improvement in the quality of public financial management in many countries. Most countries reporting on the Global Partnership gender equality indicator (Chapter 3, indicator 8) are making progress in establishing systems to track budget allocations for gender equality to ensure that public expenditure targets both men and women). Another example, the Open Budget Survey[6] highlights steady, though incremental, progress in one important aspect of public financial management (budget transparency) since the survey was launched in 2006. The latest report shows that average scores for the 40 countries that have comparable data

increased from 47 in 2006 to 57 in 2012 (on a scale of 0 to 100), with nearly all regions of the world showing improvements (International Budget Partnership, 2012). Countries such as Afghanistan, Bangladesh and Uganda have demonstrated efforts to strengthen the transparency of their budget systems.

Despite these positive trends, however, the Open Budget Survey also reveals that the national budgets of 77 of the 100 developed and developing countries assessed in 2012 do not meet the basic standards of budget transparency. Additional efforts are required to make budget data accessible to citizens. Innovative approaches and models confirm that this is possible. These include hotlines for reporting problems with service delivery, public hearings to gather input on proposed budget policies and efforts to bring communities into audits of public programmes.

Indicator 9b: Use of public financial management and procurement systems

In Busan, countries and organisations agreed to use country systems "as the default approach" for development co-operation.

The Busan Partnership agreement commits countries and organisations to "use country systems as the default approach for development co-operation in support of activities managed by the public sector" (BPa, 2011: para 19a). The Global Partnership monitoring framework focuses on the use of public financial and procurement systems as a proxy for the use of broader national systems and institutions. These systems are important for ensuring the integrity, efficiency and effectiveness of government institutions. By using these systems rather than setting up parallel ones, development co-operation providers can help to strengthen institutions and contribute to the ownership and longer term sustainability of development efforts.

What is the measure?

Indicator 9b – PFM use: Proportion of development co-operation disbursements for the government sector using the developing country's PFM and procurement systems.

Target for 2015: Either a two-thirds or one-third reduction in the percentage of development co-operation funding not using country PFM and procurement system (depending on the quality of systems).The global target is 57%.

Indicator 9b looks at the extent to which providers disburse their funding through four components of developing countries' PFM and procurement systems:

- national budget execution procedures
- national financial reporting procedures
- national auditing procedures
- national procurement procedures.

Including these four components reflects the fact that there are different ways in which a country's systems can be used, depending on the country context. Indicator 9b measures the proportion of funds for the government sector using country PFM and procurement systems as an average percentage across these four components.

The targets agreed for indicator 9b vary according to the quality of a country's systems as measured by indicator 9a. This reflects the Paris Declaration's emphasis that providers need to increase their use of country PFM and procurement systems while developing countries need to improve their quality. Developing countries with a CPIA score between 3.5 and 4.5 have a lower target (reduce the gap by one third) than those scoring 5.0 and above on the CPIA scale (reduce the gap by two thirds).

What is the state of play?

Overall use of country public financial management and procurement systems has remained at its level of 2010.

Across all countries reporting to Global Partnership monitoring in 2013, 49% of disbursements for the government sector used PFM and procurement systems. The aggregate data indicates no change in the use of country systems for the 38 countries which have data for both 2010 and 2013 (Table A.9b). Reaching the target for this indicator will require that providers use country PFM and procurements systems for 57% of their disbursements for the government sector.

Use of PFM and procurement systems is high in the following countries (more than 60%): Bangladesh, Côte d'Ivoire, Jamaica, Kenya, Kiribati, Marshall Islands, Federated States of Micronesia, Nepal, Niue, Palau, Peru, Philippines, Rwanda, Samoa, United Republic of Tanzania and Viet Nam. The results hide considerable variations across countries. Of the reporting countries, 13 saw an increase in the use of country systems by providers. In 4 countries, the level of use broadly remained unchanged, whilst the remaining 21 countries saw a reduction in the use of national procedures by providers. Other country studies confirm a mixed record in the use of country PFM systems for the delivery of development co-operation. For example, out of 14 countries undertaking Public Expenditure and Financial Accountability (PEFA) assessments in 2012 and 2013,[7] 8 exhibited no change in the use of country systems; 1 country showed a decrease in use, and 5 showed an increase.

Which PFM components are used the most? Overall, providers use budget execution more than the other PFM and procurement components. Budget execution is the most used component in 16 countries; financial reporting in 6 countries; auditing in 8 countries and procurement in 8 countries. These results highlight the extent to which providers, in their decision to use country systems, tend to prefer the core fiduciary aspects of PFM systems, rather than accountability structures such as national auditing bodies or procurement procedures. Evidence from the Collaborative African Budget Reform Initiative (CABRI, 2014) supports this argument by highlighting that when providers use country execution, accounting and reporting systems, additional audit safeguard measures are common. However, when these systems are not used, providers are willing to allow the countries' supreme audit institutions to undertake audits.

There are also notable variations in the use of country PFM and procurement systems across providers. For the providers with data available for both 2010 and 2013, there was an increase in the use of country systems for 15 providers, while there was a decrease for another 15 providers and no change for the remaining 7 of them. However, further analysis of aggregated data and comparison across providers would be of limited value given the differences in their individual country coverage.

Most providers have recently updated their policy guidance regarding use of country systems.

Analysis undertaken by CABRI shows that most providers have recently updated their policy guidance for budget support and/or non-budget support use of country systems: only one has a framework that is older than 2010 (CABRI, 2014). The World Bank, the United States and the African Development Bank (AfDB) have issued guidelines that enable greater use of country systems.[8] For example, the AfDB has streamlined its guidelines for programme-based approaches while the World Bank has set up a process through which countries can graduate to greater use of their procurement procedures. However, some providers have recently strengthened the conditions required for developing countries to access budget support. The United Kingdom and the European Union, for example, have both added budget transparency and domestic accountability to their eligibility criteria. Most providers' frameworks still only focus on the use of country systems for budget support rather than for other modalities. The United States, the United Kingdom and the World Bank are exceptions, as they have guidelines for the use of country systems by modalities other than budget support (CABRI, 2014).

Innovative approaches are being developed in fragile states

Use of country systems is possible in fragile states through incremental approaches.

The full use of country systems in fragile states has been shown to be possible in some cases. For example:

- Rwanda and Sierra Leone received general budget support two years after their conflicts ended, and the Afghanistan Reconstruction Trust Fund provided funding for the government's recurrent budget soon after its conflict ended (Manuel et al., 2012). Policy-based budget funding was deemed critical for rebuilding the state in these countries and enabled the government to re-establish its basic functions.
- Some providers recognise the need for sequential planning in fragile states to respond to dynamic situations. This can allow for greater use of country systems, even while substituting for these systems in the short term. Examples include: the dual-track approach taken in Afghanistan, where the Afghan Interim Authority Fund was set up to expedite funds in the first six months of the transition government while the longer term funding mechanisms were put in place; and the mutual commitment in Somalia by both the government and international partners to strengthen national institutions over time through a compact (Box 2.1).
- Other examples of incremental approaches to the use of country systems include (OECD, forthcoming *a*): measures to strengthen and build confidence in public financial management (e.g. in the Democratic Republic of the Congo and Somalia); selective strengthening and use of particular country systems (e.g. payroll systems to pay civil servants' salaries); and arrangements to certify implementing partners' financial procedures supported by spot checks and *ex-post* audits (e.g. the UNDP's Harmonised Approach to Cash Transfers being trialled in the Democratic Republic of the Congo).

- Another way providers have responded to the specific case of fragile states is by including separate instruments as part of their budget support frameworks. For instance, the European Union, the United Kingdom and the AfDB include specific provisions which allow for applying budget support eligibility criteria more flexibly in fragile contexts.

Box 2.1. How the Somali Compact helps to increase the use of country systems

The Somali Compact (see Chapter 5 for a description), which is centred on the principles of the New Deal for Engagement in Fragile States (International Dialogue on Peacebuilding and Statebuilding, 2011), aims to minimise parallel structures in favour of a gradual strengthening and increase in the use of country systems. The compact's Somalia Development and Reconstruction Facility will bring together several funds ("windows") under a common governance framework. This will ensure: a) co-ordination across activities; b) wide coverage of the New Deal's peace and statebuilding goals; and c) a combination of instruments that can deliver on urgent needs as well as laying the foundations for longer term institutional development.

One of these windows, the Special Financing Facility, will cover critical recurrent costs of government, small-scale rehabilitation and employment generation, while also initiating the use of country systems in alignment with the PFM Reform Strategy and Action Plan. This financing modality can help international partners avoid the pitfall of setting up parallel structures to address urgent needs immediately after a conflict (World Bank, 2011). By creating this special window, international partners are recognising that using country systems – even in a high-risk fiduciary environment – is essential for pursuing broader statebuilding goals.

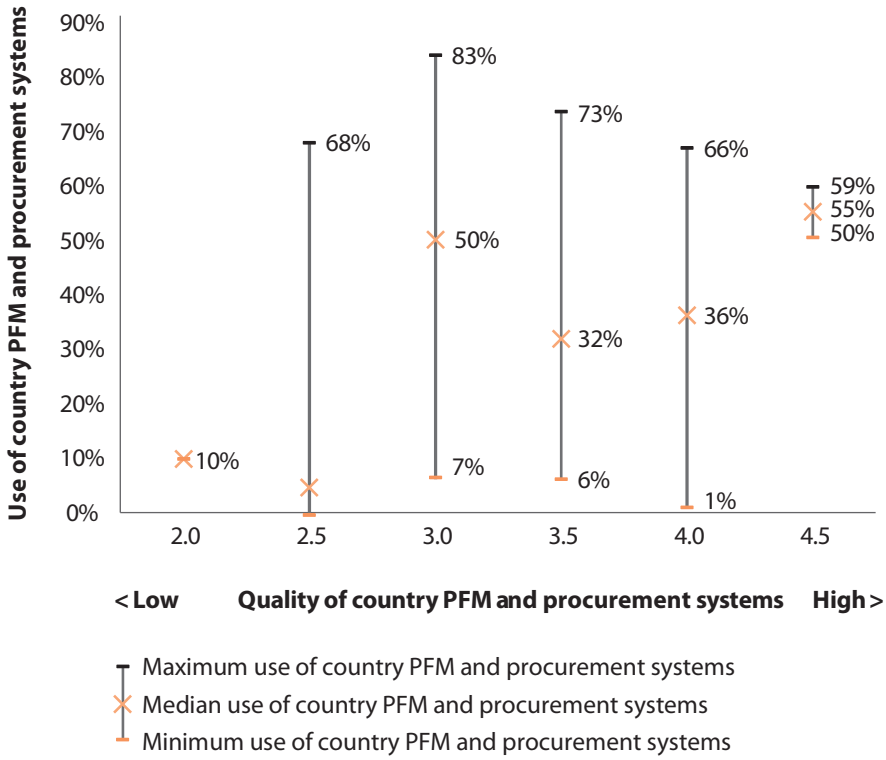
Do providers use better quality country PFM and procurement systems more?

It is difficult to draw general conclusions on the exact correlation between the quality of PFM systems and their use from the data given that for countries with a CPIA score of 3.5 and above, providers' use of these systems varies from 1% to 73% (Figure 2.3).

Providers are not systematically making greater use of country public financial management and procurement systems in countries where these systems are more reliable.

Qualitative evidence suggests that reasons affecting a provider's decision to use country systems include their political economy imperatives (including domestic pressures and tolerance for risk), their capacity to track the quality of country PFM systems and the capacity of countries to strengthen their systems sustainably (OECD, 2012). Country studies show that there is often a lack of correlation between the quality of PFM systems and their use (CABRI, 2014). In some cases it is more common for the use of country systems to increase even if there is a lack of improvement or a deterioration of these systems, than for the use of country systems to decrease despite systems deteriorating or remaining stable.

Figure 2.3. **The relationship between quality of public financial management systems and use by providers**



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Possible explanations drawn from this work suggest a threshold effect: providers tolerate deterioration in PFM systems when they are already using country systems, but are slow to use them even when an improvement in PFM is apparent. There is some evidence, however, that donors are willing to follow a "trailblazer" (i.e. a provider who has successfully used country systems). A World Bank study demonstrates that a causal relationship between increase in the quality of systems and change in use of such systems does exist but is only visible in the longer term (Knack, 2013).

Indicator 10: Aid is untied

In addition to increasing value for money, untying can present more opportunities for local procurement and contribute to strengthening institutions and systems.

Aid is tied when providers place geographical restrictions on the sourcing of goods and services for official development assistance (ODA) funded activities – for example, by requiring that goods and services procured with development co-operation funds are sourced from suppliers in the provider country or in a restricted set of countries. Tying aid in this way limits the procurement choices available to developing countries, as well as their value for money. Estimates suggest that tied aid is 15% to 25% less cost-effective than untied aid, and over 50% less cost effective in the case of food aid (Clay et al.,

2009). In addition to increasing value for money, untying can present more opportunities for local procurement and contribute to strengthening institutions and systems.

The Paris Declaration committed OECD Development Assistance Committee (DAC) providers "to continue making progress to untie aid as encouraged by the *2001 DAC Recommendation on Untying ODA to the Least Developed Countries*, while the Accra Agenda for Action encouraged co-operation providers to "elaborate plans to further untie aid to the maximum extent". The Busan Partnership agreement urges providers to "accelerate efforts to untie aid" and to "improve the quality, consistency and transparency of reporting on the tying status of aid" (BPa: para 18e).

What is the measure?

Indicator 10 - Aid is untied: Percentage of ODA that is fully untied.

Target for 2015: Continued progress over time

This indicator measures the proportion of official bilateral development assistance that is fully untied. As untying is difficult to measure using data sourced from developing countries (see OECD, 2013 for detailed definitions), OECD-DAC data is used for this indicator, which means that only DAC members are assessed. Aid provided though multilateral channels is treated as untied for statistical purposes although some organisations require procurement of goods and services from firms based in their member countries.

What is the state of play?

DAC members have not felt a need to retie aid to "protect" aid budgets despite the financial crisis and fiscal restrictions.

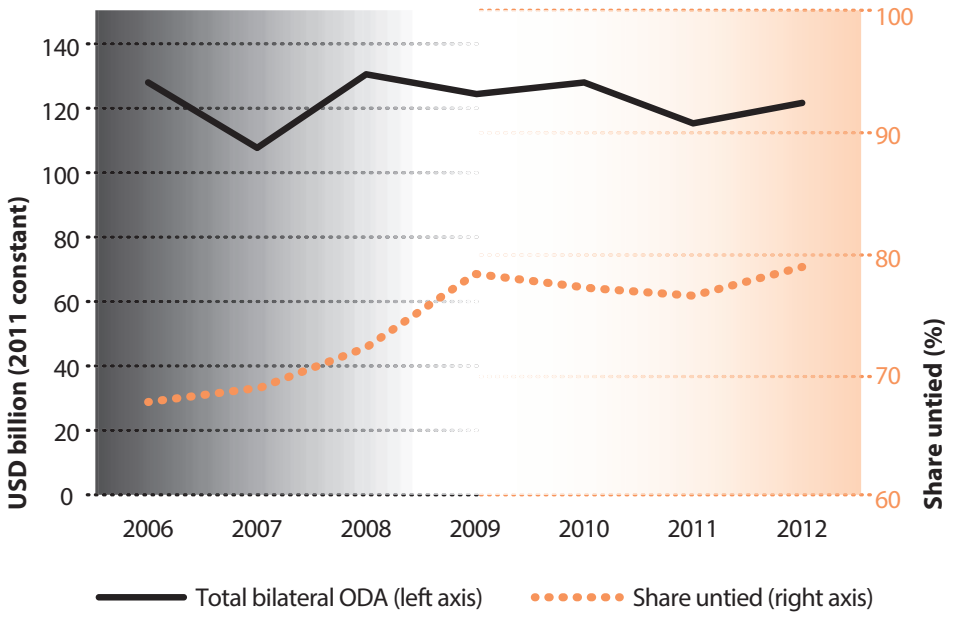
In 2012, 79% of DAC bilateral ODA[9] was reported as untied (Tables A.10 and B.10). This continues the more or less steady rise in untying ODA: from around 50% at the beginning of this millennium, to 72% in 2008 (Figure 2.4). There was a clear step rise following the Accra High-Level Forum in 2008, with many DAC members setting out and pursuing plans to further untie aid. These efforts resulted in untying large portions of ODA, generally leaving tied only those elements that are politically more difficult to untie. Consequently, progress since 2010 has slowed down. Some providers also report it is harder to untie ODA with aid budgets under greater pressure following the financial and economic crisis. Nevertheless, untying did increase by 9% between 2008 and 2012, even though total bilateral ODA fell by 7% at the same time.[10] Not only has untying held up very well since the crisis, this picture also shows that DAC members, on average, have not felt a need to retie aid to "protect" aid budgets.

There are, of course, differences in individual provider performance in untying ODA. A number of DAC members – such as Australia, Denmark, France, Ireland, the Netherlands, Norway and the United Kingdom – have managed to maintain fully or almost fully untied aid programmes (above 95%). Other noteworthy trends in performance include: *a)* DAC members who have been able to increase the share of their untied ODA since 2008: e.g. the Republic of Korea (+94%, albeit starting from a low

base), Canada (+20%) and Spain (+10%); and *b)* those whose shares of untied aid have fallen, e.g. Portugal (-74%), Greece (-55%), Austria (-50%) and Japan (-15%).

It should be noted that two DAC members, Japan and the United States, interpret the Accra Agenda for Action and Busan Partnership agreement's commitments on untying to be restricted only to ODA covered by the *2001 DAC Recommendation on Untying ODA to Least Developed Countries* (i.e. ODA to least developed countries [LDCs] and highly indebted poor countries [HIPCs], and excluding technical co-operation and food aid).[11] On that basis, 100% of Japan's ODA covered by the recommendation continues to be reported as untied (in comparison with 82% for its ODA to all countries). For the United States, 80% of its ODA covered by the recommendation was reported as untied in 2012, down 14% since 2008 (the untied figure for US ODA to all countries is 75%) (OECD, forthcoming *b*). Following a review of the 2008 agreement to include HIPCs in the 2001 DAC Recommendation, all DAC members except one agreed to keep their aid untied to those countries.

Figure 2.4. **Total bilateral ODA commitments and share of untied aid (2006-12)**



StatLink http://dx.doi.org/10.1787/888933003060

Source: OECD-DAC (n.d.), *Creditor Reporting System (CRS) Aid Activity Database*, www.oecd.org/dac/stats/crsguide.htm.

Is reporting on the tying status of ODA improving?

In addition to commitments concerning the amount of aid untied, the Busan Partnership agreement calls on providers to "improve the quality, consistency and transparency of reporting on the tying status of aid." Longstanding inconsistencies in how DAC members report their tying status have raised concerns over the credibility of DAC members' reporting and statistics on tying status (OECD, 2011b).

There has been clear improvement in reporting, with the tying status of only 3.5% of ODA not being reported.

Overall, reporting on the tying status of ODA has greatly improved. In 2012, only 3.5% of ODA did not have its tying status reported, even though reporting on the tying status of free-standing technical co-operation[12] is not mandatory (except for ODA to the LDCs and HIPCs). Most (but not all) DAC members now fully report the tying status of their technical co-operation, filling a major reporting gap which was hindering accurate and comparative analysis of individual members' untying performance. The DAC is currently reviewing the reporting of the tying status of certain activities. For example, the status of scholarships or training in the provider country, and programmes procured through national prime contractors are reported differently by different countries. In other cases tying status may be misreported (e.g. in relation to staff from the provider country). Some DAC members argue that certain activities should be excluded from the calculation of tying statistics as, by nature, they cannot be untied (e.g. imputed student costs, development awareness programmes). Depending on how the DAC resolves such issues, the difference to overall or individual members' untying performance might be quite small in some cases, but very significant in others.

How to move forward?

- Despite limited evidence to date, it is quite clear that further efforts are needed to have country-led results frameworks adopted as a common tool to assess performance. To make progress in this area, it will be important to strengthen multi-stakeholder country-level dialogue in this area and identify and promote relevant operational policies and instruments.
- To enable developing countries to draw on providers' disbursement schedules more comprehensively in budget preparation, greater transparency and exchange of information is needed among partners through stronger dialogue at the country level to improve the accuracy and communication of disbursement schedules. This should be coupled with efforts to strengthen understanding of countries' budget preparation process; how development co-operation information can better be embedded and what is required from providers to support effective and comprehensive budget preparation.
- Further efforts are needed to ensure that measurement of the quality of countries' PFM and procurement systems takes into account country context and objectives. These efforts should build on work already underway within the Effective Institutions Platform. The Effective Institutions Platform[13] conducted an open consultation in 2013 on the relationship between the target of the use of country systems and the measurement of PFM quality. This led to an agreement to review current approaches and develop alternative ways to measure this indicator, given that the CPIA, which is currently used to establish the target for the use of country systems (indicator 9b) is specifically geared to the needs of one multilateral agency. It was agreed that any future indicator should be based on existing data collection; action-worthy, transparent and objective; capable of generating broad consensus; adaptable to country context and focused on aspects of PFM that are relevant for the objectives being pursued. The Effective Institutions Platform has begun reviewing the alternatives to measuring and these will be available by the end of 2014.
- Providers' efforts to guide use of country systems provide a good basis for further progress. Updated policy guidance should enable informed and sustainable increases in the use of country systems by 2015. Country-level dialogues are needed to reflect country priorities (which systems should be used) and take a pragmatic approach to

reaching the global commitments made under the auspices of the Global Partnership on Effective Development Co-operation.

- In light of the prominent role of transparency in the Busan Partnership agreement, further efforts by the DAC to improve reporting on the tying status of ODA are welcome. The following questions remain to be addressed: Is it technically (as opposed to politically) impossible to untie an activity (e.g. it has been agreed this is the case in relation to administrative costs and in-donor refugees)? Will the taxpayers in DAC member countries and/or citizens in developing countries achieve value for money from the price and quality achieved through international competitive bidding (e.g. for development awareness programmes) or can some development co-operation activities be competition-free?

Notes

1. Participating countries include: Bangladesh, Benin, Burkina Faso, Democratic Republic of the Congo, Madagascar, Moldova, Peru, Zambia.
2. Providers involved in this piloting exercise include: the African Development Bank, Australia, Belgium, Canada, Denmark, the European Union, France, the Inter-American Development Bank, Japan, the Netherlands, Spain, Sweden, Switzerland, the United Nations, the United Kingdom, the United States and the World Bank.
3. The indicator methodology and an update on piloting the indicator is available on the website of the Global Partnership for Effective Development: http://effectivecooperation.org/progress.
4. This is understood as "external financing, including programme and project financing, and its intended use reported in the budget documentation provided to parliament" (CABRI, 2007).
5. This indicator takes the value of one CPIA criteria – criterion 13. The CPIA draws on a more PFM-focused assessment, the Public Expenditure and Financial Accountability framework (see www.pefa.org).
6. The survey consists of 125 questions completed by independent researchers in 100 countries and focused mainly around the amount of budget information in eight key budget documents. For further details see: http://internationalbudget.org/2013/01/2012-open-budget-survey-press-release.
7. Based only on those reports that are publicly available (www.pefa.org).
8. While it would be interesting to assess if these guidelines are actually translating into greater use of country PFM and procurement systems, the current sample size of data is not sufficient to back up such analysis.
9. 2012 data provides the latest verified figures on the tying status for ODA. All calculations of the share of aid untied exclude providers' administrative costs and costs related to refugees in DAC member countries.

10. Based on constant 2011 prices and exchange rates.

11. The recommendation was expanded in 2008, with a five-year review clause, to include HIPCs not already included in the recommendation by way of their LDC status.

12. Free-standing technical co-operation refers to the provision of resources aimed at the transfer of technical and managerial skills or of technology for the purpose of building up general national capacity without reference to the implementation of any specific investment projects.

13. See www.effectiveinstitutions.org.

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Chapter 3

Inclusive development partnerships

The Busan Partnership agreement recognised that all actors have a different but complementary role to play in achieving development goals. It puts inclusiveness at the core of effective partnerships for development, bringing together the perspectives and contributions of all stakeholders, including governments, civil society and business. An inclusive approach to development also means that efforts are made to ensure that benefits reach all – both men and women. This chapter asks to what extent civil society organisations have been enabled to operate in an environment that maximises their contribution to development? How is the private sector participating in the design and implementation of policies and strategies to foster sustainable growth and poverty reduction? Do developing countries have systems in place to track allocations for gender equality and women's empowerment? This chapter presents the current state of play for the gender equality indicator. On monitoring the enabling environment for civil society organisations and private sector engagement, indicator construction has been challenging and is still ongoing. This chapter therefore provides a preliminary narrative for selected commitments on the enabling environment for civil society and private sector engagement, as well as an update on the status of indicator development.

Inclusive development partnerships drive better development outcomes and shared prosperity.

The benefits of development are not reaching large segments of the population in many developing countries. The exclusive focus on growth is not enough to end poverty; widespread inequality is the result. The need for specific policies and measures and the involvement of all actors to ensure that everyone can benefit from growth, particularly vulnerable groups, is embedded in the Busan Partnership agreement. The need for inclusion is reinforced by the United Nations' 2013 *Report of the High-Level Panel on Eminent Persons on the Post-2015 Development Agenda* (HLP, 2013). It calls for international development goals that leave no one behind and emphasises inclusive growth and social inclusion.

One legacy of the Busan Partnership agreement is its broadening of the development co-operation agenda to include a wider range of development actors and challenges. This broadening began at the Busan High-Level Forum on Aid Effectiveness, which encouraged the active participation of non-state actors as "full and equal participants" in shaping the agenda and developing the Busan Partnership agreement. Inclusive development partnerships form one of the four principles of the agreement, underpinning its common goals and differentiated commitments (Box 1.1). While the Accra Agenda for Action (2008) acknowledged the important role of non-governmental actors – particularly civil society organisations (CSOs), business, parliaments and local governments – the Busan Partnership agreement elevates these stakeholders to full development partners with an equal say in how to foster sustainable growth, reduce poverty and share prosperity. It recognises the different but complementary roles of all development stakeholders.

The Busan Partnership agreement aims to promote more effective development co-operation through inclusive partnerships. Relevant Busan commitments set out a bold agenda for civil society and private sector engagement, to enable them to fully contribute to development while encouraging greater accountability. CSOs need to implement their own effectiveness commitments embedded in the Istanbul Principles (2010)[1] just as much as they need support to operate in a conducive environment. The private sector is called on to help design policies that promote growth and reduce poverty, while governments improve the way they regulate their markets through greater engagement of private sector actors.

Beyond the question of who participates in the design and implementation of development policies, inclusive development partnerships aim to drive better development outcomes and shared prosperity. A key form of exclusion is gender inequality. Recognising that reducing gender inequality is both an end in its own right and a pre-requisite for sustainable and inclusive growth, the Busan Partnership agreement calls for appropriate targeting of public expenditure to ensure that development benefits both women and men.

The Global Partnership monitoring framework can only reflect part of these ambitions, and includes three indicators as the best proxies for measuring progress towards a more inclusive development agenda:

- Indicator 2: Civil society operates within an environment that maximises its engagement in – and contribution to – development

- Indicator 3: Engagement and contribution of the private sector to development
- Indicator 8: Gender equality and women's empowerment

Indicator 2: Civil society operates within an environment that maximises its engagement in – and contribution to – development

CSOs play a vital role in enabling people to claim their rights, in mobilising funds and in delivering services to citizens.

The Busan Partnership agreement reaffirms that CSOs are "independent development actors in their own right". CSOs are non-market and non-state organisations, in which people organise themselves to pursue shared interests in the public domain. Though diverse, they 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" (BPa, 2011: para 22). In addition, some CSOs – particularly non-governmental organisations (NGOs) and foundations – contribute actively to development co-operation using funds raised from public and non-public sources, or implementing specific programmes and projects funded by official development assistance. Often they also complement the action of states by delivering services to citizens.

Building on the Accra Agenda for Action, the Busan Partnership agreement calls for an enabling environment in which CSOs can maximise their contributions to development (AAA: para 20c; BPa, 2011: para 22a). What does an enabling environment for CSOs look like? Broadly, the environment for civil society is viewed as "the conditions within which civil society works," starting at the country level (CIVICUS, 2013a). There are international principles protecting civil society which are grounded in international and regional human rights law (World Movement for Democracy and International Center for Not-for-Profit Law, 2012). For example, in September 2013 the 24th UN Human Rights Council Session passed the "Civil Society Space" resolution which urges "States to create and maintain, in law and in practice, a safe and enabling environment in which civil society can operate free from hindrance and insecurity" (United Nations General Assembly, 2013).

While there is consensus on the importance of an enabling environment for CSOs to operate and engage in development, there is a range of views on what an enabling environment entails. To facilitate common understanding among Global Partnership stakeholders on what has to be done to promote an enabling environment for civil society, the Task Team on CSO Effectiveness and the Enabling Environment[2] proposes drawing on internationally agreed rights (also recognised in the Busan Partnership agreement). In this context, the enabling environment for civil society should include:

- law, policy and practice that respect freedom of association: the rights of all individuals to form, join and participate in an association, at national and international levels, with legal entity status if the founders so desire
- the right of CSOs to operate free from unwarranted state intrusion or interference in their affairs; and the right to pursue a broad range of self-defined objectives, including to seek and secure funding from national and international sources

- the respect of other basic rights, mainly the right to freedom of peaceful assembly; the right to freedom of expression; and the right to communication and co-operation with others in all sectors within and outside their countries, including through networks, coalitions and any media
- institutionalised, inclusive and transparent multi-stakeholder dialogue fora for the active participation of non-state actors in determining, implementing, and monitoring development policy and programmes
- effective support from development co-operation providers to empower CSOs to be effective development actors in their own right.

What is the measure?

Indicator 2: Civil society operates within an environment that maximises its engagement in and contribution to development.

Target for 2015: Continued progress over time.

The purpose of this indicator is to provide an entry point for a political discussion of broad trends. It draws on the CIVICUS[3] Enabling Environment Index (EEI),[4] a global composite index using secondary data to understand the propensity of citizens to participate in civil society (CIVICUS, 2013a). The index is organised around three dimensions (socio-economic, socio-cultural and governance environment), broken down into 17 sub-dimensions and 53 indicators. To date, the index covers 109 countries (those with data available for at least 14 of the 17 sub-dimensions). The index provides a good picture of the various factors affecting citizens' capacity to engage and participate in civil society.

It was initially envisaged that the Global Partnership indicator on the enabling environment for CSOs would focus on those sub-dimensions of the EEI relevant to the Busan commitment, namely those having a direct bearing on CSO activity. These relate to the legal and regulatory framework for civil society organisations and include (CIVICUS, 2013a):

- NGO legal context: legal conditions allowing NGOs to operate.
- Civil society infrastructure: the strength of organisational capacity, financial viability and support mechanisms for CSOs.

The lack of detailed data to date means it is too early to build an indicator to assess progress on a country-by-country basis. Both of these EEI sub-dimensions are based on a single source[5] with limited country coverage. This makes it difficult, at this stage, to use the EEI to construct an indicator that would alone provide a robust basis for meaningful dialogue on the state of the CSO enabling environment within the Global Partnership. In light of these challenges, the proposed way forward is to build on the work of CIVICUS with additional qualitative evidence to identify some trends and challenges on the path towards an enabling environment for CSOs, focusing on the following aspects: the legal and regulatory framework for CSOs, support from providers of development co-operation, and platforms for multi-stakeholder dialogue.

What is the state of play?

Examples by governments to facilitate the work of CSOs include improved legislation or institutionalised CSO engagement in national policy dialogue.

Despite some positive examples (Box 3.1), evidence suggests that the conditions for civil society to engage in and contribute to development are far from perfect. Information from different sources shows that CSOs are facing constraints in many countries: CIVICUS has reported 413 threats to civil society in 87 countries between January 2012 and October 2013 (CIVICUS, 2013b). These vary from legal limitations on funding and on deploying political activities to threats, imprisonments and attacks (including assassination) against activists and individual members of CSOs in reaction to their activities. The International Trade Union Confederation lists seven countries as "at risk" due to extreme violations of trade unions and labour rights; less severe violations have been registered in another 80 countries (ITUC, 2013).

Box 3.1. **Progress towards a better environment for civil society organisations**

The CSO Partnership for Development Effectiveness was formed in 2012 as an open platform that unites CSOs from around the world around the issue of development effectiveness. It has reported some positive examples from governments making efforts to improve conditions for CSOs, including:

- Legislation in the Kyrgyz Republic for the establishment of public watch councils providing CSOs with a forum to monitor the implementation of government policies and the use of public resources (CPDE, 2013)..
- More participatory policy forums for policy dialogue in Cameroon and Kenya (CPDE, 2013).
- Improvement in the political environment for CSOs in Malawi following the swearing in of a new president in 2012 (CPDE, 2013).

Qualitative feedback from El Salvador as part of its Global Partnership monitoring data submission indicates that the country's monitoring framework for its National Plan of Development Co-operation Effectiveness (2012-15) includes an indicator on the civil society enabling environment. El Salvador also highlighted the launch in 2014 of the Citizen Participation on Public Management Policy and the elaboration of a draft Law on Citizen Participation which was designed with the involvement of academia and CSOs.

Securing a legal and regulatory framework for CSOs

CSOs face important challenges in many countries: mandatory and/or complex registration processes, control and funding restrictions.

Despite the fact that the rights of association, peaceful assembly and expression are protected in the constitutions of many countries, in reality these rights can be restricted by laws, regulations and practices. While these limitations are more widespread in

authoritarian political contexts, there are also examples from more democratic environments. Particularly sensitive are the introduction of mandatory and/or complex registration processes for CSOs (CPDE, 2013). The UN states that "the formation of associations should not be subject to a prior authorisation procedure, but rather regulated by a system of notification that is simple, easily accessible, non-discriminatory and non-onerous or free of charge" (United Nations, 2013). In other cases, CSOs have seen their field of activities limited by law. This is done by using vague terminology open to arbitrary interpretations.

The ability of CSOs to access funding and other resources from domestic, foreign and international sources is an integral part of the conditions for an enabling environment. The UN Special Rapporteur on the Rights to Freedom of Peaceful Assembly and of Association highlights the increased control and restrictions on funding to civil society, particularly from foreign sources (United Nations, 2013). Governments frequently justify these limitations by citing security concerns (including protection against terrorism and prevention of money laundering), sovereignty issues (fear of foreign interference), transparency and accountability, and even aid effectiveness principles. Similar examples of limitations to CSO funding during the last two years have also been recorded by the International Center for Not-for-Profit Law (2013).

Effective support from development co-operation providers

Providers of development co-operation can do more to ensure that CSOs can exercise their role as independent development actors.

In countries that depend on external development finance, CIVICUS argues that providers could use development co-operation funding to improve conditions by working with governments or by directly supporting local civil society. There are examples of providers individually or jointly following good practice in their support to and engagement with civil society. However, the record is mixed, as "a number of donors have been stalled in their progress, while others have simultaneously implemented both enabling and more restrictive changes to their CSO support and engagement" (Multi-Stakeholder Task Team on CSO Development Effectiveness and Enabling Environment, 2013). This is confirmed by other evaluations, which call for providers to do more to support the enabling environment for CSOs (INTRAC, 2013).

Institutionalised, inclusive and transparent multi-stakeholder dialogue

Involvement of non-state stakeholders in dialogue on national development strategies remains the exception rather than the rule.

The Busan Partnership agreement's focus on democratic ownership of development opens up scope for CSOs to demand to be fully involved in development processes. The CSO Partnership for Development Effectiveness has documented experience in this area based on 12 country case studies (CPDE, 2013). There are indications of "modest progress" in some sub-Saharan African countries, but in general the study concludes that multi-stakeholder consultation is "mostly episodic, at the discretion of governments and often involves limited numbers of CSOs, selected for their broad support of government policy. Inclusion of CSOs and other stakeholders within government bodies mandated to

co-ordinate and/or monitor country development strategies remain the exception rather than the rule" (CPDE, 2013). Reporting on mutual accountability (indicator 7, Chapter 4) shows only slow progress towards involving non-executive stakeholders (which are not limited to CSOs).

Indicator 3: Engagement and contribution of the private sector to development

Effective public-private dialogue can lead to a better environment for private sector development and investment.

The Busan Partnership agreement recognises the central role of the private sector in advancing innovation; creating wealth, income and jobs; mobilising domestic resources and in turn contributing to poverty reduction. This is the first time that non-state actors like the private sector are included in high-level discussions on development co-operation as equal development partners along with governments (BPa, 2011: para 32).

The Busan High-Level Forum saw governments and more than 40 representatives from both the public and the private sectors endorse the Joint Statement on Expanding and Enhancing Public Private Partnership for Broad-Based, Inclusive and Sustainable Growth (2011). This sets out principles to guide co-ordinated action between public and private actors to ensure inclusive dialogue conducive to sustainable development. These principles seek a policy environment which sees consultation with the private sector in developing national and sector plans as a pre-requisite for broadening country ownership of the development process, ensuring inclusive growth, and expanding economic opportunity for all segments of the population. This vision is embedded in the commitments on the private sector and development underpinning the Busan Partnership agreement.

Measuring progress in private sector involvement through the Global Partnership monitoring framework is intended to strengthen incentives for developing countries and their development partners to scale up and deepen public-private dialogue and other forms of private sector engagement with the public sector. The indicator seeks to provide a basis for a better understanding of the nature, structure and sustainability of collaborative processes between public and private sector actors. It could also stimulate country-level dialogue on progress, challenges and institutional development needs.

The development of an indicator on private sector engagement has been challenging. Difficulties include the need to identify proxies for private sector engagement, drawing on existing methodology in such a complex area, while facing a relative scarcity of comparative data for creating this tool. Assessing private sector engagement comprehensively needs to involve a wide range of public and private sector actors (such as domestic and foreign companies, large companies and small- and medium-sized enterprises, and professional associations). This requires the development and implementation of an assessment methodology, including business surveys, which would require resources and capacity beyond those available to the joint support team of the Global Partnership for Effective Development Co-operation. Further thinking and consultation are needed in this area to ensure that the indicator provides incentives for developing sustainable forms of structured public-private dialogue.

What is the measure?

Indicator 3: Engagement and contribution of the private sector to development.

Target for 2015: Continued progress over time.

The indicator focuses on one of the five commitments related to the private sector laid out in the Busan Partnership agreement: "to enable the participation of the private sector in the design and implementation of development policies and strategies to foster sustainable growth and poverty reduction" (BPa, 2011: para 32b). This indicator is not designed to measure the full scope of private sector participation in development and does not attempt to capture other dimensions of public-private co-operation or interaction (such as public-private partnerships, the role of the private sector in alleviating poverty through job creation or inclusive business). Nor does the indicator intend to duplicate existing global rankings in this area (e.g. the World Bank's Doing Business Index, the World Economic Forum's Competitiveness Index).

The indicator consists of a multi-dimensional index to assess the quality of public-private dialogue as a proxy for measuring private sector engagement in developing countries. Dimensions to be assessed include:[6]

- existence of institutionalised mechanisms or formalised structures to facilitate dialogue
- representativeness of private sector actors engaged in the dialogue
- some basic indication on the outcomes of the dialogue (e.g. number of reform proposals and reforms enacted).

The indicator includes an assessment tool which draws on the good practice principles for public-private dialogue and the monitoring and evaluation methodology associated with this process (Herzberg and Wright, 2006). This methodology allows for a review of the organisational effectiveness of public-private dialogue (Box 3.2), focusing specifically on the nature, structure and sustainability of collaborative processes between public and private sector actors.

Box 3.2. **What is public-private dialogue?**

Public-private dialogue (PPD) is an engagement mechanism to ensure more inclusive and sustainable policy reforms through a structured and participatory reform process. It refers to the structured interaction between the public and private sectors in promoting the right conditions for private sector development, improvements to the business climate, and poverty reduction. Initiatives to promote PPD consist in most cases of establishing a combination of technical working groups, a secretariat and a high-level oversight structure. PPDs are diverse, with a broad scope of activity. For example, they address cross-cutting investment climate issues as well as sector-specific issues; they can focus on rural or urban, national or sub-national levels.

Examples of PPDs include: the Vietnam Business Forum and the Ethiopian Public Private Consultative Forum. For more information on public-private dialogue see www.publicprivatedialogue.org.

The assessment tool, once fully operational, will enable development partners in a country to target their support to effective public-private dialogue (PPD) leading to a better business environment. Too often, PPDs have been developed in countries by development partners without an adequate appreciation of the operating environment.

Reviewing the quality of PPDs constitutes a critical step in enabling all development stakeholders to understand the role that the private sector is playing and to strengthen its contribution to development. Public-private dialogue often takes place in weak institutional contexts, but is it effective? And if it is, what are the success factors and what are the results?

Rather than focusing narrowly on existing PPD platforms, the indicator aims to provide a fuller picture of the wider environment, including private sector capacity and willingness to engage in such dialogue. In doing so, the tool can illustrate weaknesses that must be overcome before public-private dialogue can be effective. This should not, however, slow the pace of introducing PPD to high-risk environments. Rather it should enable development partners to better co-ordinate and allocate resources. This will ensure that risk is shared, skills and capacity are provided, and that implementation will have a direct and positive impact.

What is the state of play?

The assessment tool was still being tested at the time of writing this report. Preliminary findings should, nevertheless, provide interesting lessons that will feed into the preparation of political debates for the Global Partnership's High-Level Meeting taking place in April 2014 in Mexico.

Public-private dialogue is most effective when supported by an administrative entity, technical working groups and a high-level oversight structure.

In the meantime, existing evidence provides some interesting findings, which suggest a strong correlation between the organisational effectiveness of secretariats supporting public-private dialogue structures, the PPDs and the results achieved. Where country demand drives PPDs, they are an entry point through which to implement broader and more ambitious development co-operation programmes. When focused and well supported, public-private dialogue can contribute to the improvement of the investment climate. A key piece of research has been the World Bank Group-sponsored assessment of the effectiveness of public-private dialogue fora (Toland, 2009). This review used the methodology underpinning the proposed assessment tool for this indicator, and has provided a benchmark for measuring the organisational performance of such structured PPD. The process has also improved the understanding of various implementation models and their associated risks, it also provided insights into success factors for effective public-private dialogue.

The World Bank review in 30 countries shows that well-targeted support has been linked to the implementation of 400 specific reforms encompassing more than 50 different areas within the financial and private sector development space/business environment (Toland, 2009). Less quantifiable outcomes demonstrate that the dialogue process itself has been positive for promoting the reform process. PPDs have opened communication and advisory channels which did not exist before. Governments have used PPDs to improve their own co-ordination and accountability frameworks. Trust between stakeholders and a willingness to engage have emerged in countries with little history or track record of dialogue.

There are also many examples of failure of PPDs in developing countries. PPDs tend to fail when they are not based on sound structures or if they do not take adequate care to ensure stakeholders are able and willing to commit to the process. PPDs pose special challenges in post-conflict environments where they test overall government implementation capacity. They also test the capacity of governments to openly engage with non-state stakeholders. Making PPDs work requires real investment in institutions and people and a realistic capacity assessment of both the private and public actors involved.

Indicator 8: Gender equality and women's empowerment

Reducing gender inequality is both an end in its own right and a pre-requisite for sustainable and inclusive growth.

Gender equality and the empowerment of women are critical for development. Reducing gender inequality is both an end in its own right and a pre-requisite for sustainable and inclusive growth. The Busan Partnership agreement calls for a redoubling of efforts to implement existing commitments in this area. This indicator focuses on the commitment to "Accelerate and deepen efforts to collect, disseminate, harmonise and make full use of data disaggregated by sex to inform policy decisions and guide investments, ensuring in turn that public expenditures are targeted appropriately to benefit both women and men" (BPa, 2011: para 20a).

A well-tested means for making progress in this area is for governments to develop appropriate budget tracking and monitoring systems, and to make information about allocations for gender equality and women's empowerment readily accessible to the public (BPa, 2011: para 20a).

What is the measure?

Indicator 8: Proportion of developing countries with systems to track and make public allocations for gender equality and women's empowerment.

Target for 2015: All developing countries have systems that track and make public allocations for gender equality and women's empowerment.

This indicator fills an important accountability gap in allowing for the first comparable assessment of the existence of such systems. There are two parts to this indicator: the number of countries with a system in place to: 1) track allocations for gender equality and women's empowerment; and 2) make such allocations public.

Systems in place to track allocations for gender include: gender responsive budgeting guidelines, gender-specific indicators to inform budget decisions and budget classifiers to identify programmes and resources.

In order to be considered as "having a system in place to track allocations for gender equality and women's empowerment", countries are required to fulfil at least one of the following criteria:

1. An official government statement exists on a system for tracking allocations for gender equality and women's empowerment. Such systems may be defined as processes and procedures in place to plan, approve, allocate and monitor public expenditures at the national and sectoral level in a way that ensures that expenditures are targeted appropriately to benefit both women and men. They can include gender budget statements, classifiers, gender markers, and even preliminary guidelines as outlined in call circulars.
2. Allocations for gender equality and women's empowerment are systematically tracked. For this to happen, the process must be officially planned and regularly conducted.
3. Leadership and oversight of the tracking system is carried out by the central government unit in charge of public expenditures (for example the ministry of finance or a sector ministry).

For allocations on gender equality to be considered as having been "made public", the following criterion is mandatory:

4. Budget information that is gender equality-focused must be publicly available. This could be through parliamentary oversight, civil society scrutiny, publications, websites or other means.

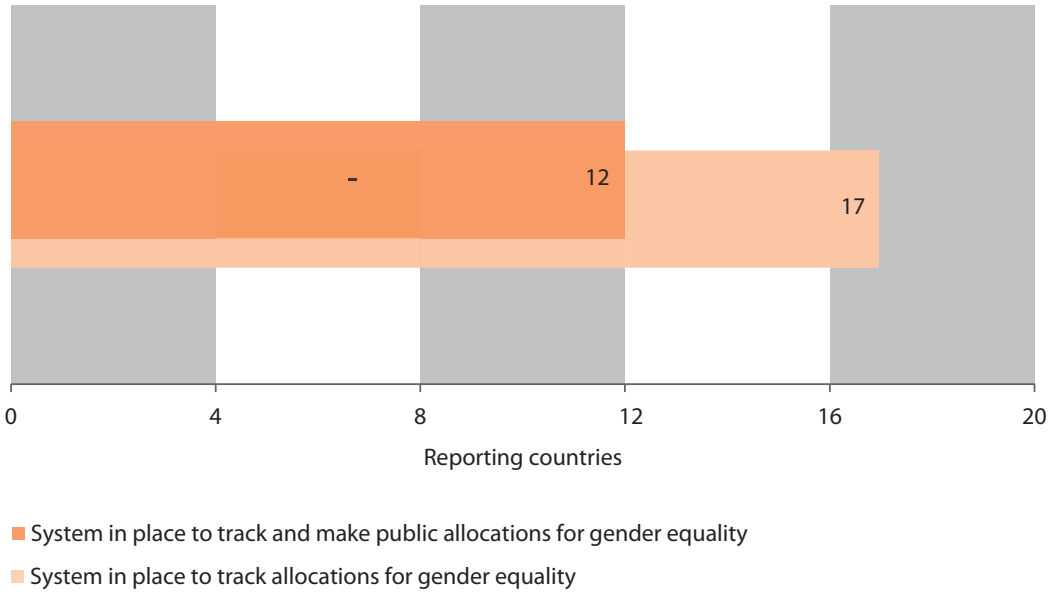
What is the state of play?

Strong interest in the gender indicator demonstrates commitment to ensure that both women and men benefit from public expenditure.

This indicator was developed by UN Women and the OECD-Development Assistance Committee's Network on Gender Equality. While the initial intention was to pilot the indicator in 20 UN Women programme countries in 2013, the methodology was made available for all interested countries. It is encouraging that the majority of countries that submitted data to the Global Partnership monitoring voluntarily reported on this indicator. This shows that countries are committed to gender equality and are making serious efforts to track allocations in support of gender equality. The indicator also seems to have the potential to prompt behaviour change, as many countries without such systems have taken steps towards setting them up (Box 3.3).

Country data for each of the criteria is available in Table A.6. Of the 35 countries that have reported on this indicator, 12 have a system in place to track and make public allocations on gender equality (Figure 3.1): Burkina Faso, Cabo Verde, Ethiopia, Guatemala, Jamaica, Kosovo, Mali, Nepal, the Philippines, Rwanda, Sudan and the United Republic of Tanzania. Five additional countries (Côte d'Ivoire, El Salvador, the Republic of Moldova, Niger and Togo) report having systems for tracking allocations on gender equality, but that these allocations are not made public. The existence of an official government statement or a system for tracking allocations for gender equality and women's empowerment is the most frequently observed out of the four indicator criteria.

Figure 3.1. **How many countries have systems in place to track and make gender allocations?**



StatLink http://dx.doi.org/10.1787/888933003079

There are various types of systems in place at the country level to track allocations for gender equality. For example, Ethiopia has developed national gender-responsive budgeting guidelines for mainstreaming gender in the programme budget process. Similarly in the United Republic of Tanzania annual budget guidelines provided by the Ministry of Finance and Economic Affairs instruct sector ministries to take a gender-responsive budgeting approach. Additionally, the Performance Assessment Framework matrix, Public Expenditure Review and the Aid Management Platform are recognised government instruments in the United Republic of Tanzania, and include indicators for more systematically tracking allocations for gender equality and women's empowerment. In Guatemala, a budget classifier allows the identification of programmes and resources allocated to implement the National Policy for the Promotion and Integral Development of Women and Plan for Equal Opportunities.

Most participating countries are making serious efforts to track allocations for gender equality and make them public.

Of the 20 countries that submitted additional qualitative data, 8 are making efforts to use gender-specific indicators and data disaggregated by sex to inform budget allocation decisions at sectoral, local or district level. In Kenya, the government is in the process of developing sex-disaggregated data for all sectors; however, budget allocations are not gender responsive and expenditures are not disaggregated by sex. In Madagascar, sex-disaggregated data is used to determine sectoral budgets; however, the government indicates that this practice is not applied systematically. The government of Moldova has developed sex-disaggregated data in the areas of social protection, employment and education and updated a harmonised set of gender-sensitive indicators to facilitate the process of reporting and to contribute to the implementation of the National Programme on Gender Equality. Existing sex-disaggregated data, however, is not used fully in decision-making processes, especially at the sub-national level.

Two countries reported that they conduct impact assessments on how women and men benefit from government expenditure. In Kenya, attempts have been made in the education sector to report on how boys and girls benefit from university scholarships and loans. The government of Tanzania carried out gender-impact assessments during the review of the first phase of the implementation of the national development strategy. However, these assessments are not currently conducted annually.

Box 3.3. **Promising plans for tracking gender budget allocations**

Several countries that currently lack gender equality tracking systems have reported on initiatives to move forward in this area:

- Bangladesh plans to generate sex-disaggregated data at all levels to integrate gender into planning at the central government level and to incorporate gender responsive budgeting into the medium-term budgetary framework.
- Benin and Madagascar have appointed gender focal points trained in gender responsive budgeting in all sector ministries.
- Burkina Faso is planning programmes to raise awareness among government officials on gender-responsive budgeting.
- In Honduras, the National Women's Institute has proposed a gender budget classifier to track resources allocated to programmes, projects and activities that promote gender equality and for the inclusion of a Gender Equity Investment Index in the monitoring system of the country vision and national plan.
- Malawi wants to pilot programme-based budgeting, including the collection of sex-disaggregated data, to improve accountability for results.
- Peru has a monitoring system to track resources for gender equality in the public budget.
- Annual circulars from Senegal's Ministry of Economy and Finance call for sector ministries to integrate gender analysis in their budgets. These are bearing fruit in the health sector, where maternity infrastructure will be integrated into all new health facilities at the district or rural level.

How to move forward?

- Having a common understanding of what is meant by an "enabling environment" for CSOs could help to determine the specific and feasible actions needed by Global Partnership members to enhance the effectiveness of development co-operation through more inclusive development partnerships. A clear definition, drawing on the initial proposal of the Multi-Stakeholder Task Team on CSO Development Effectiveness and the Enabling Environment, would also provide some useful orientation on what should be measured to track progress in implementing Busan commitments, making monitoring easier both globally and nationally.
- More support and engagement from Global Partnership members is necessary to identify whether and how comprehensive and regularly updated primary data on CSO environment can be collected to monitor progress towards commitments. This data will need to be accurate and comparable across countries. Reporting could take place through countries' existing accountability frameworks with the help of tools for structured self-assessments on the enabling environment for civil society. Such an

approach would provide information for CIVICUS to use for the Enabling Environment Index and, more importantly, would promote a national dialogue among government, CSOs and other development actors.

- Measuring the private sector's contribution to sustainable growth and poverty reduction policies and strategies has been challenging. The indicator should also be designed in a way that encourages private sector actors to engage in the dialogue on development policies. A solution needs to be found so that this indicator can be used systematically to assess private sector engagement more comprehensively. A possible solution might be to work with organisations with a clear mandate and capacity to carry out this type of monitoring work.
- Gender equality and women's rights have long been recognised as essential components of sustainable development; and are likely to be central to the post-2015 development agenda. Advancing gender equality and women's empowerment requires not only political leadership, policies and funding but also institutions, systems and data. Evidence shows strong commitment by an increasing number of countries to ensure that public expenditure is targeting both women and men. Also encouraging is the number of countries that are setting up systems to track gender allocations. Global Partnership stakeholders are invited to support these efforts to ensure that more countries have these systems in place by 2015.

Notes

1. The Istanbul CSO Development Effectiveness Principles were endorsed at the Open Forum's Global Assembly in Istanbul, on 29 September 2010. They are available at http://cso-effectiveness.org/istanbul-principles,067.
2. The Multi-Stakeholder Task Team on CSO Development Effectiveness and the Enabling Environment is a group of representatives from governments of countries which are providers and recipients of development co-operation, and Northern, Southern and international CSOs. It was launched in 2009 to promote the implementation of civil society-related commitments in the Accra Agenda for Action. The mandate of the Task Team now is to follow Busan commitments in this area.
3. The World Alliance for Citizen Participation (CIVICUS) is an international alliance of civil society organisations and activists working to strengthen citizen action and civil society, especially in areas where participatory democracy and citizens' freedom of association are challenged. See www.civicus.org.
4. Launched in October 2013, the EEI was developed under the guidance of a multi-stakeholder Advisory Group, with technical support from academia as well as in consultation with the CSO Platform for Development Effectiveness.
5. The United States' Aid Agency (USAID) CSO Sustainability Index, see: www.usaid.gov/what-we-do/democracy-human-rights-and-governance/supporting-vibrant-civil-society-independent-media.

6. The indicator methodology and an update on piloting the indicator is available on the website of the Global Partnership for Effective Development http://effectivecooperation.org/progress.

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Chapter 4

Transparency and accountability for development results

The Busan Partnership agreement has at its heart transparency, mutual accountability among partners, and accountability to beneficiaries of development co-operation and all stakeholders. This chapter reviews the status and challenges encountered in implementing key Busan commitments on transparency and accountability. It asks: are providers of development co-operation using the recently agreed common, open standard to publish their information on development co-operation resources? Is the information they provide timely, comprehensive and forward-looking? At the country level, are co-operation providers predictable enough to allow developing countries to plan their development programmes? Does each developing country have a process in place for assessing mutual progress towards development goals, and does it include non-state stakeholders such as civil society and the private sector?

Transparency and accountability are essential for development results. The Busan Partnership agreement spells out that delivering results requires accountability to all relevant development stakeholders, and that transparent practices form the basis for enhanced accountability.

In recent years, transparency has grown into a major political topic on the development agenda. Several joint initiatives have emerged to promote and support transparency, ranging from the International Aid Transparency Initiative (IATI) to the Open Government Partnership or the Open Budget Partnership. In June 2013, the G8 group of countries launched their Open Data Charter and committed to "ensure that data on G8 development assistance is open, timely, comprehensive and comparable" (UK Cabinet Office, 2013). Alongside collective initiatives, individual actors have made efforts to increase the transparency of their operations and systems, including more accessible and timely information on resources, activities and results.

The availability of the right information at the right time is essential for building mutual trust between partners and addressing power imbalances in the co-operation relationship.

By 2005 the Paris Declaration on Aid Effectiveness had already recognised transparency as a pre-requisite for public support for development efforts and for effective resource mobilisation and allocation. In 2008, the Accra Agenda for Action (AAA) increased the focus on developing countries' parliamentary oversight of – and transparency in – public financial management, also highlighting the need for stronger measures to fight corruption. In their turn, co-operation providers promised to disclose regular, detailed and timely information on development expenditure. Overall, these moves signalled a clear recognition that transparency is essential for building mutual trust between partners and addressing power imbalances in the co-operation relationship.

Since 2005, the transparency agenda has evolved substantially, broadening its focus from transparency between governments to improving information access for all stakeholders. In essence, the spirit of the Busan Partnership agreement is to provide a wider array of constituents, from citizens to aid practitioners and researchers, with the right information at the right time. This will mean that citizens in developing countries have more information on resources flowing into their country and potentially affecting their livelihoods; taxpayers in provider countries are more aware of how their taxes are spent and the impact they are having; and governments and development specialists in developing countries can plan their budgets and activities better.

Transparency is vital for effective development planning. It is also a pre-requisite for predictable development co-operation. The Paris Declaration recognised that greater predictability in the provision of aid flows is needed to enable developing countries to plan and manage their development programmes effectively over the short and medium term. In the AAA, co-operation providers promised to deliver regular and timely information on their rolling three-to-five-year forward expenditure and/or implementation plans. Mindful that forward planning information may be subject to uncertainties and internal procedural constraints, the AAA called for the provision of "at least indicative resource allocations that developing countries can integrate in their medium-term planning and macroeconomic frameworks" (AAA, 2008), while at the same time committing co-operation providers to address any constraints to providing such information. However, progress towards this commitment has been slow. The Busan

High-Level Forum stepped up the pressure on those providers that endorsed the AAA, urging them to provide rolling three-to-five-year indicative forward plans by 2013. Other actors were also invited to aim to provide their planning information in a similar way.

The Busan Partnership agreement underlines that transparency is more than a vital planning tool: it is the basis for accountability. Transparent and equal information on resources, their terms, conditions, objectives and outcomes provides the basis for mutual reviews of progress. Country-led inclusive and transparent national frameworks to monitor progress and promote mutual accountability are at the core of implementing the Busan commitments.

This chapter outlines the results from the three indicators which have been designed to measure progress towards the principles of transparency and accountability:

- Indicator 4: Information on development co-operation is publicly available
- Indicator 5: Development co-operation is more predictable
- Indicator 7: Mutual accountability among co-operation actors is strengthened through inclusive reviews.

Indicator 4: Information on development co-operation is publicly available

When adopting the common open standard, providers committed to improve the timeliness, comprehensiveness and forward-looking nature of information on development co-operation funding.

The Busan Partnership agreement commits development co-operation stakeholders to improve the availability and public accessibility of information on development co-operation and other development resources. An important aspect of this commitment includes implementing a "common, open standard" for electronic publication of timely, comprehensive and forward-looking information on resources provided through development co-operation (BPa, 2011: para 23c). The Busan Partnership agreement called for this common standard (described in Box 4.1) to be agreed and implementation schedules to be published by the end of 2012, with the aim of fully implementing the standard by December 2015.

The international development community has responded in time: the common, open standard was endorsed at the final meeting of the Working Party on Aid Effectiveness in June 2012 (WP-EFF, 2012). By December 2012, a total of 35 providers of official development assistance (ODA) had produced schedules setting out how and when they would implement the standard.[1]

What is the measure?

Indicator 4 - Measure of the state of implementation of the common standard by co-operation providers.

Target for 2015: Full implementation of the common standard by December 2015

Box 4.1. What is the common standard?

The common standard combines three complementary systems and processes for tracking development co-operation flows. These are two OECD reporting instruments – the DAC Creditor Reporting System (CRS) and the Forward Spending Survey (FSS) – which contain comprehensive statistical information; and the International Aid Transparency Initiative (IATI), a self-publishing system with notifications to a registry that provides current management information on co-operation providers' activities.

The common standard enables and encourages development co-operation providers to make information more transparent along four dimensions of "good practice":

1. **greater availability** of historical, current and future information on aid flows
2. **more detailed** information on aid projects and programmes (improved comprehensiveness)
3. **broader coverage** and participation (beyond ODA, and beyond traditional providers)
4. **improved timeliness** and more frequent updates of information on development finance

The common standard is the result of consultations led by representatives of key stakeholder groups, including IATI partner countries, CSOs, the IATI secretariat, the DAC Working Party on Development Finance Statistics, the DAC Secretariat and the Busan building block on transparency – together also referred to as the Ad Hoc Group on the Common Standard.

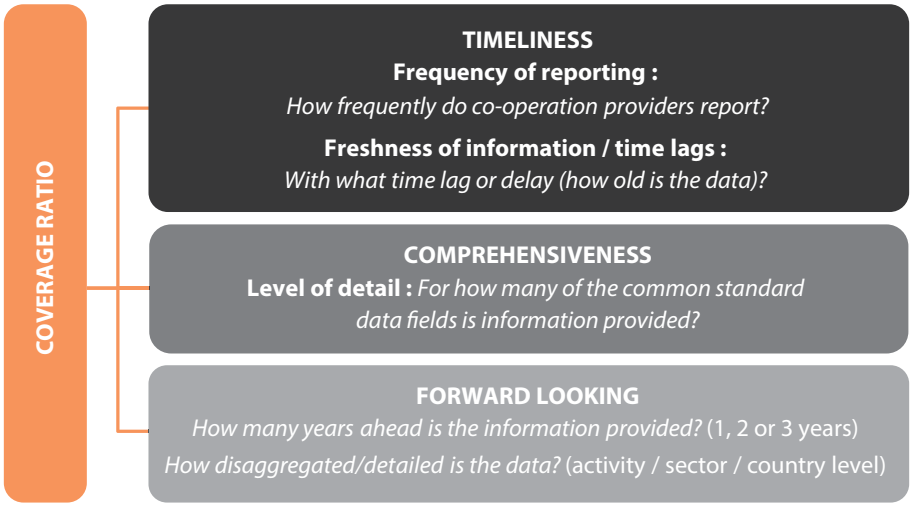
The pilot indicator assesses co-operation providers' electronic publication of information against three dimensions: timeliness, comprehensiveness and its forward-looking nature (Figure 4.1). For each dimension the provider is assessed for the information it provides to both the IATI and OECD systems; the indicator uses the better score from the two systems:[2]

1. The ***timeliness*** dimension aims to analyse the frequency with which information is provided, and the time lag for providing it, i.e. how "fresh" the information is.[3] Different reporting frequencies and time lags are assigned different scores.
2. The ***comprehensiveness*** dimension assesses whether providers are publishing detailed information on their resources against data fields agreed in the common standard.[4] This is done by scanning all data fields included in the common standard to examine whether these include information.
3. The ***forward-looking*** dimension aims to assess whether providers publish detailed forward-looking information, either through the OECD Forward Spending Survey (OECD, 2012a) or the IATI registry.[5] The first question relates to the time span of the information: for how many years ahead is information provided? The second question is: how detailed is the information? Is it broken down into activities or sectors, or aggregated into a single country envelope?

The points for each dimension are multiplied by the coverage ratio, which measures the share of ODA (or for the forward-looking dimension, the share of country programmable aid)[6] reported to each of the systems.

Who is assessed? All providers of ODA that have endorsed the Busan Partnership agreement and published common standard implementation schedules by the time of the assessment. In total, the pilot assessment covers 39 co-operation providers.[7]

Figure 4.1. **How is indicator 4 constructed?**



What is the state of play?

Providers are not yet publishing timely, comprehensive and forward-looking information on development co-operation resources.

The pilot assessment provides a first narrative on the initial state of implementation of the common open standard. It seeks to provide a baseline upon which providers can build future efforts to strengthen implementation of the standard by 2015. In assessing providers' existing reporting to the three systems of the common standard, the piloting assessment had not yet been subject to validation by individual providers at the time of writing.

Are providers publishing timely, comprehensive and forward-looking information on development co-operation resources? Not yet. The average provider publishes once-a-year data that is six-to-nine months old and provides information for 50% of common standard data fields. Transparency of forward information is a challenge: 25% of providers do not publish any forward-looking information through the systems of the common standard.

While the indicator construction envisages assessing performance through a scoring range of five grades, the pilot nature of the assessment did not yet allow a robust basis for assigning final grades to providers. Based on the preliminary assessment, three broad categories of provider reporting can be identified:

- Providers that report data very frequently and/or deliver particularly comprehensive and forward-looking reporting (roughly 10% of providers). For example, the United Kingdom provides monthly data that is never older than one month. Information is provided for more than 65% of the data fields and project-level data is provided in full for two years ahead, and for more than 60% of funding for the third year ahead. The Netherlands and Sweden also provide very timely reporting, whereas Finland is distinguished by excellent provision of forward-looking information for individual activities.

- Providers whose timeliness of reporting is less frequent, but that do report some forward-looking information, typically at the level of aggregate country envelopes (about 50% of providers). These providers would strengthen their performance by meeting the CRS reporting deadline or providing at least semi-annual data.
- Providers that have average reporting in terms of timeliness and level of detail, but are let down by their low levels – or absence – of forward-looking data. (One third of all providers).

Finally, the pilot assessment included three providers[8] that have in place common standard implementation schedules, but are not yet reporting to the systems of the common standard due to the fact that they have only recently joined the DAC. They are included in the assessment to recognise that they have published implementation schedules, and to facilitate tracking and recognising their progress in reporting to the common standard systems in subsequent assessments.

The starting point: How are providers implementing each indicator dimension?

Timeliness – considerable room for progress

Data needs to be published much more quickly and regularly: in most cases, data is published only once a year and is already six-to-nine months old.

Provider countries and organisations' current reporting can be divided into three tiers based on their performance on timeliness:

1. The minority of providers publish at least quarterly data (about 15% of providers). For example, the Netherlands and the United Kingdom are the top performers for timeliness, updating their reporting on a monthly basis with data that is not older than one month.
2. More than one third publish annual data and have adhered to the set CRS reporting deadline of 15 July 2013 (about 40% of providers).
3. Almost half of the providers report annually but missed the CRS reporting deadline, or who do not report to the CRS (both categories add up to about 45% of providers).

These results show that data could be published much more quickly and regularly. The average co-operation provider publishes data only once a year and at the time of publishing, data is already six to nine months old. Of the countries and organisations assessed that report to the CRS, half missed the reporting deadline in 2013. On the whole, results suggest that co-operation providers are still not doing enough to implement their commitments dating back to the Paris Declaration in 2005 to provide timely information on co-operation flows.

Level of detail – a good start

The provider community is halfway to providing information for the common standard fields. Some providers do not even publish basic information, such as activity start dates.

The assessment indicates that on average, information is provided for 50% of data fields. Thus the provider community is halfway to providing information for the full list of common standard fields. Variation in performance is significant, however. The top six scorers for level of detail (GAVI Alliance, the Netherlands, Portugal, Sweden, the United Kingdom and the World Bank) provide data for more than 60% of the agreed fields. Some other providers do not even publish basic information, such as activity start dates.

Forward-looking information – more efforts needed

Much more effort is needed to achieve widespread publication of detailed forward-looking information for activities.

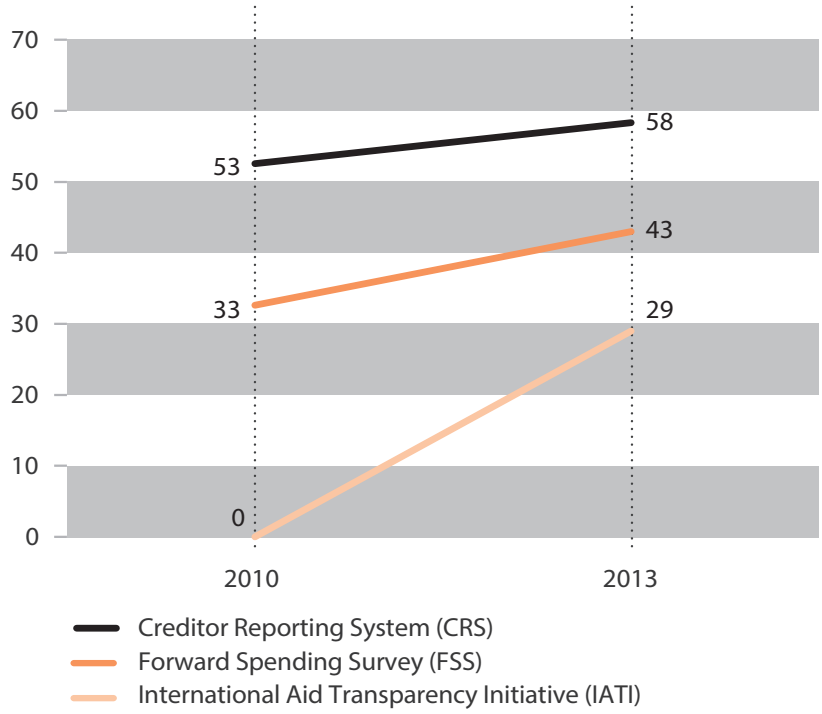
The majority of co-operation providers (more than 75%) publish some forward-looking information through the systems of the common standard. Nine of them (Austria, Belgium, the EU, Finland, the Netherlands, Portugal, Sweden, the United Kingdom and the World Food Programme) published at least some forward-looking data at the activity level. This is an important effort to help developing countries budget effectively. A further 21 providers publish aggregate country-level envelopes.

This leaves a quarter of providers who do not publish any forward-looking information through the systems of the common standard, including a number of providers who do give information to the Forward Spending Survey, but under a non-disclosure policy that prevents its publication.[9]

Implementing the common standard: Next steps towards 2015

The results of this pilot provide a baseline for future assessments, but do not yet provide an assessment of progress over time.[10] Even so, an initial indication of progress towards implementing the common standard is suggested by the increase in the number of co-operation providers reporting to the systems of the common standard between 2010 and 2013 (Figure 4.2).

Figure 4.2. **Increase in ODA providers reporting to the common standard systems**



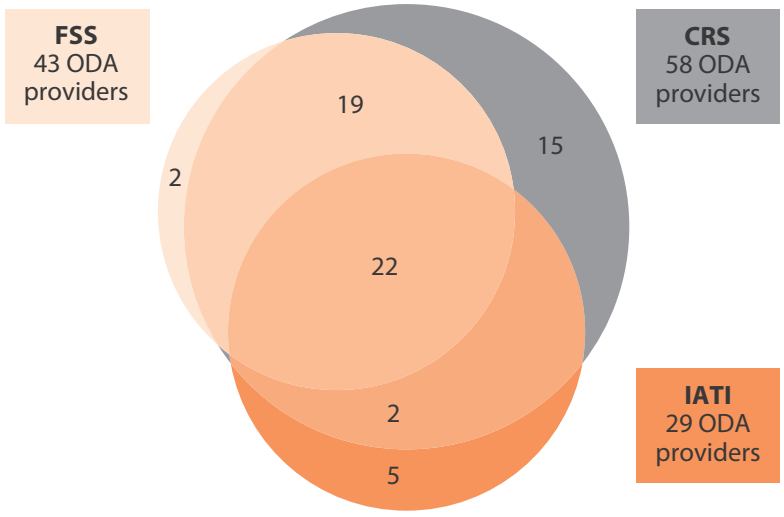
Note: Includes all ODA providers and excludes non-governmental organisations and private sector organisations. The IATI 2013 figure includes those who reported by 31 December 2013. The CRS figures indicate the year of the data and for 2013 include new DAC members. The FSS figures indicate the year of the survey (e.g. 2010 indicates the 2010 survey on 2010-12 data).

In total, the systems of the common standard currently capture information from 65 co-operation providers, and 22 of them report to all 3 systems (Figure 4.3). This signals an encouraging momentum towards strengthened transparency and sharing of information as called for in the Busan Partnership agreement.

Implementing the common standard, nevertheless, means more than merely reporting to these systems: it requires publishing timely, comprehensive and forward-looking information. These assessment results show the need to raise the level of ambition and to redouble efforts if providers are to meet developing countries' information needs and achieve the aim of fully implementing the common standard by December 2015.

Demonstrating collective progress by 2015 will require urgent action to: 1) increase the timeliness of reporting and – as a minimum – meet reporting deadlines and strive for more frequent reporting; 2) publish information for at least 60% of the agreed data fields; and 3) importantly, to strive to publish forward-looking information on at least aggregate country funding envelopes for the entire co-operation portfolio. The fact that several providers already perform strongly across the three indicator dimensions shows that it is technically possible to deliver timely, comprehensive and forward-looking data.

Figure 4.3. **Numbers of reporters to the common standard systems in 2013**



CRS: Creditor Reporting System
FSS: Forward Spending Survey
IATI: International Aid Transparency Initiative

Providers' implementation schedules set out promising ambition for achieving progress by 2015 in publishing information on development co-operation flows.

What do providers' implementation schedules tell us? They suggest potential for swift progress by 2015. For example, several providers plan to publish data at least every six months and to increase the overall coverage of ODA by including more of their implementing agencies. Some plan to extend common standard reporting to non-ODA flows, others plan to report to more of the data fields included in the common standard. Also forward-looking reporting should improve to see increased publication of aggregate country-level envelopes. While much more effort is needed to achieve widespread publication of detailed forward information for activities, the fact that some providers aim to publish activity-level data up to four years ahead sets an inspiring example and makes a crucial contribution towards the overall implementation of the common standard.

Lessons from the pilot: How do we measure data quality and usefulness?

This indicator was piloted with a view to test the methodology and to draw lessons for further refining the approach. This section outlines briefly the key issues around data quality and usefulness that arose from the process of constructing and piloting this indicator.

In measuring implementation of the common standard, this indicator seeks to fulfil the inclusive spirit of the Busan Partnership agreement and measure providers' transparency not only towards developing countries, but more broadly to all development co-operation stakeholders. By assessing reporting to web-based platforms, the indicator provides a proxy for the public accessibility of information on development co-operation.

A critical element of transparency is supplying data that is useful for developing countries.

However, a critical element of transparency is supplying data that is useful for developing countries. Focus on the global supply of information means that the indicator does not yet capture the usefulness of data for developing country governments and other stakeholders. The consultation with Global Partnership stakeholders on the transparency indicator confirmed broad ambitions to assess both the quality and usefulness of the data in the future.

OECD-CRS data already involve quality assurance given the statistical nature of the information. Work is nevertheless ongoing to further analyse and strengthen the quality of reporting to the CRS, while efforts are also underway to start assessing and improving data quality in the IATI registry.[11] These initiatives could be used to develop a quantitative assessment of the quality of information for the next iteration of the indicator. However, further work will be needed to identify ways of consistently measuring data quality in systems that are inherently different and serve different purposes.

Assessing data usefulness would mean exploring the user side of the information equation.[12] The question of how to consolidate both supply and demand perspectives of information into one assessment merits strong future attention from all concerned stakeholders. The Global Partnership monitoring framework already captures to a certain extent the receipts of information by developing countries by measuring the availability of forward expenditure plans from providers (indicator 5b) and the recording of development co-operation funding in government budgets (indicator 6). In view of these existing indicators, Global Partnership stakeholders are invited to consider and propose ways of capturing the remaining elements of information use in this indicator approach.

Indicator 5: Development co-operation is more predictable

Development co-operation funding that differs from the amounts scheduled or arrives later than planned can undermine a government's ability to implement its development policies and strategies and to optimise resource allocation.

The Paris Declaration recognised that more predictable development co-operation flows enable developing country governments to plan and manage their development programmes effectively. Co-operation providers who signed up to the Paris Declaration promised to "disburse aid in a timely and predictable fashion according to agreed schedules" (Paris Declaration, 2005). The Accra Agenda for Action re-emphasised the importance of predictability by urgently calling for the provision of "full and timely information on annual commitments and actual disbursements" (AAA, 2008). In addition, the AAA strengthened the emphasis beyond annual predictability to medium-term predictability, committing providers of co-operation to make available "regular and timely information on their rolling three- to five-year forward expenditure and/or implementation plans" (AAA, 2008). The Busan Partnership agreement explicitly reaffirmed the Paris and Accra predictability commitments.

Indicator 5 consists of two parts to assess both aspects of predictability:

- Indicator 5a: annual (in-year) predictability
- Indicator 5b: medium-term predictability.

Indicator 5a: Annual predictability

When development co-operation volumes differ from the amounts scheduled or arrive later than planned, there can be serious implications for a developing country government's ability to implement its planned development policies and strategies and to optimise the allocation of resources within and across sectors.

What is the measure?

Indicator 5a - Annual predictability: Proportion of development co-operation funding disbursed within the fiscal year within which it was scheduled by co-operation providers.

Target for 2015: Halve the gap between aid scheduled for the next year and aid actually delivered.

This part of the indicator focuses on the in-year predictability of development co-operation. It measures the gap between the volume of development co-operation funding scheduled by providers for that financial year and the volume actually disbursed as planned. Funding is considered to have been "scheduled for disbursement" when the provider notified the government of this disbursement plan during the preceding year.

While unpredictability is typically associated with shortfalls in funding, it is not uncommon for providers to exceed their scheduled disbursements, which also causes problematic unpredictability for developing country governments. The indicator focuses on the share of scheduled disbursements that were paid as planned. It does not take into account disbursements over and above those scheduled, but does provide reference information alongside the indicator value to shed some light on challenges related to disbursements that exceed schedules (see: Introduction to the annexes).

What is the state of play?

While unpredictability is typically associated with shortfalls in funding, it is not uncommon for funding to exceed scheduled disbursements.

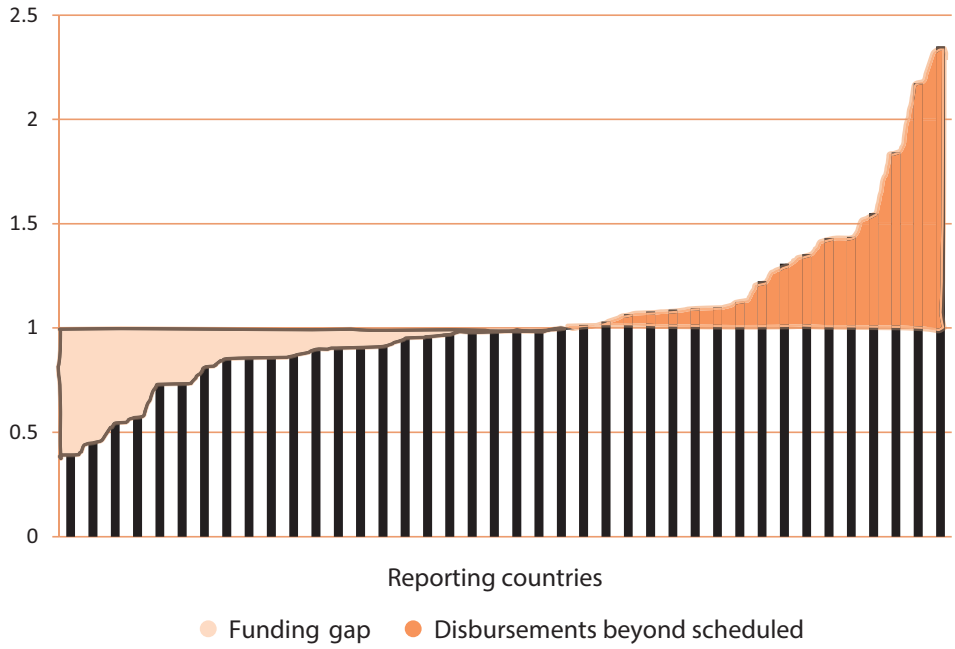
Across all countries reporting to Global Partnership monitoring in 2013, 84% of all scheduled disbursements communicated to government were actually disbursed as planned within the fiscal year. This is an improvement on 2010, when the share was 79% (Table A.5a). Reaching the target requires that by 2015, co-operation providers should disburse 90% of all scheduled disbursements according to plan.

The funding gap of 16% affected 22 countries that received less disbursements than initially scheduled (in total around USD 5.3 billion, Figure 4.5, funding gap). In addition, 17 countries received more disbursements than were originally scheduled, with these "unscheduled" disbursements amounting to roughly USD 6.4 billion (Figure 4.4, disbursements beyond scheduled).

On the global scale, these two phenomena more or less cancel each other out resulting in global disbursements amounting to 103% of scheduled disbursements.

As Figure 4.4 shows, there is considerable variation between countries. On the one extreme, Congo, Jamaica and Mali received at best only half of the funding that was originally scheduled by providers, whereas the Democratic Republic of the Congo and Niger received more than double the disbursements that were initially scheduled (Table A.5a).

Figure 4.4. **Actual disbursements as a proportion of scheduled disbursements in the reporting countries**



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Note: This figure does not include the six Pacific Island countries which were not in a position to provide information on providers' scheduled disbursements.

Underlying reasons why important funding gaps remain in some countries cannot be derived from the data. They will ultimately be a mix of economic and political factors affecting the co-operation landscape at the country level. As to the countries where more is disbursed than originally planned, the data does reveal one feature: in several countries the discrepancy stems from the fact that scheduled disbursements were zero (or scheduled disbursements were unavailable). This was the case, for example, in the Democratic Republic of the Congo, where half of the providers (10 out of 19) had not scheduled any disbursements, and therefore the bulk of actual disbursements were unscheduled. Overall, roughly 40% of disbursements beyond those scheduled relate to cases where scheduled disbursements were zero. This points to the need for serious efforts by providers to inform governments of their disbursement plans.

On the whole though, the data indicates that the majority of unscheduled disbursements occur from inaccurate planning figures. Even where disbursement schedules were comprehensively made available by providers, as in Nepal and Niger, actual disbursements were notably higher (184% and 217% respectively).

The above analysis focuses on whether countries receive less or more funding overall than originally scheduled by providers. Within individual countries, however, the picture tends to be mixed: most had to deal with some providers disbursing more and others less than initially scheduled. For example, during the fiscal year in which the Malawian government received over 150% of scheduled disbursements, half of its co-operation providers disbursed less than originally planned.

Overall, discrepancies between planning information and actual execution of payments significantly hamper predictability. The data suggests that governments are growing wary of these discrepancies between disbursement schedules and actual disbursements. A comparison with the findings of indicator 6 in Chapter 2 (recording co-operation funding on budget) indicates that countries record both more and less funding in the annual budget than the total of providers' scheduled disbursements. Whether this is due to governments relying on other sources of planning information, or simply adjusting providers' indications, it confirms that so far providers' disbursement schedules are not credible enough to inform governments' planning.

Indicator 5b: Medium-term predictability

Comprehensive and credible three- to five-year forward information on development co-operation funding is crucial for a government's planning and budgeting process.

Lack of comprehensive and credible forward information on development co-operation funding can have serious implications for a government's ability to plan and implement policies and strategies, deliver public services, and design and conduct sound macroeconomic policy. The Busan Partnership agreement calls for providers to give "rolling three-to-five-year indicative forward expenditure and/or implementation plans as agreed in Accra to all developing countries" by 2013 (BPa, 2011: para 24).

What is the measure?

Indicator 5b – Medium-term predictability: Estimated proportion of development co-operation covered by indicative forward expenditure and/or implementation plans for one, two and three years ahead.

Target for 2015: Halve the proportion of development co-operation funding not covered by indicative forward-spending plans provided to developing countries.

Indicator 5b measures the estimated proportion of development co-operation funding covered by indicative forward expenditure plans for one, two and three years ahead. For every provider of development co-operation participating in the global monitoring process, developing country governments have established whether or not the provider has given them a comprehensive forward expenditure and/or implementation plan setting out expected development co-operation flows for the next three years – in practice, the fiscal years ending in 2014, 2015 and 2016.

The forward spending plan must meet *all* three of the following criteria:

1. It must be provided in written or electronic form.

2. It must set out clearly indicative information on future spending and/or implementation activities in the country, including programmed or committed resources where the activity and modality is known; and other resources that have yet to be allocated to specific activities in the country.
3. It presents funding amounts by year (or in greater detail) using the developing country's fiscal year.

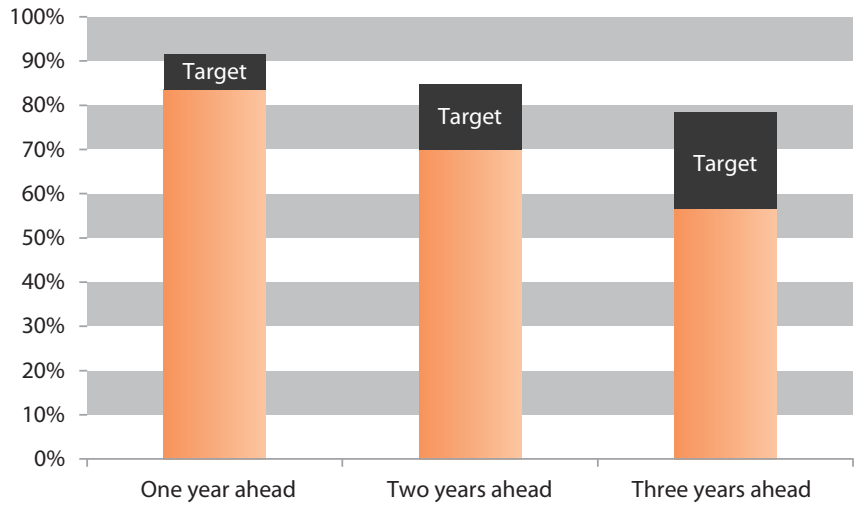
What is the state of play?

The availability of forward information decreases over the planning horizon: good information is available for one or two years ahead, but information for the third year covers only just over half of estimated expenditure.

Across all countries that reported to Global Partnership monitoring in 2013, the availability of forward information decreases over the planning horizon: on average, 83% of estimated total funding is covered by forward-spending plans for the fiscal year ending in 2014, decreasing to 70% for 2015 and to only 57% for 2016 (Figure 4.5 and Table A.5b).

By 2015, Global Partnership stakeholders have committed to halve the proportion of development co-operation funding not covered by indicative forward-spending plans provided to developing countries. To achieve this, providers need to collectively ensure that by 2015 forward expenditure plans cover 92% of estimated total funding for 2016, 85% of estimated funding for 2017 and 79% of estimated funding for 2018.

Figure 4.5. **Estimated proportion of total funding covered by forward expenditure plans**



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Developing countries with effective tools for collecting information have better prospects to improve predictability over the medium term.

Poor availability of forward spending information may result from either "demand" or "supply" factors. Some developing countries may lack appropriate mechanisms to systematically collect forward-looking information. This is the case for instance in a handful of Pacific Island countries, where governments have collected medium-term planning information from providers up to 2015, but not for 2016. In other countries – for example Armenia, Burkina Faso, Cambodia, Lesotho, Samoa and Togo – the estimated proportion of funding covered by forward expenditure plans for the next three years is consistently high (90% or more, Table A.5b). This may be partly explained by the fact that these countries have effective tools for collecting information. For example, Cambodia's online database includes future projections for all current projects and is accompanied by active government outreach to verify medium-term funding intentions for both government-sector and NGO-implemented projects. Co-operation modalities may also play a role in predictability. For example, in Samoa increasing levels of budget support were reported to enhance availability of medium-term planning information.

The data suggests that most reporting countries do have mechanisms for collecting forward expenditure information: over 75% of countries report having information from at least some providers even for the third year ahead. This suggests that the constraints lie on the "supply" side of the information equation: providers are either not supplying the necessary information to the country, or they do not have the information available internally.

Forward planning information does exist within the provider's administration, but for varying reasons it is not consistently communicated to governments in developing countries.

The OECD's Forward Spending Survey (FSS),[13] a global survey of providers' expenditure plans (see Box 4.1), is a useful resource for exploring the supply-side of planning information. Comparing information from the FSS with what was reported by developing country governments reveals discrepancies in the information available at the global and country level. In some cases, providers report to the FSS planned expenditure for some co-operation countries, while these same countries indicate through the Global Partnership monitoring that forward expenditure plans are not available from these providers at the country level. This suggests that planning information does exist within the provider's administration, but for varying reasons it is not consistently communicated to country governments.

One possible factor affecting the communication between providers and government is the co-operation relationship. Generally, providers' priority countries receive not only more financial resources, but the exchange of information is also more extensive and systematic (OECD, forthcoming). This is attributed to the increased level of co-operation and the fact that co-operation providers' activities are generally supported by country offices and country strategy papers.

Irrespective of the nature of the co-operation relationship, some providers are restricted by their legal framework or practices. An OECD-DAC review revealed that procedural and legal constraints continue to hamper the provision of forward spending information (OECD, 2012b). Most co-operation providers lack the internal multi-year programming tools needed to update plans on a rolling basis. Bottlenecks include "cliff-edge" programming[14] or co-operation frameworks built around annual budget

processes that prevent the disclosure of future spending estimates to developing countries. The fact that planning figures are inherently subject to change was recognised by both the Paris Declaration and the Accra Agenda for Action in calling for indicative information on planned resource allocations. To enable medium-term predictability, providers need to urgently address constraints to providing such information.

Indicator 7: Mutual accountability among co-operation actors is strengthened through inclusive reviews

Mutual accountability frameworks should reflect developing countries' specific needs and be grounded in their aid and development policies.

The Busan Partnership agreement recognises the importance of mutual accountability in strengthening partnerships for progress towards and beyond the Millennium Development Goals. In particular, it commits development partners to hold each other accountable for making progress against the commitments and actions agreed in Busan, alongside those set out in the Paris Declaration on Aid Effectiveness and in the Accra Agenda for Action (BPa, 2011). To implement this, the Busan Partnership agreement invites developing countries to take the lead in developing national review frameworks to monitor progress and promote mutual accountability. These frameworks, together with any indicators and targets agreed, should reflect countries' specific needs and be grounded in their aid and development policies. The Busan Partnership agreement encourages the active participation of all development co-operation actors in these mutual assessment processes (BPa, 2011: paras 35a and 18d). The definition of mutual accountability has expanded since the Paris Declaration. The Busan Partnership agreement increases the emphasis on governments' accountability to their citizens and parliaments, and includes an even broader range of co-operation partners, including CSOs and private actors, in mutual accountability mechanisms. National inclusive and transparent frameworks to monitor progress and promote mutual accountability lie at the core of the Busan commitments.

What is the measure?

Indicator 7 – Mutual accountability: Proportion of countries that undertake inclusive mutual assessments of progress in implementing agreed commitments and meet at least four of the five proposed criteria.

Target for 2015: All developing countries to have inclusive mutual assessment reviews in place.

The indicator seeks to measure the proportion of countries undertaking inclusive mutual reviews of their progress in implementing agreed commitments. Mutual assessment reviews are national exercises that engage both developing country authorities and providers of development co-operation at senior level in a mutual performance review. These reviews should ideally be conducted through inclusive dialogues involving a broad range of government ministries (including line ministries and relevant departments, at central and local levels); providers of development co-operation (bilateral, multilateral and global initiatives); as well as other stakeholders, including parliamentarians, private sector and civil society organisations (referred to as

"non-executive" stakeholders). These assessments should be done regularly (e.g. every one to two years) and can be supplemented by independent/impartial reviews (Box 4.2).

To assess progress against this indicator, a country is considered to have a mutual assessment of progress in place when at least four out of the five following criteria are met:

1. An aid policy or partnership policy defines the country's development co-operation priorities.
2. National targets for effective development co-operation exist for both the developing country government and providers of development co-operation.
3. Progress has been assessed regularly and jointly by government and providers at senior level in the past two years.
4. Local governments and non-executive stakeholders have been actively involved in these reviews.
5. The comprehensive results of the review have been made public in a timely manner.

Box 4.2. **Mutual accountability monitoring by the United Nations**

A national Mutual Accountability Survey is conducted every two years by the United Nations Department of Economic and Social Affairs (UN DESA) under the UN Development Co-operation Forum (UNDCF), in partnership with the UNDP. Two previous surveys took place in 2009 and 2011 (United Nations, 2011).

At the time of writing this report, the third mutual accountability survey had been rolled out to countries. The survey gathers evidence to support government efforts to strengthen development partnerships. The UNDCF invited 140 ministries of planning and finance from developing countries to participate in the survey and consult with relevant line ministries and other stakeholders to identify mutual accountability tools, such as aid and partnership policies and dialogue platforms.

Preliminary findings of this survey are expected at the end of February 2014 and can feed into discussions on progress at the Global Partnership High-Level Meeting in Mexico in April 2014 and will complement the findings presented here.

What is the state of play?

Targeted efforts are needed to make mutual review processes more transparent and inclusive, extending participation to emerging providers, civil society organisations and the private sector.

Across all countries that reported to Global Partnership monitoring in 2013, 59% report having mutual assessment reviews in place in (Figure 4.6). This remains well below the 100% target.

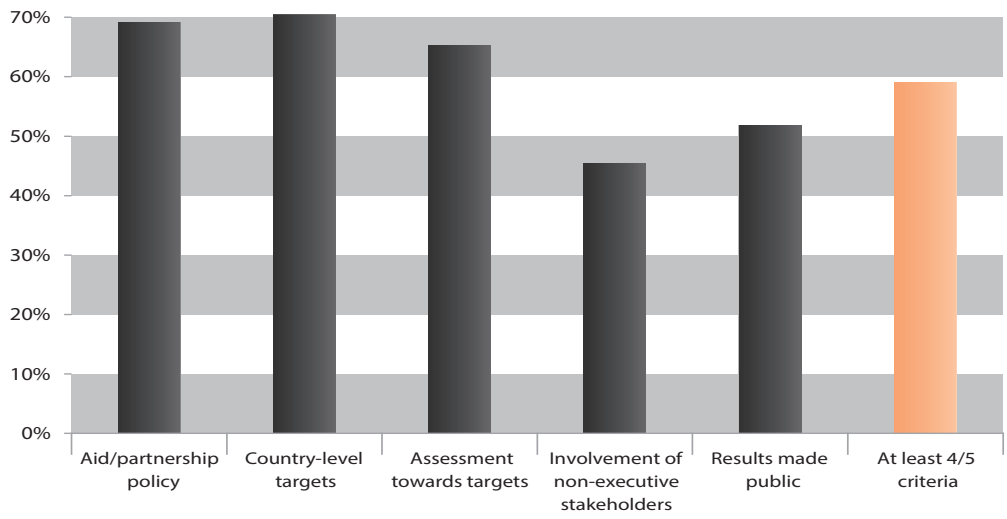
The responses against the various criteria show that 70% of countries report having an aid or partnership policy that defines development co-operation priorities (or elements of such a policy agreed through other instruments). Equally, 72% state they have specific

national targets for effective development co-operation for both government and providers of development co-operation. A joint assessment of these targets was reported to have taken place at a senior level in the past two years in 65% of the countries. The final two criteria proved to be more challenging, with no more than 46% of countries involving non-executive stakeholders and local governments in the reviews and only 52% making the results public in a timely manner.

Since 2010, an additional 11 countries now have mutual accountability despite stricter criteria used for defining mutual review processes.

While a direct comparison with the 2011 Paris Declaration Monitoring results (OECD, 2011) is not possible given the changed set of criteria,[15] a simple comparison of the 38 countries that participated in both monitoring exercises suggests some progress in putting assessments into place. Eleven more countries now fulfil the necessary four out of five criteria. Conversely, three countries that previously qualified for having systems in place no longer meet the necessary criteria in light of the additional requirements for inclusivity and making the assessment results public. Of the eight additional countries that reported on this indicator in 2013, three countries (all Pacific Island countries) met four out of five criteria.

Figure 4.6. **The proportion of countries meeting the criteria for mutual assessment reviews**



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Complementary qualitative information provided by countries as part of their data submission supports the finding that some progress is taking place. A number of countries have established, reviewed and revised their development co-operation or partnership policy. Efforts have been made to set out tangible commitments for enhancing the effectiveness of development co-operation. This has been accompanied by efforts to strengthen monitoring and evaluation frameworks to track progress against these

commitments and targets set in development programmes and strategies, including developing regular annual review processes and clear co-ordination structures to support them. For example:

- The Government of Bangladesh and 18 development partners have revised the action plan of the Joint Co-operation Strategy, resulting in a series of tangible commitments to enhance the effectiveness of co-operation in the country.
- Ethiopia has strengthened its monitoring and evaluation framework for development programmes, including an annual review process and better data collection.
- Cambodia has reviewed and revised its partnership dialogue structure, taking steps to increasingly involve CSOs and private sector representatives.
- Lesotho has launched a new partnership policy to reflect the Busan commitments of inclusiveness.

Accountability, co-ordination and partnership frameworks depend on sector-specific development plans or programmes, financing frameworks, and the nature of co-operation and partnerships in each sector. While this indicator assesses the national situation, the inclusiveness and scope of mutual assessment reviews may vary from sector to sector. The International Health Partnership provides an example of concerted efforts to strengthen results and accountability in the health sector. It brings together country governments and development partners through country compacts to improve alignment with country systems, bring new partners into health sector co-ordination efforts and supports mutual accountability through specific indicators that track progress against agreed commitments.[16]

How to move forward?

- The provider community needs to raise its collective level of ambition and redouble efforts if it is to publish by 2015 timely, comprehensive and forward-looking information on development co-operation resources. To enhance the publication of information, urgent action is needed to report more frequently, using data that is less than six months old, and to overcome systemic/procedural hurdles to providing information on all agreed common standard data fields. To be more transparent about future plans, providers that do not yet publish any information should urgently start to publish at least aggregate country envelopes for future years, and aim to gradually move towards more detailed activity-level reporting.
- Further work is needed to assess the quality and usefulness of published information. Insofar as the Global Partnership transparency indicator measures the implementation of the common standard, any evolution of the indicator will ultimately be guided by the evolution of the standard itself. In line with the Busan Partnership agreement, it is recommended that further work around the common standard focus on improving the understanding of what timely, comprehensive and forward-looking information means in practice for developing countries and non-state stakeholders so that all transparency efforts respond effectively to local needs and country contexts.
- Developing country governments are faced with continued unpredictability and are managing increasingly complex resource equations where providers' disbursements both fall short of – and exceed – initial plans. Making development co-operation more predictable in the short term will require providers to: 1) eliminate remaining shortfalls

in disbursements as compared to original schedules; 2) make disbursement schedules more accurate, realistically estimating the pace of programme implementation and revising plans upwards where necessary so that they provide reliable estimates for future funding; and 3) provide government with disbursement plans in the first place.

- Medium-term predictability remains a real challenge. The Busan commitment for providers to share by 2013 rolling three-to-five-year forward expenditure plans has not been implemented. Forward expenditure plans for the third year ahead now cover just over half of estimated expenditure. Urgent action is needed from providers to adjust policies and procedures so that medium-term co-operation plans can be regularly updated and communicated to developing countries and broader stakeholders. Where changes in legislation, policies or procedures are required, revitalised political leadership is urgently needed to implement commitments and make medium-term predictability a reality.
- Targeted efforts are needed to make mutual review processes more transparent and inclusive, extending participation to emerging providers, civil society organisations and the private sector. While some countries have taken positive action to strengthen inclusiveness of partnerships, mutual accountability frameworks and joint assessment reviews continue to be undertaken mostly between the government and traditional providers of development co-operation. The 2015 target of all developing countries having in place mutual review processes is so far only half met – this calls for urgent action to strengthen existing structures or create new ones.

Notes

1. For a list of providers who have published their schedules, see www.oecd.org/dac/aid-architecture/acommonstandard.htm. Some countries provide ODA through more than one agency and therefore have produced separate implementation schedules for each of their agencies. One private foundation also issued its implementation schedule by the December 2012 deadline.
2. The full indicator methodology is available on the website of the Global Partnership for Effective Development http://effectivecooperation.org/progress. To develop this indicator, the joint UNDP-OECD support team drew on feedback from the Ad Hoc Group on the Common Standard and consulted Global Partnership members in 2013 to gather feedback on the construction of the indicator.
3. In assessing timeliness of reporting, the difference between the two systems assessed should be noted: the CRS is populated only once a year with statistically verified data, while the IATI publisher is populated more regularly, but with some data which is still to be statistically verified.
4. It should be noted that the common standard was built on the basis of the CRS system and expanded to include more fields. Therefore not all fields of the common standard are present in the CRS. Furthermore, optional IATI fields are excluded from the assessment.
5. The IATI registry, see: www.iatiregistry.org.

6. Country programmable aid (CPA), this is the portion of ODA that providers programme for individual countries. CPA seeks to capture the portion of flows that go directly to developing countries from the overall ODA envelope. For more information, see www.oecd.org/development/aid-architecture/cpa.htm.

7. In assessing providers of ODA the pilot excludes non-governmental organisations and foundations. The most recent available reporting has been assessed: 2012 reporting for the CRS and reporting up to December 2013 for IATI.

8. These three countries are Poland, Slovak Republic and Slovenia.

9. At the time of assessement, seven providers actively applied a non-disclosure policy to their Forward Spending Survey data. One additional provider has not responded to the request by the OECD of whether they wanted their data to be made public, and therefore their data was not published. Revoking this non-disclosure policy would substantially improve these providers' score on forward-looking information.

10. The joint support team explored the possibility of calculating a reference baseline for early 2012, but this was finally found not to be feasible in light of limited time and resources. Furthermore, it was considered that a 2012 reference baseline would not necessarily add much value to the analysis as the data would show limited change over a single year.

11. For more information, see OECD (2013) and the work on the Aid Transparency Index of Publish What You Fund: http://ati.publishwhatyoufund.org/.

12. In requesting the joint support team to develop this indicator, the WP-EFF specified that the indicator should not involve collecting new data at the country level.

13. The OECD-DAC has since 2007 annually conducted surveys collecting forward spending plans from the largest bilateral and multilateral providers of development co-operation. These surveys offer a tool to systematically collect information on providers' indications of future resource allocations and subsequently to assess the degree of providers' predictability by comparing planning information with actual disbursements. While the FSS is not a substitute for providers' efforts at country level, it provides a tool also for developing countries to triangulate the information available and complement it if necessary. See www.oecd.org/dac/aid-architecture/aidpredictability.htm.

14. This technical term is used for a budget framework with a clear end date (cliff edge) that is revised only before the end date is reached as opposed to on a rolling basis.

15. The three criteria used in Paris Declaration monitoring efforts broadly corresponded to the three current criteria of having in place an aid partnership policy and country level targets, as well as conducting reviews in an inclusive manner. However, it should be noted that in 2013 the inclusiveness criterion *requires* active involvement of non-executive stakeholders, whereas previously their engagement was merely encouraged.

16. For more information, see www.internationalhealthpartnership.net/en/key-issues/compacts.

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Chapter 5

Country actions to implement the Busan commitments

The Busan Partnership agreement is centred around a country-focused approach to effective development co-operation: partnerships for development can only succeed if they are led by developing countries and tailored to countries' specific situations and needs. It calls on developing countries to lead in the development of their own frameworks for monitoring progress and promoting mutual accountability so that these are grounded in their own development priorities and policies. The Global Partnership for Effective Development Co-operation provides a light structure to support country-level implementation of commitments, exchange knowledge and review progress. This chapter asks what initiatives are countries taking to translate Busan principles to their own contexts and to establish and strengthen frameworks to support learning and accountability? The chapter draws together country examples[1] and confirms that progress is being made in many areas, from creating comprehensive national strategies, reducing fragmentation of efforts to greater transparency and more inclusive partnerships. Important initiatives are also occurring in fragile states and through South-South co-operation.

How are countries monitoring progress and upholding accountability?

Countries are increasingly using data from their existing aid or development co-operation information management systems to report on Global Partnership monitoring indicators.

There is no blueprint for how countries should monitor the commitments and actions agreed in Busan. The monitoring process is flexible, but should be led by country authorities so that it suits the national context and existing frameworks. In order to document good practice in managing accountability efforts with multi-stakeholder engagement, countries reporting on the Global Partnership indicators in 2013 were invited to provide a short description of how they carried out the data gathering and checking, and consultations and dialogue. A significant number of countries have used existing government partnership and monitoring mechanisms, while many other countries have set up an *ad hoc* process for the Global Partnership monitoring:

- Several countries, such as Cambodia and Rwanda, are well advanced in adapting their national systems to regularly gather relevant information on Global Partnership monitoring indicators. These countries note that collecting the required data involved less effort than expected. This enabled them to focus on verifying, validating and analysing the data, as well as discussing progress and challenges in implementing Busan commitments.
- Most countries launched the monitoring process through meetings and workshops with their development partners and other relevant stakeholders. These provided a chance to obtain guidance, share materials and agree on methodology, division of labour and timelines.
- Most countries also concluded the process through data verification meetings and consultations with development co-operation providers, civil society organisations and/or government institutions. This was also an opportunity to discuss some of the challenges faced while collecting data, to explore ways to bring more stakeholders on board or to initiate a wider discussion on the monitoring exercise/mutual accountability framework and the Global Partnership itself.
- Most Global Partnership monitoring submissions from countries combine existing data with new data collected for this exercise (e.g. through a questionnaire). Many participating countries indicated that they had extracted some of the data from an existing aid information management system to which the government and/or providers of development co-operation report their data on development co-operation flows. Some countries have only extracted data for those indicators requiring government reporting, such as development co-operation funds recorded on national budgets, while others have also relied on existing databases for data pertaining to providers' reporting.
- Even where systems to manage information and collect data on development co-operation already exist, several countries noted information gaps due to late or irregular reporting, or discrepancies between information extracted and providers' understanding of accurate data. This has meant extra effort to collect and validate data. While many countries have made progress in either establishing new or strengthening existing systems, these systems need to be regularly maintained and managed. They also depend on continuous timely and quality reporting by providers of development

co-operation. To enhance country-led accountability further, there is a need to strengthen country databases and systems as well as providers' engagement and reporting. This will improve not only the accuracy of monitoring efforts, but importantly also the predictability of co-operation. Greater predictability allows the government to plan and budget more effectively, as well as to record development co-operation funds on national budgets (more information in Chapters 2 and 4).

Several countries, including Lao People's Democratic Republic, South Africa and Zambia, have expressed their interest in using the Global Partnership monitoring framework as a basis to establish a long-term monitoring system or to reinforce an existing system for collecting regular data from providers, including indicators on effective development co-operation and the Busan principles.

What are the country initiatives to drive progress?

Since the Busan High-Level Forum on Aid Effectiveness in 2011 and endorsement of the Busan Partnership agreement, many countries have made notable efforts to implement the Busan commitments. To complement the global monitoring exercise, the UNDP-OECD joint support team has also collected country implementation examples (see endnote 1).

Implementing Busan commitments will require stronger and more coherent national institutional frameworks.

The increasingly complex development co-operation landscape has had implications for countries' institutional frameworks for implementing and monitoring the Busan commitments. Accelerating the shift from aid effectiveness to effective development co-operation in practice – i.e. putting inclusive partnerships and mutual accountability at the heart of efforts – means policy coherence; more effective integrated planning, budgeting, resource mobilisation; and partnership processes and mechanisms for national development planning. While there is a great deal of diversity and complexity in country experiences, a recurring theme is that implementing the Busan commitments seems to require stronger and more coherent national institutional frameworks, and more profound involvement by central government institutions.

Progress on strategic frameworks for effective development co-operation

To advance implementation of Busan commitments, countries are strengthening their national institutional frameworks to increase the transparency, co-ordination, harmonisation, alignment and results focus of development co-operation.

Many countries have made progress in establishing or strengthening national institutional frameworks and processes to increase the transparency, co-ordination, harmonisation, alignment and results focus of development co-operation. These efforts range from launching a national plan or action plan for implementing the Busan commitments, creating an institutionalised discussion forum, and reviewing and revising

development co-operation partnership strategies to setting up an institutional framework or mechanism for mobilising external resources effectively. For example:

- Cambodia has devised a Development Co-operation and Partnership Strategy[2] which incorporates the principles of effective development co-operation, emphasising results-focused, inclusive and effective partnerships. The strategy ensures that development co-operation resources are used for maximum effectiveness and impact in achieving Cambodia's development goals. This includes implementing the unfinished aid effectiveness agenda, fostering inclusive partnerships and exploring ways to enhance the catalytic role of aid for a broad-based growth agenda. The strategy emphasises programme-based approaches as an important framework to foster development effectiveness. It is accompanied by tools such as a results framework and joint monitoring indicators. It also establishes an institutional framework and dialogue mechanisms – at both technical and political levels – with all national and external partners.
- Mozambique has developed a Post-Busan National Action Plan:[3] a medium-term strategy that defines the actions for implementing Busan commitments backed up by a monitoring and evaluation framework.
- Myanmar launched the *Nay Pyi Taw Accord for Effective Development Co-operation*[4] in January 2013. The adoption of this comprehensive, country-led co-ordination arrangement has involved establishing sector working groups and regular formal discussions with the Foreign Economic Relations Department and the Development Partners Working Committee. The first Myanmar Development Cooperation Forum was held in mid-2013.
- The Forum Compact sets out the collective actions of the Pacific region to strengthen co-ordination and use of all development resources. The effectiveness of development efforts is tracked annually, and peer reviews facilitate exchange of lessons and sharing best practice. Progress under the Compact is reviewed at the Pacific Islands Forum Leaders' meeting and through other Forum processes. Their 2013 report highlights that Forum Island countries are also individually continuing to improve their national planning and monitoring frameworks. The Marshall Islands is developing its first medium-term national development plan; the Federated States of Micronesia is developing state strategic plans and a National Medium Term Action Plan. Countries are also focusing on tracking and accounting for national development outcomes: Kiribati has identified key outcomes and targets and is building its capacities and institutions to co-ordinate implementation and monitor outcomes.[5]
- Other countries, such as the United Republic of Tanzania, Malawi, Benin and Bangladesh, have taken steps to review, revise or establish an institutional framework to enhance national efforts for managing development co-operation effectively.

Progress in fragile states

Improving the quality of development co-operation in fragile and conflict-affected states is more important now than ever. Yet, the development co-operation funding they receive is diminishing, and they have limited access to alternatives for financing development (OECD, 2014). Therefore, ensuring effective co-operation and optimising the mix of resources available are crucial for sustainable development results in fragile and conflict-affected countries and economies (Box 5.1).

Box 5.1. **More is needed to help fragile states find a sustainable development path**

Aid declined by 2.4% in 2011 and will continue its downward trend, with the least developed countries being hit hardest. Of the seven countries that are unlikely to meet a single Millennium Development Goal, six are fragile. Without greater support, these countries are expected to host more than half of the world's poor beyond 2018. International development efforts need to focus on delivering results quickly in these countries.

More is needed to help these countries find a sustainable path out of fragility. One important element in lasting results is to reinforce the domestic resource base. Fragile states still only collect 14% of their GDP in taxes on average, well below the 20% UN benchmark viewed as the minimum needed to meet development goals. Yet a mere 0.07% of ODA to fragile states is directed towards building accountable tax systems. The OECD report therefore calls on providers to make smarter use of development co-operation to help fragile states mobilise more domestic revenue. It provides many recent country examples of where efforts have been made and there are lessons to be shared, including from Nigeria, Guinea, Timor-Leste and Rwanda.

Source: OECD (2014), *2014 Fragile States: Domestic Revenue Mobilisation*, OECD Publishing, Paris, www.oecd.org/dac/incaf/FSR_2014.pdf.

Compacts in fragile states are an important stepping stone towards greater mutual trust and stronger partnerships.

The *New Deal for Engagement in Fragile States* (International Dialogue on Peacebuilding and Statebuilding, 2011) aims to create change by addressing what matters most for people affected by conflict and fragility: putting countries in the lead of their pathway out of fragility; and building mutual trust and strong partnerships. Through the New Deal, development stakeholders agreed to use the Peacebuilding and Statebuilding Goals as an important foundation to enable progress towards achieving development results and to guide co-operation in fragile and conflict-affected states. They also committed to focus on new ways of engaging with conflict-affected and fragile states, centred around one national vision and one plan to guide an inclusive and country-led transition out of fragility. Stakeholders committed to build mutual trust by providing aid and managing resources more effectively, enhancing transparency and risk management to use country systems, strengthening national capacities and improving timeliness and predictability of funding to achieve better results.

Guided by the New Deal, fragile and conflict-affected states have made important advances. For example:

- Afghanistan's Aid Management Policy,[6] endorsed in February 2013, sets out an operational plan for New Deal implementation. Built on three pillars, it is an important step forward in translating the global New Deal principles into the Afghan country context. As a starting point, the government, in consultation with development partners and local stakeholders, formulated the Afghanistan National Development Strategy, which provides "one vision, one plan" for all development co-operation. The Tokyo Mutual Accountability Framework[7] adopted by Afghanistan and its partners brings the government and providers together to match funding with priorities and deliver on the strategy. The Afghanistan Reconstruction Trust Fund ensures a harmonised financing approach while pooling fiduciary risks and supports national programmes to facilitate service delivery by the government.

- The Somali Compact,[8] endorsed in September 2013 at the New Deal Conference in Brussels, represents a new beginning in the joint partnership between Somalia and the international community. In setting out clear priorities for the government and international community and providing a framework for more inclusive dialogue between the government, international partners and local stakeholders, the Compact aims to improve the effectiveness of development co-operation and to demonstrate that it contributes to peacebuilding and statebuilding. The Compact is expected to lead to better co-ordination between political, security and development spheres as well as to progressively strengthen the core state capacities of the Somali government (see also Box 2.1, Chapter 2). Similar to the Afghan example, the Somalia Development and Reconstruction Fund will help to fund national government priorities in a more harmonised way, allowing for strengthened transparency and ownership over the development agenda and its expected results.

While it is too early to assess the impacts of these compacts on enhancing country ownership and results, they are an important stepping stone towards greater mutual trust and stronger partnerships in jointly agreeing on development priorities and exploring ways in which to strengthen country systems while progressively using them to deliver development co-operation. Investing more in country institutions, including those that drive domestic revenue mobilisation, is a crucial part of these efforts as it enables countries to take full ownership of their development and recovery.

Progress in managing diversity

Managing diversity of development co-operation partnerships works best with strong country leadership and a flexible and pragmatic approach.

Developing countries are also making progress in managing the diversity of development co-operation partnerships and reducing the fragmentation created by a proliferation of actors, each with their own priorities, approaches and procedures. The Busan Partnership agreement calls on developing countries to "lead consultation and co-ordination efforts to manage the diversity at the country level", while "providers of development assistance have a responsibility to reduce fragmentation and curb the proliferation of aid channels" (BPa, 2011: para 25). A comparative analysis of country efforts in managing diversity and reducing fragmentation by the Building Block on Managing Diversity and Reducing Fragmentation (2014a) finds that developing countries are improving at managing the diversity of development co-operation. Countries are taking a flexible and pragmatic approach to this challenge, including formalising the division of labour among development co-operation providers and implementing joint co-operation strategies (such as joint programming, programme-based approaches, etc.). For example:

- Rwanda manages diversity and reduces fragmentation through an agreed division of labour based on a portfolio analysis of development partners using the *Development Assistance Database*. This has decreased the share of development co-operation relations that are relatively small in size and therefore contribute to fragmentation (from 40% in recent years to 31% in 2012). It has been found that failure by development partners to provide forward-looking and transparent information on their development co-operation portfolios and inability of the government to use the information fully can

result in inefficient national and sectoral development frameworks (Building Block on Managing Diversity and Reducing Fragmentation, 2014b).

- Managing provider diversity effectively requires that the country takes a strong lead in a co-ordination process which includes all relevant domestic stakeholders and active international development partners. Both Bangladesh and Rwanda have national and sector working groups that include relevant domestic stakeholders who play an important role in building synergies between policy formulation, implementation and review of development co-operation (Building Block on Managing Diversity and Reducing Fragmentation, 2014b; 2014c).
- Co-ordination and harmonisation work best when linked to clearly defined results developed and owned by the country. Clear country priorities make it easier for development partners to target their aid allocations for greatest impact. In both Rwanda and Bangladesh, sectors with clear development plans have been able to focus their development co-operation dialogue and co-ordination on results rather than processes.

Progress in making the most of development finance

Some countries are mapping their development finance for a better use of all resources available in support of development and poverty reduction.

A holistic and inclusive management approach can ensure that development co-operation catalyses and complements other development finance. However, countries need more robust information on development finance – including climate change finance and innovative development financing – in order to establish more comprehensive financing strategies and frameworks to support development and poverty reduction. Several countries have mapped their development finance comprehensively; others are exploring the range of innovative financing mechanisms. For example, Papua New Guinea's Development Finance and Aid Assessment (DFAA) analyses potential development finance sources to inform its multi-year budgeting. The DFAA helps to reveal funding gaps, identifies ways in which to diversify the development partnership base, and contributes to the new Development Finance and Aid Policy. Viet Nam is also undertaking a DFAA to inform its 8th Five Year Plan (2016-2020) and to help strengthen its institutional framework so as to maximise the use of all sources of development finance.

Progress in transparent reporting and information management systems

Countries are establishing or strengthening their aid/development co-operation information management systems to improve multi-year planning, budgeting and monitoring.

A number of countries have either established or strengthened their aid/development co-operation information management systems to improve their multi-year planning, budgeting and monitoring processes. For example, the State Committee on Investments and State Property Management of Tajikistan is charged with aid co-ordination. It adopted an aid information management system in 2012, which has streamlined the

process of data collection on projects and funding agreements, upgraded the quality and timeliness of data, and provided access to information for all stakeholders. The system has helped the State Committee to manage their national development planning and budgeting processes more effectively by making it easier to analyse funding trends and projections.

Some countries have piloted initiatives to geocode the location of development co-operation activities in their aid information management system. This involves plotting projects on an interactive map. For example, Honduras launched its Aid Management Platform in 2013, which is helping the government, its partners and civil society organisations to discuss aid fragmentation and the allocation of resources across the country. Nepal has also geocoded its aid information as part of its Aid Management Platform, which has been rolled out to more than 35 local-level development partners and 19 line ministries involved in implementing development projects.

Other countries have started to move towards a more integrated system of public financial management, enhancing the integration and synergies between the aid information management system and the public financial management system. For example, Rwanda's *Development Assistance Database* has been upgraded to synchronise the recording of external resources with the government's public financial management system (known as SmartFMS). Efforts like these inform decision makers and improve the overall alignment of assistance with the country's priorities and programmes.

Some countries have integrated indicators on effective development co-operation into their aid information management system to allow for regular monitoring. For example, Cambodia's ODA database now includes the Global Partnership monitoring indicators, as does Rwanda's, which produces the data needed to monitor development effectiveness every year. Bangladesh also intends to do the same.

Many other countries have also started work to establish or strengthen their aid information management systems, which they see as an integral part of their overall efforts to improve the effectiveness of development co-operation. For example, Morocco is at an advanced stage in establishing an automated information management system, known as the SIG-CDM, designed to improve the efficiency and co-ordination of provider activities. Egypt has also started work on an online interactive aid management system and Guinea Bissau is piloting its aid management platform.

Progress in establishing inclusive development partnerships

Despite efforts towards more inclusive partnerships, the involvement of non-state actors remains limited.

Inclusive development partnerships are being built in a variety of ways in developing countries. While Chapter 3 provides a more systematic analysis of this agenda (e.g. creating an enabling environment for civil society, private sector engagement), this section highlights what individual countries are doing.

Countries are making efforts to extend the coverage of reporting obligations to all providers of co-operation. Non-governmental organisations (NGOs) are now reporting their co-operation through national aid information management systems in a number of countries. For example, Haiti gathers information from more than 250 bilateral and multilateral development partners and non-state actors – notably NGOs – in its external

assistance management module (*Module de gestion de l'aide externe*). The module keeps all stakeholders informed on funding, in-kind contributions and projects/programmes by the international community, enabling better planning, alignment and harmonisation of development activities.

Many countries report benefits from strengthening inclusive dialogue. For example, in Burundi the Partners Coordination Group (*Groupe de Coordination des Partenaires*, GCP) serves as a framework for dialogue and brings together representatives of government, providers, civil society, private sector actors and parliamentary institutions. The Global Partnership monitoring exercise was launched during a strategic forum of the GCP. In Malawi, a workshop on "Open Development Data for Effective Policy" held in October 2013 to launch the Aid Management Platform brought together government ministries, development partners, civil society organisations (CSOs) and media groups to collectively identify ways to harness development data to support evidence-based decision making.

Involving a broader range of stakeholders can introduce innovative ideas, provide information on a much wider range of development activities, and bring on-the-ground perspectives to development co-operation. However, as mentioned in Chapter 4, although some countries are actively strengthening inclusive partnerships, the involvement of non-state actors remains *ad hoc* overall and the depth of their involvement varies greatly from country to country. Accountability frameworks and policy dialogue still primarily involve government and development partners, while the involvement of domestic civil society and the private sector remains limited.

South-South initiatives for effective development co-operation

Countries providing South-South co-operation are strengthening their institutional frameworks for international development co-operation for more effective management and greater focus on results.

The Busan Partnership agreement recognises the increasingly important contribution made by *all* development stakeholders. Over recent decades, South-South co-operation[9] has been gaining importance in the development co-operation architecture, having risen steadily in both its breadth and scale. Many countries providing South-South co-operation, especially middle-income countries, play a dual role as both recipients and providers of development co-operation. Drawing on this dual role, they have stepped up their contributions of experience, knowledge and development solutions, taking forward the principle of solidarity to become important actors in the global development agenda.

Many such countries, individually or as a group, have been actively involved in developing policy options and shaping the post-2015 development framework, as well as the Global Partnership for Effective Development Co-operation. For example, major providers of South-South development co-operation came together in New Delhi in April 2013 at the conference on *South-South Co-operation: Issues and Emerging Challenges*.[10] The conference was convened jointly by the UN Secretariat's Department of Economic and Social Affairs and the Government of India to discuss the need for greater transparency and effectiveness among providers of South-South co-operation. At the same time, participants reaffirmed that the principles of transparency and effectiveness

apply differently to South-South co-operation, which should not follow the same norms and standards as those guiding North-South co-operation.

Box 5.2. Evolution of Turkish international development co-operation

Established in 1992 as a partner for South-South co-operation, today the Turkish International Co-operation and Development Agency (TIKA) is working in 30 countries. TIKA is now looking to further consolidate and expand its strengths and scale up development co-operation. To this end, Turkey is reviewing and developing its ODA law as well as formulating its development co-operation. Initiatives such as institutional context analysis as well as capacity assessment have supported Turkey's efforts in this regard. Furthermore, Turkey is actively exploring collaborative opportunities with the private sector and civil society.

While the developing countries who are themselves providers of development co-operation are diverse in terms of economic power, demography, political background and culture, several common themes have emerged from the New Delhi Conference, as well as a series of Global Dialogues of Agencies and Ministries for International Cooperation and Development:[11]

- **Setting up new institutions for managing international development co-operation effectively:** South-South co-operation is generally based on solidarity, equality and mutual benefit. It tends to be driven by experience, knowledge and demand-driven development solutions. However, in recent years, a number of countries have set up or strengthened existing institutional frameworks for co-ordinating and managing their development co-operation with a view to becoming important development actors in the international development co-operation architecture (Box 5.2). Several countries have taken steps to consolidate their institutional frameworks for managing international development co-operation more effectively, both for the development co-operation they receive and provide. For example, countries such as Colombia, Mexico and South Africa have set up development co-operation agencies.
- **Enhancing systems for reporting, communication and visibility:** Strengthening institutions for co-operation is often coupled with efforts to enhance information management systems for reporting, strategy and visibility of activities. The aim is to sustain and strengthen public support for increasing development co-operation provision. Brazil, for instance, published its development co-operation flows from 2005 to 2010 in two reports (Ipea, 2011; 2013).
- **Focusing on results:** Countries such as Indonesia are reviewing their development co-operation framework so as to progressively link the provision of co-operation and knowledge to their foreign policy, economic and sustainable development goals. Commonly such reviews include some element of consultations with domestic development stakeholders on what kind of results should be sought from development co-operation activities.
- **Strengthening the role of knowledge sharing:** Knowledge sharing has long been recognised as a key foundation of South-South co-operation, with many partners sharing similar challenges during their development transition. A number of countries, such as Indonesia and Thailand, are exploring ways to scale up this practice by consolidating and co-ordinating how they share knowledge and develop solutions. One approach is the increasingly popular "triangular co-operation",[12] which can broaden the

pool of knowledge and experience for developing countries and scale up innovations and solutions to development challenges (Box 5.3).

Box 5.3. Indonesia's "Grand Design and Blueprint for South-South and Triangular Co-operation"

Indonesia has supported more than 700 activities through South-South co-operation, engaging approximately 3 800 participants from various countries and regions. Drawing on the experience gained, the country is exploring ways in which to strengthen and consolidate its profile as a partner for international development co-operation. As part of this endeavour, Indonesia is undertaking a stock-take of its international development co-operation, with a specific focus on the role of knowledge sharing. The exercise also aims to embed knowledge sharing into policies and institutional arrangements for international development co-operation.

How to move forward?

Country efforts are the foundation for implementing the Busan principles. This chapter highlights some of the many and varied ways in which countries are rising to the implementation and monitoring challenges of the Busan Partnership agreement. What do these examples imply for necessary next steps?

- Lessons from monitoring efforts indicate that the transformation towards country-owned monitoring is both desirable and feasible. Country-led monitoring and accountability paves the way for transparent and evidence-based decision making, and the ambition is to rely fully on country-led processes for simple "snapshots" of progress for global accountability purposes. This will require further investments by countries and their development partners to strengthen national accountability frameworks, particularly to improve the quality of country systems and data.
- Country leadership needs to be matched by stronger engagement by providers at the country level. To ensure the legitimacy of global monitoring efforts, which will increasingly be embedded in national monitoring processes, co-operation providers need to do more to re-align their systems and procedures to those of their partner countries. This calls for better internal communication and co-ordination within provider organisations to address apparent disconnects between headquarters and country office operations. This will be key to accurately monitor progress and reinforce mutual accountability both at the country and global levels.
- Greater sharing of experiences and mutual learning among countries will help to accelerate efforts and inform global accountability dialogue with more country experiences and examples. The Republic of Korea has announced an annual meeting to take stock of Busan implementation. This could also be an opportunity for countries to share experiences and lessons from different regions and stages of development. Various meetings at the regional level[13] also offer opportunities for sharing experiences, mutual learning and peer review.

Notes

1. This chapter draws on: *i)* presentations by representatives from Afghanistan, Bangladesh, Cambodia, Egypt, Morocco and Tajikistan at the International Workshop on Busan Implementation at Country Level, hosted by Korea's Ministry of Foreign Affairs and the UNDP in November 2013 (UNDP, 2013), see www.undp.org/content/seoul_policy_center/en/home/presscenter/articles/2013/10/25/seoul-conference-to-review-country-progress-in-effective-development-co-operation; *ii)* country examples emerging from discussions on the Global Partnership online community space www.unteamworks.org/gpedc; and *iii)* qualitative feedback provided by countries as part of their monitoring data submissions.
2. More information can be found at www.cdc-crdb.gov.kh/strategy.
3. More information can be found at www.africa-platform.org/sites/default/files/resources/post-busan_action_plan_-_mozambique.pdf and www.mpd.gov.mz.
4. More information can be found at www.president-office.gov.mm/en/?q=briefing-room/announcements/2013/01/29/id-1493.
5. More information can be found at: 2013 Tracking the Effectiveness of Development Efforts in the Pacific Report and the 2013 Forum Compact Peer Review Countries Progress Report (Pacific Islands Forum Secretariat, 2013a and 2013b).
6. Available at www.undp.org.af/publications/KeyDocuments/ANDS_Full_Eng.pdf.
7. Available at http://aid.dfat.gov.au/publications/pages/tokyo-mutual-accountability-framework.aspx.
8. Available at www.pbsbdialogue.org/The%20Somali%20Compact.pdf.
9. While there is no internationally agreed definition of South-South co-operation, United Nations General Assembly Resolution 64/222 (2010) describes it as "… a manifestation of solidarity among peoples and countries of the South that contributes to their national well-being, their national and collective self-reliance and the attainment of internationally agreed development goals, including the Millennium Development Goals." This resolution also clarifies that "… South-South co-operation takes different and evolving forms, including the sharing of knowledge and experience, training, technology transfer, financial and monetary co-operation and in-kind contributions".
10. More information about this conference is available at www.un.org/en/ecosoc/newfunct/dcfdelhi.shtml.
11. This series of dialogues took place in Mexico, October 2012; Peru April 2013; and Indonesia, December 2013.
12. There is no agreed UN definition of triangular co-operation; however, the Nairobi Outcome Document on South-South Co-operation (UN, 2009) provides the following

description: "Triangular co-operation is support provided by developed countries, international organisations and civil society to developing countries, upon their request, in improving their expertise and national capacities through triangular co-operation mechanisms, including direct support or cost-sharing arrangements, joint research and development projects, third-country training programmes and support for South-South centres, as well as by providing the necessary knowledge, experience and resources, so as to assist other developing countries, in accordance with their national development priorities and strategies."

13. Examples of regional events are available at www.aideffectiveness.org/CDDE-Capacity-Development-for-Development-Effectiveness-Facility.html; www.africa-platform.org.

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Annex

Data related to the Global Partnership monitoring exercise

Introduction to the annexes

Annex A: Country data

Annex B: Provider data

Introduction to the annexes

How to use the annex tables

These annexes present the data for the seven quantitative indicators contained in the Global Partnership monitoring framework (excluding the three pilot indicators which do not yet have quantitative methodologies and underlying data sets). The full *Guide to the Global Partnership Monitoring Framework* as well as more detailed materials on specific indicators and methodologies are available at: http://effectivecooperation.org/progress.

The tables contained in Annex A present aggregate indicator calculations for the 46 countries and territories that took part in the 2013 monitoring exercise. For indicators monitored under the previous Paris Declaration monitoring framework, reference figures for 2010 and 2013 are also provided for those 38 countries that participated in both the final monitoring survey of the Paris Declaration and the Global Partnership 2013 monitoring exercise.

The tables contained in Annex B present aggregate indicator calculations for the providers of development co-operation that participated in the monitoring exercise. For indicators based on data collected at the country level, tables show individually those providers whose reporting to the country-level data collection exceeded USD 10 million and covered more than one developing country.

The indicators of the Global Partnership monitoring framework offer a degree of insight into the implementation efforts of stakeholders and are intended to act as an entry point for political dialogue around monitored commitments. They should not be used as a scorecard for ranking countries or organisations; direct performance rankings or comparisons over time or across countries and organisations are not feasible due to changes in the sample of participating countries and organisations, modifications to the indicator methodologies, and variation in country contexts and in mandates of co-operation providers. Data presented in these annexes relies on data that could not be reconciled in all cases with data sourced directly from co-operation providers. For some providers, the number of participating countries does not constitute a representative sample.

Data sources

The monitoring framework consists of: *i)* indicators measured using data collected at the level of individual developing countries and aggregated to offer an overview of global progress; and *ii)* indicators drawing on other sources of information and established through desk reviews and other mechanisms.

Indicator			Baseline	Data collected at the country level		Data sourced though global processes
				Reporting by co-operation providers	Reporting by developing country governments	
4		Transparency: information on development co-operation is publicly available	2013			Assessment of reporting to the systems of the common open standard, carried out in collaboration with the IATI and OECD-DAC Secretariats
5	a	Development co-operation is more predictable (annual)	2010	X		
	b	Development co-operation is more predictable (medium-term)	2013		X	
6		Aid is on budgets which are subject to parliamentary scrutiny	2010	X	X	
7		Mutual accountability strengthened through inclusive reviews	2010		X	
8		Gender equality and women's empowerment	2013		X	
9	a	Quality of developing country PFM systems	2010			World Bank, CPIA
	b	Use of developing country PFM and procurement systems	2010	X		
10		Aid is untied	2010			OECD-DAC Creditor Reporting System

Methodological notes

In Annexes A and B, the first tables (A.0 and B.0) include basic information on countries and organisations presented in both annexes. This includes funds reported to the Global Partnership 2013 monitoring exercise, and reference 2012 figures for country programmable aid (CPA), which reflects the amount of official development assistance that can be programmed by the co-operation provider for individual countries. For more information, see: www.oecd.org/development/aid-architecture/cpa.htm.

Indicator 4 – transparency (Figure B.1): The full methodology for piloting the indicator is available at http://effectivecooperation.org/progress. The table includes those co-operation providers that were included in the pilot assessment: providers of official development assistance that endorse the Busan Partnership agreement and that had produced an implementation schedule for the common standard.

Indicator 5a – annual predictability (Tables A.5a and B.5a): Proportion of development co-operation funding for the government sector disbursed in the year for which it was scheduled by providers of development co-operation. Basis for calculation: country-level reporting on co-operation providers' scheduled disbursements and actual disbursements.

The following example shows how the tables presented in the annexes of this report have been constructed. The starting point is two countries, A and B, which report data for three providers of co-operation. For country B, the calculation examples below show how the total indicator score of 82% is obtained, how the reference score of disbursements "beyond scheduled" (45%) is obtained and how these two percentages relate to the total disbursements and total scheduled disbursements reported for country B.

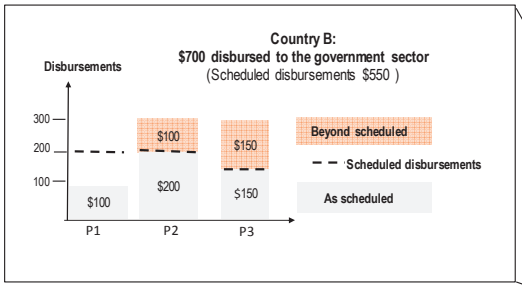
Country A

	Disbursements for government sector	Scheduled disbursements for govt. sector	2013 (%) a = 'as scheduled'	2013 (for reference) b = 'beyond scheduled'
Provider 1	$200	$300	67%	--
Provider 2	$150	$100	100%	50%
Provider 3	$150	$200	75%	--
Total	**$500**	**$600**	**75%**	**8%**

Country B

	Disbursements for government sector	Scheduled disbursements for govt. sector	2013 (%) a = 'as scheduled'	2013 (for reference) b = 'beyond scheduled'
Provider 1	$100	$200	50%	--
Provider 2	$300	$200	100%	50%
Provider 3	$300	$150	100%	100%
Total	**$700**	**$550**	**82%**	**45%**

$700 / $550 = 82% + 45% = 127%



$$82\% = \frac{\text{Sum of disbursements for gov. sector disbursed as scheduled}}{\text{Sum of scheduled disbursements for government sector}}: \quad 82\% = \frac{100+200+150}{200+200+150} = \frac{450}{550}$$

$$45\% = \frac{\text{Sum of disbursements for gov. sector disbursed beyond scheduled}}{\text{Sum of scheduled disbursements for government sector}}: \quad 45\% = \frac{0+100+150}{200+200+150} = \frac{250}{550}$$

Individual country tables are used to generate individual provider tables

Reporting of the co-operation providers in countries A and B provides the basis to generate individual provider tables for all three providers. Taking the example of provider 3, calculations show how the disbursements "as scheduled" (86%) and "beyond scheduled" (43%) are obtained from reporting in countries A and B and how these percentages relate to total disbursements and scheduled disbursements reported by that provider.

Provider 1

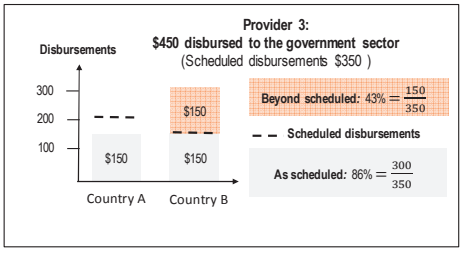
	Disbursements for government sector	Scheduled disbursements for govt. sector	2013 (%) a = 'as scheduled'	2013 (for reference) b = 'beyond scheduled'
Country A	$200	$300	67%	--
Country B	$100	$200	50%	--
Total	**$300**	**$500**	**60%**	**--**

Provider 2

	Disbursements for government sector	Scheduled disbursements for govt. sector	2013 (%) a = 'as scheduled'	2013 (for reference) b = 'beyond scheduled'
Country A	$150	$100	100%	50%
Country B	$300	$200	100%	50%
Total	**$450**	**$300**	**100%**	**50%**

Provider 3

	Disbursements for government sector	Scheduled disbursements for govt. sector	2013 (%) c = 'as scheduled'	2013 (for reference) d = 'beyond scheduled'
Country A	$150	$200	75%	--
Country B	$300	$150	100%	100%
Total	**$450**	**$350**	**86%**	**43%**



$450 / $350 = 86% + 43% = 129%

Country tables and provider tables together form the basis to generate aggregate tables

Reporting from countries A and B is used to generate Table A.5a which presents results by developing country. The figure below shows how disbursements "as scheduled" ($900) and "beyond scheduled" ($300) across these two countries are used to obtain the global result for annual predictability (78%), and the reference figure for disbursements "beyond scheduled" (26%).

Aggregate Table A.5a Annual Predictability (by developing country)

	Total disbursements for government sector (USD m)			Scheduled disbursements for govt. Sector (USD m)	Indicator 5a 2013 * a = 'as scheduled'	Indicator 5a 2013 * b = 'beyond scheduled'
		As scheduled	*Beyond scheduled*			
Country A	$500	*$450*	*$50*	$600	75%	8%
Country B	$700	*$450*	*$250*	$550	82%	45%
Total	**$1,200**	***$900***	***$300***	**$1,150**	**78%**	**26%**

These figures are derived from country tables and do not appear in final aggregate tables.

$$78\% = \frac{Total\ disbursements\ 'As\ scheduled'}{Total\ scheduled\ disbursements\ \ for\ government\ sector} = \frac{\$\,900}{\$\,1150} = \frac{75\% * \$600 + 82\% * \$550}{\$1150}$$

$$26\% = \frac{Total\ disbursements\ 'Beyond\ scheduled'}{Total\ scheduled\ disbursements\ \ for\ governement\ sector} = \frac{\$\,300}{\$\,1150} = \frac{8\% * \$600 + 45\% * \$\,550}{\$\,1150}$$

Reporting by providers 1, 2 and 3 in countries A and B is used to generate Table B.5a which presents results by co-operation provider. The figure below shows how disbursements "as scheduled" and "beyond scheduled" across these three providers yield the same global results (78% and 26% respectively) as in Table A.5a above. It also shows how these two percentages relate to global disbursements and scheduled disbursements.

Aggregate Table B.5a Annual Predictability (by provider)

	Total disbursements for government sector (USD m)			Scheduled disbursements for govt. Sector (USD m)	Indicator 5a 2013 *	
		As scheduled	*Beyond scheduled*		a = 'as scheduled'	b = 'beyond scheduled'
Provider 1	$300	*$300*	*$0*	$500	60%	0%
Provider 2	$450	*$300*	*$150*	$300	100%	50%
Provider 3	$450	*$300*	*$150*	$350	86%	43%
Total	**$1,200**	***$900***	***$300***	**$1,150**	**78%**	**26%**

These figures are derived from provider tables and do not appear in final aggregate tables.

$\frac{1200}{1150}$ = *78% +26% = 104%*

The percentage obtained in this example is above 100% because overall disbursements by providers for the government sector exceed scheduled disbursements.

$$78\% = \frac{\$\,900}{\$\,1150} = \frac{60\% * \$500 + 100\% * \$300 + 86\% * \$350}{1150}$$

$$26\% = \frac{\$\,300}{\$\,1150} = \frac{0\% * \$500 + 50\% * 300 + 43\% * \$350}{1150}$$

Indicator 5b (Tables A.5b and B.5b): Estimated proportion of development co-operation covered by indicative forward expenditure and/or implementation plans for one, two and three years ahead.

The following example shows how the tables presented in the annexes of this report have been constructed. The starting point is again two countries, A and B, that report data for three providers. Developing country governments determined whether a forward expenditure plan was available for each co-operation provider covering the fiscal years ending in 2014, 2015 and 2016 ("Yes" = 1; "No" = 0). For country A, the calculation examples below show how the estimated proportion of funding covered by forward plans is calculated for each of the three years ahead. First, the amount of funding covered by forward plans is estimated for each year using the funds reported by each provider, and then this amount is set in proportion to the total funding reported by providers in country A ($160).

Country A		Fiscal year ending 2014	Fiscal year ending 2015	Fiscal year ending 2016	Funds reported in 2013
		a	b	c	
Provider 1		1	1	1	$80
Provider 2		1	1	0	$40
Provider 3		1	0	0	$40
Totals	Estimated amount of funding covered by forward spending plans	$160	$120	$80	$160
	Estimated proportion of funding covered by forward spending plans	100%	75%	50%	

*= 1*80+1*40+1*40*

*= 1*80+1*40+0*40*

= $80 / $160 = 50%

Country B		Fiscal year ending 2014	Fiscal year ending 2015	Fiscal year ending 2016	Funds reported in 2013
		a	b	c	
Provider 1		1	1	0	$40
Provider 2		0	0	0	$100
Provider 3		1	1	1	$60
Totals	Estimated amount of funding covered by forward spending plans	$100	$100	$60	$200
	Estimated proportion of funding covered by forward spending plans	50%	50%	30%	

Country tables are used to generate individual provider tables

Reporting of the co-operation providers in countries A and B provides the basis to generate individual provider tables for all three providers. Taking the example of provider 1, the table below shows how the estimated proportion of funding covered by forward plans for the third year ahead is obtained by using reporting from countries A and B.

Provider 1		Fiscal year ending 2014	Fiscal year ending 2015	Fiscal year ending 2016	Funds reported in 2013
		a	b	c	
Country A		1	1	1	$80
Country B		1	1	0	$40
Totals	Estimated amount of funding covered by forward spending plans	$120	$120	$80	$120
	Estimated proportion of funding covered by forward spending plans	100%	100%	67%	

$= 1*80+0*40$

Provider 2		Fiscal year ending 2014	Fiscal year ending 2015	Fiscal year ending 2016	Funds reported in 2013
		a	b	c	
Country A		1	1	0	$40
Country B		0	0	0	$100
Totals	Estimated amount of funding covered by forward spending plans	$40	$40	$0	$140
	Estimated proportion of funding covered by forward spending plans	29%	29%	0%	

Provider 3		Fiscal year ending 2014	Fiscal year ending 2015	Fiscal year ending 2016	Funds reported in 2013
		a	b	c	
Country A		1	0	0	$40
Country B		1	1	1	$60
Totals	Estimated amount of funding covered by forward spending plans	$100	$60	$60	$100
	Estimated proportion of funding covered by forward spending plans	100%	60%	60%	

Country tables and provider tables together form the basis for the aggregate tables

Reporting from countries A and B is used to generate Table A.5b which presents results by developing country. The figure below shows how the amount of funding covered by forward plans is first estimated for countries A and B together for each year, and then set in proportion to total funding reported by these two countries ($360) to obtain the global indicator scores for each year and also to calculate the country and global average across the three years.

Aggregate Table A.5b Medium-term predictability (by developing country)

		Fiscal year ending 2014	Fiscal year ending 2015	Fiscal year ending 2016	Indicator 5 b	Funds reported in 2013
					2013	(for reference)
		a	b	c	d=(a+b+c)/3	(USD m)
Country A		100%	75%	50%	75%	$160
Country B		50%	50%	30%	43%	$200
	Estimated amount of funding covered by forward spending plans for all countries	*$260*	*$220*	*$140*		*$360*
Total A5b	Estimated proportion of funding covered by forward spending plans	*72%*	*61%*	*39%*	*57%*	*$360*

Country A average across the three years:

$$= \frac{100\%+75\%+50\%}{3} = 75\%$$

These figures are derived from country tables and do not appear in final aggregate tables, but help understand how the calculation of the total row in the aggregate table was made.

For the fiscal year ending 2016, the amount of $140 = estimated amount of funding covered by forward spending plans from all providers in country A for 2016 + estimated amount of funding covered by forward spending plans from all providers in country B for 2016 = $80 + $60 (see above country tables).
*It can also be calculated directly from the aggregate table as follows: $140 = 50% * $160 + 30% * $200*

= $140 / $360 = 39%

Global average across the three years:

$$= \frac{(72\%+61\%+39\%)}{3} = 57\%$$

Reporting by providers 1, 2 and 3 in countries A and B is used to generate Table B.5b which presents results by co-operation provider. The figure below shows how the amount of funding covered by forward plans is first estimated for all the three providers together for each year, and then set in proportion to total funding reported by these three providers ($360) to obtain the same global indicator scores as for the table in Annex A.

Aggregate Table B.5b Medium-term predictability (by provider)

		Fiscal year ending 2014	Fiscal year ending 2015	Fiscal year ending 2016	Indicator 5 b	Funds reported in 2013
					2013	(for reference)
	No of countries	a	b	c	d=(a+b+c)/3	(USD m)
Provider 1	2	100%	100%	67%	89%	$120
Provider 2	2	29%	29%	0%	19%	$140
Provider 3	2	100%	60%	60%	73%	$100
	Amount of funding covered by forward spending plans for all providers	*$260*	*$220*	*$140*		*$360*
Total B5b	Estimated proportion of funding covered by forward spending plans	*72%*	*61%*	*39%*	*57%*	*$360*

Provider 1 average across the three years :

$$= \frac{100\%+100\%+67\%}{3} = 89\%$$

These figures are derived from provider tables above and do not appear in final aggregate tables, but help understand how the calculation of the total row in the aggregate table was made.
*E.g. for 2015, $220 = 100% * $120 + 29% * $140 + 60% * $100*

= $260 / $360 = 72%

Global average $= \frac{(72\%+61\%+39\%)}{3} = 57\%$

Indicator 6 – aid on budget (Tables A.6 and B.6): Proportion of development co-operation funding scheduled for disbursement that is recorded in the annual budgets approved by the legislatures of developing countries. Basis for calculating this indicator: country-level reporting from developing country governments on funds recorded in budgets and from co-operation providers on scheduled disbursements. The methodology for calculating this indicator is identical to the approach used for annual predictability (indicator 5a, presented above), with the difference that "funds recorded in government annual budget" replaces in this indicator "disbursements for government sector" used for indicator 5a.

Indicator 9b – use of country systems (Tables A.9b and B.9b): Proportion of development co-operation disbursements for the government sector using the developing country's public financial management (PFM) and procurement systems. The Global Partnership indicator methodology builds on that used for the Paris Declaration monitoring approach. It combines two previously separate indicators (use of PFM systems and use of procurement systems) to offer a single composite indicator. In practice, this means that funding using country PFM systems and funding using country procurement systems are now merged into one numerator, which represents the average across use of the four components. The denominator remains the total funds disbursed to the government sector.

In addition to the above notes, specific footnotes have been introduced under tables to provide further details on each indicator.

Annex A

Country data

Table A.0. **Coverage of the 2013 Global Partnership monitoring**

	Fiscal year*	Funds reported in 2013 (USD m)	(For reference) CPA in 2012** (USD m)
Participating countries			
Albania	c	366	287
Armenia	c	523	303
Bangladesh	d	3 137	2 749
Benin	c	403	493
Burkina Faso	c	857	1 053
Burundi	c	461	455
Cambodia	c	1 116	786
Cameroon	c	430	559
Cabo Verde	c	182	249
Democratic Republic of the Congo	c	1 828	1 583
Congo	c	86	97
Côte d'Ivoire	c	590	698
Egypt	d	1 444	1 820
El Salvador	c	328	264
Ethiopia	b	2 802	2 536
Guatemala	a	259	244
Honduras	c	817	525
Jamaica	d	171	83
Kenya	d	1 947	2 415
Kiribati	c	78	63
Kosovo	c	280	541
Lesotho	d	339	293
Madagascar	c	382	332
Malawi	d	952	1 040
Mali	c	607	695
Marshall Islands	c	99	77
Micronesia (Federated States of)	c	132	114
Moldova (Republic of)	c	600	408
Mozambique	c	1 932	1 996
Nauru	c	26	34
Nepal	b	1 049	836
Niger	c	1 214	537
Niue	c	18	20
Palau	c	31	9
Peru	a	1 051	425
Philippines	c	1 912	855
Rwanda	d	917	842
Samoa	d	83	127
Senegal	a	1 118	1 018
Sudan	c	968	589
Tajikistan	c	426	387
Tanzania (United Republic of)	d	2 972	2 732
Timor-Leste	c	275	271
Togo	c	390	164
Viet Nam	c	4 940	4 603
West Bank and Gaza Strip	c	357	1 546
Total participating countries (46)		40 898	37 748
For reference:			
Other countries (110)		..	50 410
Total all countries		**40 898**	88 158

(*) The reporting year of reference is the latest fiscal year of the developing country for which there is information available. Among the 46 countries that submitted data, the reference fiscal years were as follows: a) 2011 (3 countries), b) 2011-12 (2 countries), c) 2012 (32 countries) and d) 2012-13 (9 countries).

(**) Country programmable aid (CPA) reflects the amount of funding that can be programmed by the co-operation provider at developing country level. A reference comparison to the total amount of CPA reported to OECD in 2012 indicates that the 2013 monitoring process captures roughly 46% of global CPA.

.. Data are not available.

Table A.5a. **Annual predictability**

	Total disbursements (USD m)	Disbursements for government sector (USD m)	Scheduled disbursements for government sector (USD m)	Indicator 5a			
				2013*		2010**	
				(%)	(for reference)	(for reference)	
				a = "as scheduled"	b = "beyond scheduled"	"as scheduled"	"beyond scheduled"
Albania	366.4	276.8	375.7	71%	3%	67%	15%
Armenia	523.2	326.0	397.8	69%	12%	88%	0%
Bangladesh	3 137.3	2 199.8	2 404.9	91%	1%	86%	5%
Benin	402.6	369.9	329.0	90%	23%	74%	7%
Burkina Faso	856.9	714.8	810.5	85%	3%	69%	8%
Burundi	461.3	401.1	445.9	77%	13%	81%	4%
Cambodia	1 116.1	895.9	818.4	84%	26%	69%	19%
Cameroon	429.9	372.7	646.5	58%	0%	68%	2%
Cabo Verde	181.9	179.9	177.2	99%	2%	31%	50%
Democratic Republic of the Congo	1 828.2	1 427.3	607.5	83%	152%	65%	13%
Congo	85.7	55.8	103.0	54%	0%	..	..
Côte d'Ivoire	590.1	499.5	407.8	96%	26%	..	..
Egypt	1 443.9	1 372.3	1 049.1	76%	55%	83%	79%
El Salvador	327.6	319.2	350.8	87%	4%	19%	11%
Ethiopia	2 802.0	1 955.8	1 835.0	89%	18%	88%	24%
Guatemala	259.1	89.6	91.6	88%	9%	81%	3%
Honduras	817.1	682.9	662.7	94%	9%	94%	28%
Jamaica	171.0	112.4	242.4	44%	2%	88%	1%
Kenya	1 947.5	1 564.8	1 824.8	75%	10%	67%	1%
Kiribati	77.5	36.1	0.0	0%	..	..	..
Kosovo	280.3	170.2	173.3	85%	13%	80%	17%
Lesotho	339.1	253.9	177.3	81%	62%	83%	30%
Madagascar	381.7	235.2	239.7	85%	13%	74%	25%
Malawi	951.7	751.1	484.5	84%	72%	84%	20%
Mali	607.4	288.7	726.2	38%	2%	79%	4%
Marshall Islands	99.4	89.6	0.0	0%	..	..	..
Micronesia (Federated States of)	132.4	105.4	0.0	0%	..	..	..
Moldova (Republic of)	599.5	356.7	483.5	65%	9%	82%	13%
Mozambique	1 932.0	1 495.3	1 559.8	92%	4%	98%	6%
Nauru	26.3	17.5	0.0	0%	..	..	..
Nepal	1 049.2	1 049.2	569.7	100%	84%	97%	19%
Niger	1 214.2	1 116.2	513.6	93%	125%	74%	37%
Niue	18.0	12.4	0.0	0%	..	..	..
Palau	31.3	19.5	0.0	0%	..	..	..
Peru	1 051.4	913.1	925.1	93%	6%	94%	2%
Philippines	1 911.8	1 845.4	1 679.5	98%	11%	86%	9%
Rwanda	917.2	916.1	1 057.3	85%	1%	93%	27%
Samoa	82.5	82.5	82.5	100%	0%	99%	3%
Senegal	1 118.4	1 086.1	802.0	93%	42%	78%	12%
Sudan	968.4	814.1	836.2	71%	26%	44%	24%
Tajikistan	425.9	358.8	402.5	89%	0%	89%	46%
Tanzania (United Republic of)	2 972.3	2 255.0	2 072.3	93%	16%	89%	12%
Timor-Leste	274.7	231.9	244.1	92%	3%	69%	7%
Togo	390.3	361.3	251.4	64%	80%	60%	35%
Viet Nam	4 940.0	4 716.5	5 451.1	81%	6%	89%	3%
West Bank and Gaza Strip	356.9	119.9	111.1	99%	8%	7%	13%
Total (46 countries)	**40 898**	**33 514**	**32 423**	**83.8%**	19.6%	..	..
For reference (38 countries)				82%	18%	79%	14%

(*) Ratio *a* shows the proportion of total scheduled disbursements across all providers, that was actually disbursed as scheduled. In cases where providers' disbursements for the government sector were greater than their scheduled disbursements, ratio *b* shows the sum of those disbursements beyond the schedule as a proportion of scheduled disbursements.

(**) In 2010 the numerator was the disbursements recorded by the government, whereas now it is the disbursements as reported by the provider to the government. Reference figures for 2010 have been revised to correspond to the 2013 methodology.

.. Data are not available.

Table A.5b. **Medium-term predictability**

	Fiscal year ending 2014	Fiscal year ending 2015	Fiscal year ending 2016	Indicator 5b	Funds reported in 2013
				2013	(for reference)
	a	b	c	d = (a+b+c)/3	(USD m)
Albania	85%	83%	82%	83%	366
Armenia	97%	97%	97%	97%	523
Bangladesh	90%	69%	33%	64%	3 137
Benin	100%	29%	29%	53%	403
Burkina Faso	99%	96%	96%	97%	857
Burundi	92%	70%	54%	72%	461
Cambodia	100%	98%	96%	98%	1 116
Cameroon	60%	60%	60%	60%	430
Cabo Verde	100%	100%	100%	100%	182
Democratic Republic of the Congo	35%	35%	35%	35%	1 828
Congo	100%	0%	0%	33%	86
Côte d'Ivoire	94%	12%	0%	35%	590
Egypt	65%	38%	0%	34%	1 444
El Salvador	6%	0%	0%	2%	328
Ethiopia	86%	85%	85%	85%	2 802
Guatemala	0%	0%	0%	0%	259
Honduras	27%	0%	0%	9%	817
Jamaica	87%	87%	87%	87%	171
Kenya	98%	87%	48%	78%	1 947
Kiribati	72%	72%	0%	48%	78
Kosovo	100%	84%	10%	65%	280
Lesotho	94%	94%	90%	93%	339
Madagascar	0%	0%	0%	0%	382
Malawi	91%	59%	6%	52%	952
Mali	73%	46%	40%	53%	607
Marshall Islands	90%	90%	73%	84%	99
Micronesia (Federated States of)	90%	90%	0%	60%	132
Moldova (Republic of)	73%	24%	23%	40%	600
Mozambique	100%	64%	58%	74%	1 932
Nauru	93%	93%	0%	62%	26
Nepal	81%	81%	81%	81%	1 049
Niger	74%	74%	74%	74%	1 214
Niue	100%	77%	72%	83%	18
Palau	76%	76%	57%	69%	31
Peru	53%	53%	23%	43%	1 051
Philippines	90%	70%	69%	76%	1 912
Rwanda	95%	77%	58%	77%	917
Samoa	100%	100%	100%	100%	83
Senegal	94%	94%	92%	93%	1 118
Sudan	71%	71%	71%	71%	968
Tajikistan	77%	64%	41%	61%	426
Tanzania (United Republic of)	89%	85%	68%	81%	2 972
Timor-Leste	88%	79%	65%	77%	275
Togo	100%	100%	100%	100%	390
Viet Nam	97%	97%	86%	93%	4 940
West Bank and Gaza Strip	100%	0%	0%	33%	357
Total*	**83%**	**70%**	**57%**	**70%**	40 898

(*) Estimated proportion of total funding covered by forward spending plans.

Table A.6. **Aid on budget**

	Funds recorded in govt. annual budget	Scheduled disbursements for govt. sector	Indicator 6			
			2013*		2010**	
	(USD m)	(USD m)	(%)	(for reference)	(for reference)	
			a = "of scheduled"	b = "beyond scheduled"	"of scheduled"	"beyond scheduled"
Albania	327.5	375.7	72%	15%	63%	11%
Armenia	342.6	397.8	75%	11%	72%	4%
Bangladesh	2 291.3	2 404.9	84%	11%	80%	42%
Benin	139.0	329.0	42%	1%	33%	6%
Burkina Faso	634.8	810.5	69%	10%	60%	7%
Burundi	351.9	445.9	65%	14%	42%	2%
Cambodia	645.3	818.4	79%	0%	95%	5%
Cameroon	485.7	646.5	58%	17%	0%	0%
Cabo Verde	177.2	177.2	100%	0%	15%	0%
Democratic Republic of the Congo	206.3	607.5	34%	0%	72%	73%
Congo	38.5	103.0	32%	6%	..	..
Côte d'Ivoire	399.8	407.8	75%	23%	..	..
Egypt	390.0	1 049.1	19%	18%	29%	0%
El Salvador	0.0	350.8	0%	0%	4%	0%
Ethiopia	1 364.3	1 835.0	66%	9%	49%	1%
Guatemala	96.4	91.6	67%	39%	23%	6%
Honduras	504.2	662.7	74%	2%	50%	4%
Jamaica	142.1	242.4	30%	28%	0%	0%
Kenya	2 234.7	1 824.8	92%	30%	77%	10%
Kiribati	98.5	0.0	..	..	..	..
Kosovo	57.1	173.3	3%	30%	18%	17%
Lesotho	355.8	177.3	88%	112%	55%	9%
Madagascar	201.7	239.7	58%	26%	33%	13%
Malawi	527.3	484.5	49%	59%	62%	17%
Mali	875.2	726.2	78%	42%	41%	13%
Marshall Islands	89.6	0.0	..	..	..	..
Micronesia (Federated States of)	84.5	0.0	..	..	..	..
Moldova (Republic of)	277.2	483.5	55%	2%	88%	14%
Mozambique	1 698.3	1 559.8	84%	25%	75%	19%
Nauru	17.1	0.0	..	..	..	..
Nepal	1 146.2	569.7	96%	105%	78%	27%
Niger	267.8	513.6	51%	1%	55%	39%
Niue	9.8	0.0	..	..	..	..
Palau	17.8	0.0	..	..	..	..
Peru	237.9	925.1	24%	2%	75%	3%
Philippines	539.5	1 679.5	24%	8%	19%	2%
Rwanda	645.8	1 057.3	61%	0%	62%	10%
Samoa	107.0	82.5	100%	30%	83%	5%
Senegal	588.6	802.0	46%	28%	51%	9%
Sudan	968.4	836.2	71%	45%	21%	15%
Tajikistan	368.5	402.5	61%	31%	46%	23%
Tanzania (United Republic of)	3 922.3	2 072.3	72%	117%	89%	16%
Timor-Leste	162.4	244.1	54%	12%	61%	3%
Togo	232.2	251.4	33%	59%	66%	2%
Viet Nam	4 138.7	5 451.1	72%	4%	81%	1%
West Bank and Gaza Strip	0.0	111.1	0%	0%	0%	0%
Total (46 countries)	**28 407**	**32 423**	**64%**	23%	..	..
For reference (38 countries)			63%	22%	57%	12%

(*) Ratio *a* shows what proportion of scheduled disbursements, across all co-operation providers, was recorded on budget. In cases where funding recorded on budget by government was greater than disbursements scheduled by providers, ratio *b* shows the sum of those funds recorded on budget beyond the providers' disbursement schedule as a proportion of scheduled disbursements.

(**) In 2010 the denominator was providers' actual disbursements, whereas now it is providers' scheduled disbursements. Reference figures for 2010 have been revised to correspond to the 2013 methodology. 2010 data included 11 countries with a fiscal year different from the calendar year, while providers' reporting was only available by calendar year. A comparison calculation which excludes these 11 countries from the reference group of 38 does not change the relative picture of progress from 2010 to 2013.

.. Data are not available.

Table A.7. **Mutual accountability**

	Aid/partnership policy	Country-level targets	Assessment towards targets	Involvement of non-executive stakeholders	Results made public	Indicator 7	
						2013 At least 4/5 criteria	2010* (for reference)
Albania	Yes	Yes	Yes	No	Yes	Yes	Yes
Armenia	Yes	Yes	Yes	No	Yes	Yes	No
Bangladesh	No	Yes	Yes	Yes	Yes	Yes	No
Benin	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Burkina Faso	No	Yes	Yes	Yes	Yes	Yes	No
Burundi	Yes	Yes	No	No	No	No	No
Cambodia	Yes	Yes	Yes	No	Yes	Yes	Yes
Cameroon	No	No	No	No	No	No	No
Cabo Verde	Yes	Yes	Yes	Yes	No	Yes	No
Democratic Republic of the Congo	No	No	No	No	No	No	No
Congo	No	No	No	No	No	No	..
Côte d'Ivoire	No	No	No	No	No	No	..
Egypt	Yes	No	No	No	No	No	No
El Salvador	Yes	Yes	Yes	Yes	Yes	Yes	No
Ethiopia	No	Yes	Yes	Yes	Yes	Yes	Yes
Guatemala	No	No	Yes	Yes	Yes	No	No
Honduras	Yes	Yes	No	No	No	No	No
Jamaica	No	No	No	No	No	No	No
Kenya	Yes	Yes	Yes	Yes	Yes	Yes	No
Kiribati	Yes	Yes	Yes	No	Yes	Yes	..
Kosovo	Yes	No	No	No	No	No	No
Lesotho	Yes	Yes	Yes	Yes	No	Yes	No
Madagascar	No	No	No	No	No	No	No
Malawi	Yes	No	Yes	Yes	Yes	Yes	Yes
Mali	No	Yes	Yes	Yes	Yes	Yes	Yes
Marshall Islands	Yes	Yes	Yes	No	No	No	..
Micronesia (Federated States of)	Yes	Yes	Yes	Yes	No	Yes	..
Moldova (Republic of)	Yes	Yes	No	No	No	No	Yes
Mozambique	Yes	Yes	Yes	No	Yes	Yes	Yes
Nauru	Yes	Yes	Yes	No	No	No	..
Nepal	Yes	Yes	Yes	No	No	No	Yes
Niger	No	Yes	No	No	No	No	No
Niue	Yes	Yes	Yes	No	Yes	Yes	..
Palau	No	No	No	No	No	No	..
Peru	Yes	No	Yes	No	No	No	Yes
Philippines	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Rwanda	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Samoa	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Senegal	No	Yes	Yes	Yes	Yes	Yes	Yes
Sudan	Yes	Yes	Yes	Yes	No	Yes	No
Tajikistan	Yes	Yes	Yes	Yes	Yes	Yes	No
Tanzania (United Republic of)	Yes	Yes	No	Yes	Yes	Yes	Yes
Timor-Leste	Yes	No	No	No	No	No	No
Togo	Yes	Yes	Yes	Yes	Yes	Yes	No
Viet Nam	Yes	Yes	Yes	No	Yes	Yes	Yes
West Bank and Gaza Strip	Yes	Yes	No	Yes	Yes	Yes	No

(*) The 2010 results were based on a different set of criteria (see Chapter 4).

.. Data are not available.

Table A.8. **Gender equality and women's empowerment**

	Govt. statement on tracking systems	Allocations systematically tracked	System leadership/ over-sight by govt.	Budget info. publically available	Indicator 8 2013 At least 2/4 criteria*
Albania	..	..	..	..	..
Armenia	..	..	..	..	..
Bangladesh	No	No	No	No	No
Benin	No	No	No	No	No
Burkina Faso	Yes	Yes	No	Yes	Yes
Burundi	No	No	No	No	No
Cambodia	..	..	..	..	..
Cameroon	..	..	..	..	..
Cabo Verde	Yes	Yes	Yes	Yes	Yes
Democratic Republic of the Congo	No	No	No	No	No
Congo	No	No	No	No	No
Côte d'Ivoire	Yes	No	No	No	No
Egypt	..	..	..	..	..
El Salvador	Yes	No	Yes	No	No
Ethiopia	Yes	No	Yes	Yes	Yes
Guatemala	No	Yes	No	Yes	Yes
Honduras	No	No	No	No	No
Jamaica	No	Yes	Yes	Yes	Yes
Kenya	No	No	No	No	No
Kiribati	No	No	No	No	No
Kosovo	Yes	Yes	No	Yes	Yes
Lesotho	..	..	..	..	..
Madagascar	No	No	No	No	No
Malawi	No	No	No	No	No
Mali	Yes	Yes	Yes	Yes	Yes
Marshall Islands	No	No	No	No	No
Micronesia (Federated States of)	No	No	No	No	No
Moldova (Republic of)	Yes	No	Yes	No	No
Mozambique	..	..	..	..	..
Nauru	No	No	No	No	No
Nepal	Yes	Yes	Yes	Yes	Yes
Niger	No	No	Yes	No	No
Niue	No	No	No	No	No
Palau	No	No	No	No	No
Peru	No	No	No	No	No
Philippines	Yes	Yes	Yes	Yes	Yes
Rwanda	Yes	No	Yes	Yes	Yes
Samoa	..	..	..	..	..
Senegal	No	No	No	No	No
Sudan	Yes	No	Yes	Yes	Yes
Tajikistan	..	..	..	..	..
Tanzania (United Republic of)	Yes	Yes	Yes	Yes	Yes
Timor-Leste	..	..	..	..	..
Togo	Yes	No	No	No	No
Viet Nam	..	..	..	..	..
West Bank and Gaza Strip	No	No	No	No	No

(*) Where the fourth criteria (budget information publically available) must be "Yes".

.. Data are not available.

Table A.9a. **Quality of country public financial management systems**

	Indicator 9a	
	2013* (rating)	2010 (for reference)
Albania	..	..
Armenia	4.5	4.5
Bangladesh	3.0	3.0
Benin	3.5	3.5
Burkina Faso	4.5	4.5
Burundi	3.0	3.0
Cambodia	3.5	3.5
Cameroon	3.0	3.0
Cabo Verde	4.0	4.0
Democratic Republic of the Congo	2.5	2.5
Congo	2.5	2.5
Côte d'Ivoire	3.0	2.5
Egypt	..	..
El Salvador	..	..
Ethiopia	3.5	3.5
Guatemala	..	..
Honduras	4.0	3.5
Jamaica	..	..
Kenya	3.5	3.5
Kiribati	3.0	3.0
Kosovo	4.0	4.0
Lesotho	3.5	3.5
Madagascar	2.0	2.5
Malawi	3.0	3.0
Mali	3.5	3.5
Marshall Islands	..	..
Micronesia (Federated States of)	..	..
Moldova (Republic of)	4.0	4.0
Mozambique	4.0	4.0
Nauru	..	..
Nepal	2.5	2.5
Niger	3.5	3.5
Niue	..	..
Palau	..	..
Peru	..	..
Philippines	..	..
Rwanda	4.0	4.0
Samoa	3.5	3.5
Senegal	3.5	3.5
Sudan	2.5	2.0
Tajikistan	3.5	3.5
Tanzania (United Republic of)	3.0	3.5
Timor-Leste	3.0	3.0
Togo	3.0	3.0
Viet Nam	3.5	4.0
West Bank and Gaza Strip	..	..

.. Data are not available. CPIA figures are only available for World Bank IDA countries.

(*) CPIA ratings have not been validated by countries, and it should be noted that some countries have expressed reservations on the result and the methodology used for the World Bank CPIA assessment.

Source: World Bank, Country Policy and Institutional Assessments (CPIA, Criteria 13), rating 2012. For more information see: www.worldbank.org/ida/IRAI-2012.html.

Table A.9b. **Use of country public financial management and procurement systems**

	Disbursements for government sector	Budget execution	Financial reporting	Auditing	Procurement systems	Indicator 9b	
						2013	2010*
	(USD m)	(USD m)	(USD m)	(USD m)	(USD m)	(%)	(for reference)
	a	b	c	d	e	avg (b,c,d,e)/a	
Albania	276.8	26.2	53.3	28.1	8.7	10%	11%
Armenia	326.0	234.3	186.8	186.8	165.8	59%	38%
Bangladesh	2 199.8	1 353.2	2 032.9	2 009.5	912.1	72%	56%
Benin	369.9	102.5	110.3	108.5	122.9	30%	32%
Burkina Faso	714.8	357.4	388.7	332.1	351.9	50%	55%
Burundi	401.1	62.6	62.6	62.6	127.8	20%	25%
Cambodia	895.9	536.2	146.7	144.2	317.5	32%	22%
Cameroon	372.7	95.1	102.6	101.8	95.1	26%	14%
Cabo Verde	179.9	8.8	8.0	8.1	156.7	25%	42%
Democratic Republic of the Congo	1 427.3	0.0	0.0	0.1	0.0	0%	12%
Congo	55.8	0.0	1.2	0.0	14.5	7%	..
Côte d'Ivoire	499.5	391.5	391.5	388.2	89.9	63%	..
Egypt	1 372.3	479.7	479.7	126.4	331.7	26%	51%
El Salvador	319.2	318.2	38.4	38.4	12.7	32%	28%
Ethiopia	1 955.8	1 166.7	1 157.7	1 187.8	510.9	51%	66%
Guatemala	89.6	26.8	13.3	0.0	5.8	13%	27%
Honduras	682.9	510.7	332.8	130.2	162.7	42%	28%
Jamaica	112.4	105.1	58.0	55.3	105.1	72%	11%
Kenya	1 564.8	1 151.0	1 149.3	1 108.7	694.0	66%	53%
Kiribati	36.1	28.1	28.1	36.0	28.1	83%	..
Kosovo	170.2	0.7	0.7	2.6	3.4	1%	20%
Lesotho	253.9	24.4	22.6	22.6	22.6	9%	39%
Madagascar	235.2	23.1	23.1	23.1	24.3	10%	13%
Malawi	751.1	438.4	310.4	467.8	273.5	50%	65%
Mali	288.7	49.5	49.1	33.9	49.0	16%	33%
Marshall Islands	89.6	63.9	68.9	63.9	63.9	73%	..
Micronesia (Federated States of)	105.4	95.0	95.0	95.0	95.0	90%	..
Moldova (Republic of)	356.7	155.8	106.7	106.8	65.7	30%	70%
Mozambique	1 495.3	744.4	663.6	503.6	711.8	44%	49%
Nauru	17.5	12.6	12.6	0.0	0.0	36%	..
Nepal	1 049.2	782.4	636.4	790.2	624.6	68%	55%
Niger	1 116.2	623.2	287.5	855.4	768.2	57%	28%
Niue	12.4	12.0	11.4	12.0	11.4	94%	..
Palau	19.5	17.8	17.8	17.8	17.8	91%	..
Peru	913.1	674.9	546.2	674.6	320.7	61%	72%
Philippines	1 845.4	1 329.4	1 054.8	1 372.6	1 267.9	68%	70%
Rwanda	916.1	548.9	627.0	619.8	635.8	66%	53%
Samoa	82.5	82.5	52.9	52.9	52.9	73%	49%
Senegal	1 086.1	258.5	215.1	248.2	233.1	22%	31%
Sudan	814.1	28.6	24.6	24.6	1.5	2%	12%
Tajikistan	358.8	30.1	30.1	0.0	30.1	6%	31%
Tanzania (United Republic of)	2 255.0	1 725.5	1 621.7	1 854.8	1 348.7	73%	77%
Timor-Leste	231.9	11.3	5.4	22.6	21.1	7%	17%
Togo	361.3	151.4	152.0	144.3	145.3	41%	52%
Viet Nam	4 716.5	2 863.0	3 414.2	2 813.4	2 923.9	64%	63%
West Bank and Gaza Strip	119.9	99.7	92.6	36.3	46.6	57%	40%
Total (46 countries)	**33 514**	**17 801**	**16 884**	**16 912**	**13 973**	**49%**	..
For reference (38 countries)						48%	48%

(*) Reference figures for 2010 have been revised to correspond to the 2013 methodology.

.. Data are not available.

Table A.10. **Untied aid**

	Total bilateral aid as reported to the DAC in 2012*	Untied aid	Indicator 10	
			Share of untied aid	2010
	a	b	c = b/a	(for reference)
Albania	274.1	89.4	33%	60%
Armenia	241.7	194.0	80%	84%
Bangladesh	1 207.2	917.1	76%	80%
Benin	365.6	327.7	90%	91%
Burkina Faso	740.5	680.9	92%	90%
Burundi	303.4	275.2	91%	93%
Cambodia	596.8	478.2	80%	82%
Cameroon	769.5	593.4	77%	68%
Cabo Verde	386.4	260.0	67%	37%
Democratic Republic of the Congo	1 765.2	1 558.2	88%	81%
Congo	141.7	57.8	41%	98%
Côte d'Ivoire	2 204.1	2 022.9	92%	90%
Egypt	2 209.3	1 498.9	68%	77%
El Salvador	149.2	122.9	82%	58%
Ethiopia	1 935.2	1 681.5	87%	70%
Guatemala	428.5	340.7	79%	52%
Honduras	401.3	355.9	89%	79%
Jamaica	34.1	21.9	64%	67%
Kenya	2 201.8	1 959.0	89%	90%
Kiribati	59.5	57.3	96%	91%
Kosovo	511.2	137.9	27%	32%
Lesotho	75.7	70.1	93%	98%
Madagascar	402.4	333.8	83%	78%
Malawi	897.9	840.7	94%	92%
Mali	542.6	513.8	95%	87%
Marshall Islands	92.5	86.9	94%	97%
Micronesia (Federated States of)	127.6	119.8	94%	96%
Moldova (Republic of)	489.5	410.9	84%	82%
Mozambique	1 357.7	1 172.8	86%	84%
Nauru	27.8	27.6	99%	98%
Nepal	750.5	696.1	93%	89%
Niger	629.3	589.1	94%	71%
Niue	17.9	17.8	99%	97%
Palau	37.1	34.5	93%	79%
Peru	722.6	629.0	87%	68%
Philippines	1 815.0	1 482.8	82%	80%
Rwanda	442.7	399.2	90%	92%
Samoa	93.8	83.0	89%	86%
Senegal	719.1	634.6	88%	89%
Sudan	578.8	517.7	89%	78%
Tajikistan	100.0	59.0	59%	64%
Tanzania (United Republic of)	1 483.3	1 312.6	88%	91%
Timor-Leste	311.2	288.6	93%	83%
Togo	233.3	210.1	90%	96%
Viet Nam	3 001.5	2 087.5	70%	77%
West Bank and Gaza Strip	1 438.6	904.3	63%	62%
All other countries (110)	84 765	66 357	78%	76%
Total	**118 080**	**93 510**	**79%**	77%

(*) Excludes donor administrative costs and in-donor refugee costs.

Source: OECD Creditor Reporting System.

Annex B

Provider data

Table B.0. **Coverage of the 2013 Global Partnership monitoring**

	No. of countries	Funds reported in 2013** (USD m)	(For reference) CPA in 2012*** (USD m)	Funds disbursed through other providers (USD m)
Providers*				
African Dev. Bank	18	1 559	1 693	48
Arab Fund	2	324	842	0
Asian Dev. Bank	14	2 509	1 823	5
Australia	18	654	3 035	142
Austria	9	44	65	5
BADEA	6	36	120	0
Belgium	13	374	370	16
BOAD	3	160	..	0
Canada	21	664	1 005	148
China	11	771	..	6
Chinese Taipei	3	18	..	4
Denmark	15	432	982	38
EBRD	4	201	0	0
European Union	45	2 874	7 296	267
Finland	12	158	304	8
France	23	778	4 851	5
GAVI Alliance	14	179	953	2
Germany	33	1 510	4 255	3
Global Fund	17	817	3 328	39
IDB	5	836	936	0
IFAD	21	166	599	17
IMF	6	462	1 438	0
India	5	159	..	0
Iran (Islamic Republic of)	2	14	..	0
Ireland	7	149	222	23
Isl. Dev Bank	7	137	272	0
Italy	11	103	312	4
Japan	41	4 527	11 786	53
Korea (Republic of)	20	446	1 041	7
Kuwait	9	68	441	0
Luxembourg	8	72	165	0
Netherlands	15	327	878	9
New Zealand	8	54	223	11
Norway	13	421	1 116	120
OFID	13	96	288	0
Portugal	3	274	396	0
Saudi Arabia	6	80	0	0
Spain	13	238	329	43
Sweden	16	446	1 117	68
Switzerland	21	312	720	25
Turkey	3	13	1 305	0
United Arab Emirates	6	25	899	1
United Kingdom	19	1 651	4 419	286
United Nations	44	2 807	2 010	138
United States	32	3 655	14 635	1 292
World Bank	40	8 699	9 706	20
All other providers (31)	..	599	958	1
Other ****			1 025	..
Total		**40 898**	88 158	2 855

(*) This table features individually those co-operation providers whose reporting to the Global Partnership monitoring effort exceeded USD 10 million and covered more than one country. Data could not be reconciled in all cases with data sourced directly from providers. For some providers the number of participating countries does not constitute a representative sample.

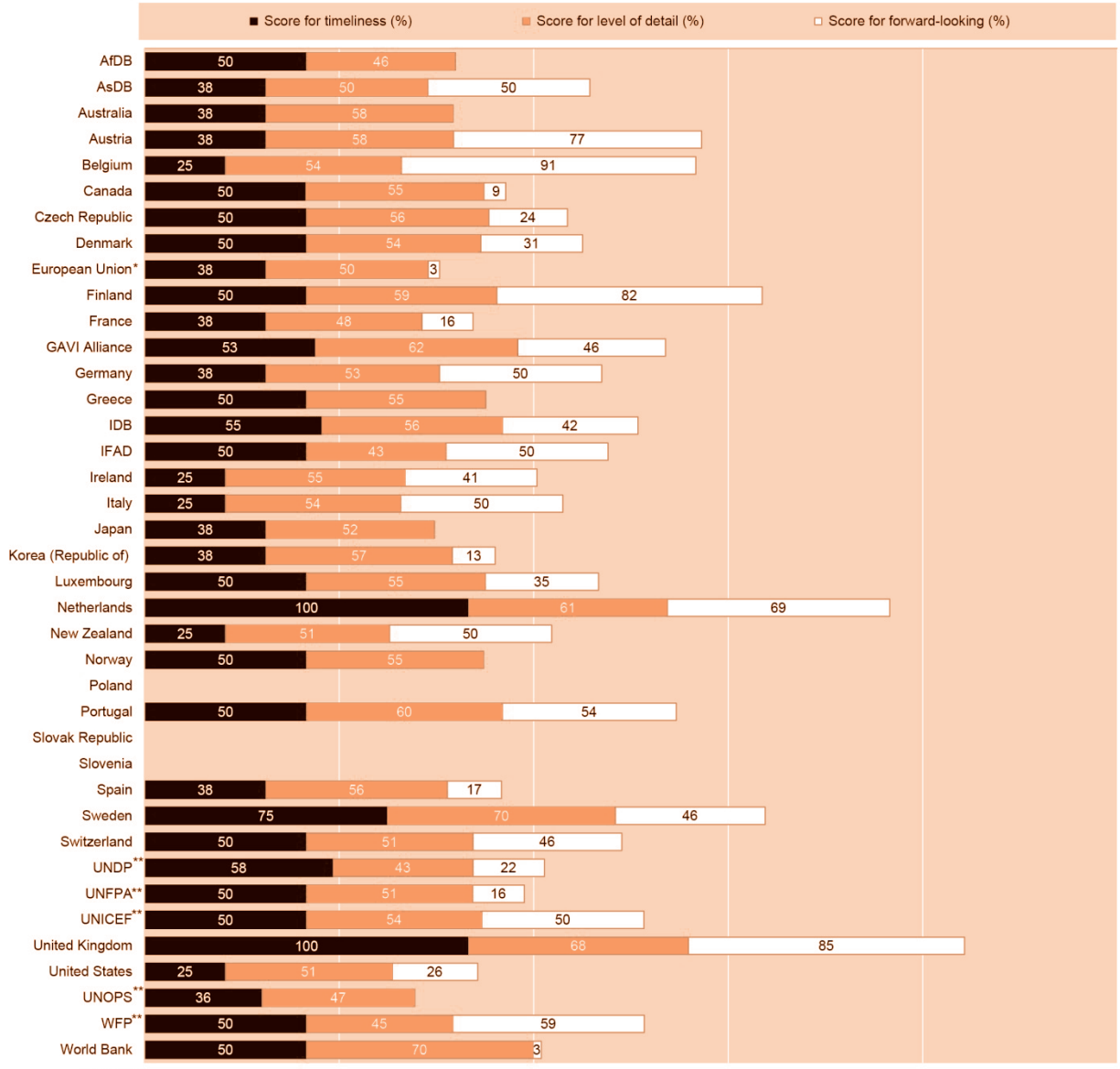
(**) The reporting year of reference is the latest fiscal year of the developing country for which there is information available. See Table A.0 for reference fiscal years for the 46 reporting countries.

(***) Country programmable aid (CPA) reflects the amount of funding that can be programmed by the co-operation provider at developing country level. A reference comparison to the total amount of CPA reported in 2012 indicates that the 2013 monitoring process captures roughly 46% of global CPA.

(****) CPA reported to the OECD/DAC by providers that did not participate in the Global Partnership 2013 monitoring exercise.

.. Data are not available.

Figure B.1. **Transparency: Information on development co-operation is publicly available (Preliminary results from the pilot assessment***)**



(*) Since the pilot assessment was completed, the European Union has revoked its non-disclosure policy for reporting to the OECD Forward Spending Survey.

(**) UN agencies that have published common standard implementation schedules were assessed individually for this indicator.

(***) The piloting of the transparency indicator assessed providers' existing reporting to the three systems of the common standard (OECD Creditor Reporting System and Forward Spending Survey and IATI registry). At the time of writing, the assessment had not yet been subject to validation by individual providers and may change along with any refinement of the indicator/methodology.

Table B.5a. **Annual predictability**

	No. of countries	Total disbursements (USD m)	Disbursements for government sector (USD m)	Scheduled disbursements for govt. sector (USD m)	Indicator 5a 2013* % a = "as scheduled"	2013* (for reference) b = "beyond scheduled"	2010** (for reference) "as scheduled"	2010** (for reference) "beyond scheduled"
African Dev. Bank	18	1 559.3	1 465.4	1 895.9	71%	6%	60%	19%
Arab Fund	2	323.6	323.6	0.0	0%	..	..	..
Asian Dev. Bank	14	2 509.1	2 505.1	3 702.4	66%	1%	79%	8%
Australia	18	654.3	399.0	259.3	100%	54%	84%	30%
Austria	9	43.5	24.4	24.0	94%	8%	92%	0%
BADEA	6	36.2	36.2	26.1	50%	88%	..	..
Belgium	13	374.0	245.4	281.8	78%	9%	79%	2%
BOAD	3	160.0	96.2	31.5	100%	206%	..	..
Canada	21	664.0	322.9	374.2	76%	10%	85%	7%
China	11	770.7	631.0	240.4	96%	166%	100%	39%
Chinese Taipei	3	18.4	18.4	0.0	0%	..	..	..
Denmark	15	431.7	294.4	314.7	77%	17%	94%	7%
EBRD	4	200.6	92.2	63.8	95%	49%	69%	0%
European Union	45	2 874.3	2 158.3	2 246.1	82%	14%	81%	21%
Finland	12	157.5	118.4	107.7	88%	22%	86%	2%
France	23	777.9	655.2	608.9	78%	29%	49%	12%
GAVI Alliance	14	179.4	166.2	190.2	80%	8%	35%	6%
Germany	33	1 510.2	1 341.4	1 235.7	87%	22%	91%	20%
Global Fund	17	816.6	702.7	661.3	65%	41%	68%	37%
IDB	5	836.4	786.9	930.5	82%	3%	88%	1%
IFAD	21	165.5	165.4	185.9	72%	17%	51%	6%
IMF	6	462.1	307.3	318.0	95%	2%	77%	0%
India	5	159.0	134.6	67.3	55%	145%	..	..
Iran (Islamic Republic of)	2	13.9	13.9	3.0	30%	433%	..	..
Ireland	7	148.9	104.7	109.2	96%	0%	96%	27%
Isl. Dev Bank	7	137.4	136.0	252.6	34%	20%	0%	146%
Italy	11	102.7	74.1	130.1	56%	1%	47%	4%
Japan	41	4 526.7	4 424.6	4 357.3	98%	3%	97%	4%
Korea (Republic of)	20	446.0	436.7	153.5	83%	201%	68%	24%
Kuwait	9	68.4	68.4	145.2	16%	31%	..	..
Luxembourg	8	72.0	42.5	34.9	85%	37%	52%	3%
Netherlands	15	326.9	221.3	220.7	79%	21%	52%	4%
New Zealand	8	54.3	27.2	8.5	100%	222%	65%	5%
Norway	13	420.6	234.7	190.6	94%	29%	86%	4%
OFID	13	95.8	93.5	116.2	51%	29%	19%	0%
Portugal	3	274.0	269.2	297.0	89%	1%	100%	66%
Saudi Arabia	6	80.1	80.1	27.8	97%	192%	..	..
Spain	13	238.0	106.5	86.1	69%	54%	91%	36%
Sweden	16	446.1	306.1	292.4	84%	21%	81%	2%
Switzerland	21	311.6	161.6	169.0	84%	11%	74%	7%
Turkey	3	12.6	11.6	1.6	100%	627%	0%	1 097%
United Arab Emirates	6	24.7	23.9	12.5	77%	115%	..	..
United Kingdom	19	1 651.3	973.4	840.5	89%	27%	88%	10%
United Nations	44	2 807.4	2 011.1	2 095.7	86%	10%	80%	6%
United States	32	3 655.1	1 686.9	1 308.3	72%	57%	60%	4%
World Bank	40	8 699.3	8 672.6	7 449.1	94%	23%	87%	20%
All other providers (31)	..	599.4	342.9	356.2	92%	4%	65%	91%
Total		**40 898**	**33 514**	**32 423**	**83.8%**	19.6%	79%	14%

(*) Ratio *a* shows the proportion of total scheduled disbursements across all countries, that was actually disbursed as scheduled. In cases where providers' disbursements for the government sector were greater than their scheduled disbursements, ratio *b* shows the sum of those disbursements beyond the schedule as a proportion of scheduled disbursements.

(**) In 2010 the numerator was the disbursements recorded by the government, whereas now it is the disbursements as reported by the provider to the government. Reference figures for 2010 have been revised to correspond to the 2013 methodology.

.. Data are not available.

Table B.5b. **Medium-term predictability**

	No. of countries	Fiscal year ending 2014	Fiscal year ending 2015	Fiscal year ending 2016	Indicator 5b 2013	Funds reported in 2013 (for reference)
		a	b	c	d = (a+b+c)/3	(USD m)
African Dev. Bank	18	83%	83%	61%	76%	1 559
Arab Fund	2	0%	0%	0%	0%	324
Asian Dev. Bank	14	100%	100%	99%	100%	2 509
Australia	18	66%	58%	31%	51%	654
Austria	9	100%	61%	58%	73%	44
BADEA	6	51%	51%	51%	51%	36
Belgium	13	100%	87%	46%	78%	374
BOAD	3	100%	53%	53%	69%	160
Canada	21	66%	65%	65%	65%	664
China	11	58%	53%	53%	54%	771
Chinese Taipei	3	100%	100%	0%	67%	18
Denmark	15	85%	78%	53%	72%	432
EBRD	4	100%	95%	91%	95%	201
European Union	45	85%	66%	57%	69%	2 874
Finland	12	82%	56%	56%	65%	158
France	23	95%	85%	66%	82%	778
GAVI Alliance	14	40%	21%	4%	22%	179
Germany	33	69%	38%	33%	47%	1 510
Global Fund	17	42%	22%	21%	28%	817
IDB	5	67%	40%	10%	39%	836
IFAD	21	71%	58%	37%	55%	166
IMF	6	54%	11%	9%	25%	462
India	5	13%	13%	13%	13%	159
Iran (Islamic Republic of)	2	94%	94%	94%	94%	14
Ireland	7	90%	90%	74%	85%	149
Isl. Dev Bank	7	88%	75%	75%	79%	137
Italy	11	83%	75%	75%	77%	103
Japan	41	90%	78%	70%	79%	4 527
Korea (Republic of)	20	66%	59%	13%	46%	446
Kuwait	9	32%	26%	25%	28%	68
Luxembourg	8	93%	76%	42%	70%	72
Netherlands	15	93%	17%	15%	42%	327
New Zealand	8	71%	71%	36%	60%	54
Norway	13	93%	41%	24%	52%	421
OFID	13	46%	46%	11%	34%	96
Portugal	3	100%	71%	71%	80%	274
Saudi Arabia	6	35%	16%	16%	22%	80
Spain	13	60%	33%	24%	39%	238
Sweden	16	85%	76%	73%	78%	446
Switzerland	21	91%	72%	68%	77%	312
Turkey	3	0%	0%	0%	0%	13
United Arab Emirates	6	40%	0%	0%	13%	25
United Kingdom	19	100%	100%	54%	85%	1 651
United Nations	44	82%	77%	62%	73%	2 807
United States	32	79%	59%	51%	63%	3 655
World Bank	40	95%	84%	68%	82%	8 699
All other providers (31)		14%	10%	8%	11%	599
Total*		**83%**	**70%**	**57%**	**70%**	40 898

(*) Estimated proportion of total funding covered by forward spending plans.

Table B.6. **Aid on budget**

	No. of countries	Funds recorded in govt. annual budget (USD m)	Scheduled disbursements for govt. sector (USD m)	Indicator 6 2013* (%) a = "of scheduled"	2013* (for reference) b = "beyond scheduled"	2010** (for reference) "of scheduled"	2010** (for reference) "beyond scheduled"
African Dev. Bank	18	1 717.3	1 895.9	68%	23%	76%	19%
Arab Fund	2	78.0	0.0	..	..	..	..
Asian Dev. Bank	14	2 078.2	3 702.4	51%	5%	77%	51%
Australia	18	190.1	259.3	55%	19%	66%	0%
Austria	9	10.3	24.0	21%	22%	58%	0%
BADEA	6	51.3	26.1	51%	145%	..	..
Belgium	13	142.8	281.8	42%	8%	63%	14%
BOAD	3	79.0	31.5	100%	151%	..	..
Canada	21	296.8	374.2	63%	16%	54%	13%
China	11	401.7	240.4	98%	69%	58%	3%
Chinese Taipei	3	18.4	0.0	..	..	..	..
Denmark	15	347.3	314.7	84%	27%	81%	23%
EBRD	4	95.6	63.8	98%	52%	26%	1%
European Union	45	1 794.3	2 246.1	63%	17%	65%	21%
Finland	12	110.1	107.7	82%	20%	77%	8%
France	23	600.2	608.9	67%	31%	52%	42%
GAVI Alliance	14	98.2	190.2	26%	26%	13%	7%
Germany	33	763.6	1 235.7	48%	14%	58%	14%
Global Fund	17	438.6	661.3	48%	18%	47%	24%
IDB	5	274.5	930.5	28%	2%	11%	0%
IFAD	21	2 194.5	185.9	71%	1 110%	56%	10%
IMF	6	237.8	318.0	74%	0%	91%	0%
India	5	191.0	67.3	55%	228%	..	..
Iran (Islamic Republic of)	2	13.0	3.0	0%	433%	..	..
Ireland	7	95.5	109.2	86%	2%	88%	38%
Isl. Dev Bank	7	196.4	252.6	49%	28%	0%	165%
Italy	11	132.1	130.1	76%	26%	56%	21%
Japan	41	2 817.2	4 357.3	63%	2%	63%	4%
Korea (Republic of)	20	300.1	153.5	54%	142%	61%	23%
Kuwait	9	87.3	145.2	18%	42%	..	..
Luxembourg	8	32.1	34.9	47%	45%	33%	0%
Netherlands	15	150.2	220.7	59%	9%	64%	2%
New Zealand	8	45.4	8.5	81%	456%	64%	11%
Norway	13	171.7	190.6	62%	29%	65%	12%
OFID	13	84.2	116.2	26%	46%	11%	80%
Portugal	3	383.6	297.0	96%	33%	34%	0%
Saudi Arabia	6	90.9	27.8	94%	233%	..	..
Spain	13	72.5	86.1	57%	28%	46%	6%
Sweden	16	347.0	292.4	92%	27%	84%	34%
Switzerland	21	72.5	169.0	32%	11%	28%	7%
Turkey	3	10.0	1.6	94%	534%	0%	0%
United Kingdom	19	668.0	840.5	64%	15%	65%	37%
United Nations	44	1 336.4	2 095.7	54%	10%	43%	3%
United States	32	1 311.9	1 308.3	54%	46%	16%	6%
World Bank	40	7 304.1	7 449.1	82%	16%	77%	8%
All other providers (31)	..	474.8	368.7	78%	24%	63%	15%
Total		**28 407**	**32 423**	**64%**	23%	57%	12%

(*) Ratio *a* shows what proportion of scheduled disbursements, across all co-operation countries, was recorded on budget. In those countries where funding recorded on budget by government was greater than disbursements scheduled by the provider, ratio *b* shows the sum of those funds recorded on budget beyond the provider's disbursement schedule as a proportion of scheduled disbursements.

(**) In 2010 the denominator was providers' actual disbursements, whereas now it is providers' scheduled disbursements. Reference figures for 2010 have been revised to correspond to the 2013 methodology.

.. Data are not available.

Table B.9b. **Use of country public financial management and procurement systems**

	No. of countries	Disbursements for government sector	Budget execution	Financial reporting	Auditing	Procurement systems	Indicator 9b	
							2013	2010*
		(USD m)	(USD m)	(USD m)	(USD m)	(USD m)	(%)	(for reference)
		a	b	c	d	e	avg(b,c,d,e)/a	
African Dev. Bank	18	1 465.4	689.6	755.8	786.5	607.8	48%	34%
Arab Fund	2	323.6	..	..	..	..	0%	..
Asian Dev. Bank	14	2 505.1	1 731.9	2 294.2	1 698.8	1 288.9	70%	68%
Australia	18	399.0	138.5	128.0	142.7	134.4	34%	29%
Austria	9	24.4	5.5	5.4	6.2	10.4	28%	43%
BADEA	6	36.2	6.9	6.9	6.9	6.9	19%	..
Belgium	13	245.4	34.3	26.3	18.6	111.1	19%	18%
BOAD	3	96.2	49.4	49.4	49.4	60.7	54%	..
Canada	21	322.9	218.2	217.4	183.4	192.2	63%	64%
China	11	631.0	286.4	5.9	21.5	5.9	13%	0%
Chinese Taipei	3	18.4	..	..	..	..	0%	..
Denmark	15	294.4	220.5	222.2	221.5	236.7	76%	58%
EBRD	4	92.2	0.0	0.0	0.0	0.0	0%	0%
European Union	45	2 158.3	974.0	941.0	749.1	896.1	41%	47%
Finland	12	118.4	89.7	69.4	91.3	82.0	70%	59%
France	23	655.2	518.2	461.2	493.2	583.5	78%	61%
GAVI Alliance	14	166.2	49.3	49.3	38.5	5.8	21%	0%
Germany	33	1 341.4	573.9	606.9	577.1	669.7	45%	49%
Global Fund	17	702.7	366.3	219.7	365.1	242.7	42%	59%
IDB	5	786.9	780.8	448.7	246.0	185.7	53%	8%
IFAD	21	165.4	91.6	98.8	83.0	88.2	55%	83%
IMF	6	307.3	267.1	226.3	226.3	9.3	59%	76%
India	5	134.6	50.6	4.3	50.6	4.3	20%	..
Iran (Islamic Republic of)	2	13.9	..	..	..	..	0%	..
Ireland	7	104.7	90.9	90.2	80.3	83.6	82%	77%
Isl. Dev Bank	7	136.0	8.5	8.5	8.5	8.5	6%	45%
Italy	11	74.1	51.3	51.8	26.7	35.4	56%	34%
Japan	41	4 424.6	3 110.6	3 099.7	3 099.7	3 098.3	70%	68%
Korea (Republic of)	20	436.7	202.4	180.8	180.8	219.9	45%	14%
Kuwait	9	68.4	10.9	10.9	10.9	10.9	16%	..
Luxembourg	8	42.5	3.8	10.8	3.8	3.9	13%	8%
Netherlands	15	221.3	122.7	121.6	108.3	111.6	52%	70%
New Zealand	8	27.2	10.6	6.9	6.9	9.2	31%	23%
Norway	13	234.7	177.9	169.7	112.4	124.7	62%	66%
OFID	13	93.5	18.9	15.7	15.7	15.7	18%	49%
Portugal	3	269.2	4.1	3.8	3.8	236.4	23%	22%
Saudi Arabia	6	80.1	0.0	0.0	0.0	0.0	0%	..
Spain	13	106.5	59.7	48.7	42.5	55.3	48%	54%
Sweden	16	306.1	132.5	155.3	149.0	158.8	49%	71%
Switzerland	21	161.6	69.9	46.2	65.2	45.4	35%	29%
Turkey	3	11.6	0.0	0.0	0.0	0.0	0%	0%
United Arab Emirates	6	23.9	0.0	0.0	0.0	4.3	4%	..
United Kingdom	19	973.4	586.6	565.8	599.1	529.8	59%	75%
United Nations	44	2 011.1	368.8	294.0	282.0	165.8	14%	19%
United States	32	1 686.9	363.3	399.4	275.4	235.8	19%	12%
World Bank	40	8 672.6	4 844.2	4 500.2	5 526.9	3 151.6	52%	62%
All other providers (31)		342.9	420.7	267.3	258.0	245.7	87%	1%
Total		**33 514**	**17 801**	**16 884**	**16 912**	**13 973**	**49%**	48%

(*) Reference figures for 2010 have been revised to correspond to the 2013 methodology.

.. Data are not available.

Table B.10. **Untied aid**

	Total bilateral aid as reported to the DAC in 2012*	Untied aid	Indicator 10	
			Share of untied aid	2010
	a	b	c = b/a	(for reference)
Australia	4 184.1	4 177.9	100%	100%
Austria	616.2	229.5	37%	58%
Belgium	851.1	809.8	95%	95%
Canada	2 980.7	2 731.0	92%	87%
Czech Republic	51.6	23.2	45%	..
Denmark	1 725.0	1 660.9	96%	97%
European Union	23 963.1	15 801.5	66%	48%
Finland	718.0	683.7	95%	89%
France	10 302.8	9 877.6	96%	95%
Germany	11 647.8	9 221.1	79%	75%
Greece	77.1	4.9	6%	48%
Iceland	19.3	19.3	100%	..
Ireland	501.4	501.4	100%	100%
Italy	604.6	496.0	82%	58%
Japan	16 474.9	11 695.6	71%	79%
Korea (Republic of)	1 693.6	837.3	49%	32%
Luxembourg	258.7	243.5	94%	99%
Netherlands	4 131.9	4 065.7	98%	96%
New Zealand	260.8	220.0	84%	81%
Norway	3 049.7	3 049.7	100%	100%
Portugal	389.7	95.9	25%	43%
Spain	934.9	779.6	83%	64%
Sweden	2 373.0	2 209.2	93%	94%
Switzerland	1 772.3	1 650.1	93%	85%
United Kingdom	4 532.8	4 532.8	100%	100%
United States	23 965.1	17 892.9	75%	70%
Total	**118 080**	**93 510**	**79%**	77%

(*) Excludes donor administrative costs and in-donor refugee costs.

.. Data are not available.

Source: OECD Creditor Reporting System, data available only for DAC members.

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Making Development Co-operation More Effective

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In 2011 the international development community committed to make development co-operation more effective to deliver better results for the world's poor. At the mid-point between commitments endorsed in the High-Level Forum in Busan, Korea in 2011 and the 2015 target date of the Millennium Development Goals, it is timely to take stock of how far we have come and where urgent challenges lie.

This report – a first snapshot of the state-of-play since Busan – draws on the ten indicators of the Global Partnership monitoring framework. Despite global economic turbulence, changing political landscapes and domestic budgetary pressure, commitment to effective development co-operation principles remains strong. Longstanding efforts to change the way that development co-operation is delivered are paying off. Nevertheless, much more needs to be done to translate political commitments into concrete action. This report highlights where targeted efforts are needed to make further progress and to reach existing targets for more effective development co-operation by 2015.

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Chapter 3. Inclusive development partnerships

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Chapter 5. Country actions to implement the Busan Commitments

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