



**Global  
Partnership**  
for Effective Development  
Co-operation

# JST'S POSITION PAPER ON RECOMMENDATIONS FROM GPEDC MONITORING ADVISORY GROUP

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This document presents the JST's reflections on the recommendations from the GPEDC Monitoring Advisory Group (MAG) on pilot indicators and on ways to incentivize behavioural/policy changes.

This document is shared with the GPEDC MAG and members of the Steering Committee for further discussion and information.

## Contacts:

Mr. Alejandro Guerrero. Tel: +33 1 45 24 83 63, email: [alejandro.guerrero-ruiz@oecd.org](mailto:alejandro.guerrero-ruiz@oecd.org)

Ms. Yuko Suzuki, Tel: +1 212 906 6509, email: [yuko.suzuki@undp.org](mailto:yuko.suzuki@undp.org)

Ms. Liz J.E. Chung, Tel: +1 718 483 6675, email: [liz.chung@undp.org](mailto:liz.chung@undp.org)

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## **SECTION A. JST'S REFLECTION ON THE GPEDC MONITORING ADVISORY GROUP'S FEEDBACK RELATED TO PILOT INDICATORS**

Following the inaugural meeting of the Monitoring Advisory Group (MAG) in May 2015, MAG members have provided expert guidance on the technical review of the refined methodological approaches for GPEDC's four pilot indicators. The UNDP-OECD Joint Support Team (JST) fully considered these recommendations, further refining the approaches of the pilot indicators as well as the underlying methodologies. In the following section, the JST shares its reflections on the feedback from the GPEDC MAG. Key highlights of the changes made to indicators based on the MAG recommendations are described below.

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

The MAG highlighted some of the inherent measurement challenges related to this Busan commitment. These include a lack of a shared definition and common understanding of Country Result Frameworks (CRFs), and limited established knowledge on their use in different country contexts. In addition, the MAG noted the challenge of indicator 1 having two different purposes integrated into one single indicator (i.e. alignment to country priorities and focus on results). Based on these observations, the MAG advised to 1) include a descriptive monitoring assessment to enhance our understanding on the existence and use of CRFs in different country contexts, 2) understand the degree to which, and the ways in which, all actors in a concerned given country use CRFs, 3) ensure flexibility of CRFs and allow for the possibility to use other equivalent priority setting mechanisms (since not all countries communicate their priorities through CRFs), 4) reconceptualise the approach to align with country priorities, 5) focus on providers' behaviour more than on the existence of CRFs, 6) use the monitoring results to establish a baseline and a target accordingly, and 7) include complementary case studies to analyse providers' actual use of CRFs.

The JST regarded these inputs as very relevant and they have been fully integrated into the revision of indicator 1 by (a) reframing the methodology to allow for the data reveal different country arrangements and providers' extent of use and modalities of provider engagement with existing country-level planning tools; and (b) by facilitating country-led descriptive assessments of existing arrangements for setting development goals and targeting results, supported by documentary evidence. In consistency with the MAG's advice and the specific Busan commitment, the new methodology places a greater focus on the extent of use of existing country-owned results frameworks and systems, both in designing new development interventions and in tracking their results. Furthermore, the team proposes to establish a baseline during the 2<sup>nd</sup> monitoring round, to inform subsequent progress towards agreed targets beyond 2015. Lastly, the JST will pursue the proposed case studies and analysis of complementary evidence for the 2<sup>nd</sup> monitoring round, but the team agrees with the MAG that this will hinge on available resources. Detailed information on other items is fully elaborated in the table below.

### **Indicator 2: Civil Society operates within an environment that maximises its engagement in and contribution to development**

The MAG acknowledged that despite the difficulties related to monitoring a CSO enabling environment, the proposed methodology for indicator 2 is technically sound. The group also

noted that its four module approach<sup>1</sup> is relevant. The MAG confirmed that indicator 2 would provide useful tracking of country progress over time, but the group raised concerns about whether perception-based methodologies achieve the degree of independence necessary for credibility of the assessment. The MAG agreed that the challenge with this indicator lies in the voluntary basis of the GPEDC monitoring process and getting countries participate to complete a relatively complex set of questions. With regard to the sensitivity around some countries in which the enabling environment is seen to be problematic by civil society and other stakeholders, the MAG recommend an option for “minority reports” from the stakeholders. These minority reports would be on some aspects of the enabling environment in which there is no agreement. The MAG also had concerns with regards to the process of assessment, mainly on the proposal of engaging a “neutral” think-tank to support the exercise. In particular, the MAG was concerned with how the implications this would have on the “ownership” with stakeholders.

JST concurs with the MAG that the indicator should gradually move from a solely perception-based approach to a more empirical indicator. Also, the indicator should become more of an assessment/evaluation indicator. Lessons should be learned during the monitoring round, and these should translate into further refinements of the methodology. To ensure country ownership, the JST revised the process to be led by countries in consultation with CSOs and provider focal points. In this arrangement, the importance of multi-stakeholder country-level dialogue in the monitoring process is emphasized. In addition, the methodology also suggests that it is up to the country to decide whether third-party entity intervention would allow for a neutral and balanced assessment without overburdening country stakeholders.

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

Indicator 3 focused on assessing the quality of Public-Private Dialogue (PPD) at the country level, as a proxy to capture private sector engagement in development policies. The indicator was conceived as an extensive three-module survey questionnaire covering (i) the legal and regulatory context for private sector engagement, (ii) country readiness for public-private dialogue, and (iii) an in-depth assessment of the organisational effectiveness of a PPD platform. The PPD assessment tool built upon a methodology tested by the World Bank over several years and in different country contexts. Given the heavy implementation costs of this tool, and to alleviate the burden of the government’s national co-ordinators at the country level, the JST proposed to rely on consultants for a selected number of countries. This would spark multi-stakeholder dialogue at the country level. In addition to supplying data, the process would incentivise further public-private dialogue and behavioural change. The output would be presented as a PPD country profile, using quantitative scores.

The MAG acknowledged the rationale of using a proxy indicator such as PPD to capture the spirit of Busan’s commitments, given the methodological challenges related to the direct and comprehensive measurement of private sector contributions to development. In particular, these challenges regarding the broad universe of diverse private sector entities and the different ways the private sector contributes to (or detracts from) development. Although the approach based on assessing PPD quality was considered adequate and practicable, the MAG underlined the need for the indicator to capture the country context for public-private dialogue for the broader private sector (including small and medium enterprises), to report on whether such a dialogue occurs in the country, and to be clear about areas not covered by the indicator (e.g. the contributions of various private sector actors to development in a given country). On the structure of this composite indicator, the MAG pointed out possible ways to ease the burden of collecting data for this indicator. This could be possible by

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<sup>1</sup> Four module approach consists of (1) space for multi-stakeholder dialogue on national development policies; (2) CSO development effectiveness; (3) official development cooperation with CSOs; and (4) legal and regulatory framework.

prioritizing the deeper analysis on the assessment of PPD quality and simplifying the other two modules. On the implementation of the data collection for this indicator, the MAG communicated that the burden of data collection provided a rationale for the use of consultants. Lastly, the MAG also highlighted the need to ensure country ownership by establishing close multi-stakeholder participation to oversee the work of potential consultants.

The JST is in agreement with the recommendations from the MAG, and the indicator's approach and data collection method were revisited to reflect the suggestions. The proposed changes aim at striking a balance between (i) reporting on the state of play in all participating countries (*sample comprehensiveness*); (ii) reporting both the broader context for public-private dialogue across countries (*inclusiveness, country readiness*) and the different specific models of PPD platforms (with a detailed assessment, for South-South learning purposes); and (iii) ensuring greater country ownership by means of a country-led multi-stakeholder data gathering process, without overburdening government national coordinators in the process. To that end, the information related to the country's legal and regulatory framework (module 1) will be provided by the JST to each country, as it relies on existing global data sources (e.g. the open budget index, the World Bank's worldwide governance indicators). This will serve as a basis for national co-ordinators to engage the focal points from the private sector<sup>2</sup> and other parties in a multi-stakeholder dialogue on the country's overall readiness for public-private dialogue (module 2). The four open-ended questions for Module 2 will be filled by the national co-ordinator in dialogue and consultation with the other parties, who will have an opportunity to report on their level of agreement and provide comments on each of the responses (allowing for "minority reports", as suggested by the MAG for indicators 2 and 3). Module 3, assessing the quality of specific PPD platforms, will be carried out by consultants in a selected number of countries, under the guidance of the national co-ordinator and the support of the JST. Instead of adopting a top-down approach in the selection of the type of PPD platform to be assessed, and following the MAG recommendation, countries will select the PPD platform that they deem relevant, given the specific country context. The resulting indicator 3 thus reports at two levels. At a global level, it will provide a basis to track progress made on the legal/regulatory framework and on the country readiness to organize and sustain public-private dialogue. At the country case level, it will provide comparative evidence on the effectiveness of different approaches to carry out PPD platforms.

#### Indicator 4: Transparency - information on development co-operation is publicly available

Indicator 4 focused on measuring the state of implementation of the common standard by co-operation providers. It relies on two international sources of data (DAC and IATI) which assess the three dimensions of the common standard: timeliness, comprehensiveness, and the forward-looking approach. The indicator provided a composite score derived from both data sources by reporting the best score obtained from datasets.

The MAG acknowledged that the discussion around indicator 4 is highly technical and political yet the measurement approach is sound. The group observed that the limitations and challenges in indicator 4 lie less in the detailed methodology and more in the principle of aggregating inherently different data sets as well as the associated methodology around it. Another limitation that was noted is the process of consultation and limited time frame with

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<sup>2</sup> The JST facilitated terms of reference for the selection of private sector focal points at the country level. Among other criteria relevant for the role, these terms of reference call for candidates who come from broad business associations and private sector networks, and who are well connected to other business associations and networks. The description of the role and feedback process calls for engagement with the diversity of private sector constituencies as to reflect the diverse views in the discussion with government and civil society counterparts during the preparation of Module 2.

development co-operation providers. The group made additional comments on the way in which data and results are presented. The MAG advised that the usefulness of the assessment lies in the details, and disaggregated performance for each component should be made available. So instead of using the “best score” approach, composite scores should be calculated for each of the common standards, and the scores should be presented separately. Also, significantly more time needs to be invested in the consultation process to explain the methodology and results. Lastly, the transparency indicator should be presented in terms of country level progress over time rather than ranking countries against one another.

The JST is in agreement with the proposed approach from the MAG and fully incorporated these suggestions into the revised methodology. While the indicator focus does not change and the progress measurement continues to rely on two main sources of data (DAC and IATI), the revised methodology has strengthened the extent of detailed evidence presented separately from the two systems rather than attempting to aggregate data of different nature. To this end, composite scores will be calculated for each component of the common standard, and the scores will be presented separately for each system, with sufficient detail on their composition.

The JST will also strengthen the consultation process from an early stage to ensure a common understanding of the methodology and results, as well as strengthening the monitoring process itself by providing the timeline for which assessment will be undertaken by each secretariat for data reported to the CRS/FSS and the IATI.



Based on the feedback received, the JST has put together its reflections consisting of 1) key features of the previous methodology; 2) Key MAG recommendations; 3) clarifications on where recommendations were considered but were not applied and the reasons thereof, and 4) highlight of how key recommendations that were integrated in the final methodology in a table.

### Indicator 1

Previous approach	MAG Recommendations	JST reflection	Revised methodology
<p>The pilot methodology used in first round:</p> <ul style="list-style-type: none"> <li>Used providers' disbursements through certain co-operation modalities as a proxy for the use of country results frameworks.</li> <li>The piloting process revealed challenges related to this proxy, and raised questions about whether this simplified approach could sufficiently capture the dynamics related to provider behaviour in this area.</li> </ul> <p>The proposed methodology developed through consultations and reviewed by the MAG included:</p> <ul style="list-style-type: none"> <li>An underlying assumption that provider's effective use of country results framework (CRF) could be used as a basis to align development co-operation to the country's development priorities.</li> </ul>	<p>Key recommendations include:</p> <ul style="list-style-type: none"> <li>Reconceptualization of the approach to align with country priorities. From the perspective of validity of measurement, the presence of a CRF is not an adequate measure of the Busan objective that "development co-operation is focused on results that meet developing countries' priorities." These are two different concepts. Some AG members believe that the primary focus on indicator 1 should be on the efforts of providers to align their programming with developing country priorities, rather than whether or not developing countries have CRFs in place.</li> <li>Shift focus to providers' behaviour and not on the existence of CRFs. Accepting that CRFs should be in place leads to the conclusion that these CRFs must be fully assessed and provides an excuse to providers to assess the quality of CRFs before their use. As a result, instead of monitoring the development co-operation providers' behaviour, the methodology perpetuates the historical and inappropriate practice of using provider-supplied information to assess the practices of developing countries.</li> <li>The survey should articulate the characteristics of an effective generic</li> </ul>	<p>JST appreciates the MAG's main recommendations on the methodology of indicator 1 and the methodology was revised accordingly.</p> <p>Key feedback reflected in the new approach include:</p> <ul style="list-style-type: none"> <li>Reformulating the methodology to clarify the concept of CRF (i.e. by providing clarity on the generic characteristics of country-owned results frameworks, and acknowledging that countries may have alternative legitimate priority-setting mechanisms in place). The focus is not so much on institutional isomorphism, but on the functional role different planning arrangements may play in convening the efforts of the government and providers around country-owned results and targets.</li> <li>Establishing a baseline scenario with the evidence collected during the 2<sup>nd</sup> Monitoring Round.</li> </ul>	<p>As mentioned, the revised methodology reflects most of the key recommendations from the MAG. These include a reformulation of the methodology into descriptive monitoring to enhance our understanding, establishing a baseline, using a rubric format to measure the extent of use, the reconceptualization of the methodology to providers' efforts to align with country priorities, and a greater focus on providers' behaviour than on the existence of CRFs, flexibility in application of CRFs. These were carefully considered and integrated to the extent possible into the methodology. Additional considerations were also reflected in the revised methodology:</p> <ul style="list-style-type: none"> <li>First, given the challenges in defining <i>ex ante</i> the universe of institutional forms in which country results framework are created or used by providers, the JST has proposed to conduct descriptive monitoring, complemented by quantitative data gathering. To measure the extent of use, the methodology focuses on alignment</li> </ul>

<ul style="list-style-type: none"> <li>• A focus on the design and reporting stages of providers' development intervention as a proxy to assess overall use of CRFs. The implementation stage is partially covered under other indicators (e.g. indicator 6 on "aid on budget" and indicator 9b on "use of country systems").</li> <li>• An assessment of providers' use of indicators in their programming process at the sector level, based on the feedback from country practitioners.</li> <li>• A focus on the sector level, given that empirically most country priorities are stated in broad terms in national strategies but only operationalised in detail at the sector level.</li> <li>• The addition of a complementary dimension analysing the coherence between sector and national level results frameworks. This complementary assessment aimed to shed light on the strengths of the CRF.</li> </ul>	<p>results framework before asking countries if they have one in place. Allow for possibility that not all countries will be articulating their development priorities through CRFs. Hence the survey will need to provide the opportunity for developing countries to identify alternative but equally legitimate priority setting mechanisms in their survey responses.</p> <ul style="list-style-type: none"> <li>• Recommended aiming to undertake descriptive monitoring to enhance our understanding, not an evaluative assessment for accountability purposes</li> <li>• Note the importance in understanding the degree to which, and the ways in which, all actors in the country concerned use a framework. The key question is in the utility of outputs from the use of the CRF (or alternative priority setting mechanism) by both the developing country and its aid providers.</li> <li>• Complementary case studies focusing on providers' practices. It can be used to inform subsequent rounds of the survey.</li> <li>• The survey should be used to establish a baseline</li> <li>• Further conceptual work is required – what CRFs mean in the context of the Busan commitment to "democratic country ownership", for development cooperation to be focused on "results that meet developing countries' priorities"</li> <li>• Rubric formats (compared to Y/N survey response option) can be formulated to give a much better sense of a country's or aid providers' 'stage of development' along the dimension in question.</li> </ul>	<ul style="list-style-type: none"> <li>• Relying on qualitative descriptions of existing institutions to identify the country context . This type of information complements related data provided by Indicator 9 (i.e. developing countries' systems are strengthened and used). Indicator 9 looks at both quality and use of the Public Finance Management system (PFM).</li> <li>• Placing greater focus on the degree to which, and the ways in which, the actors in the country use the relevant results frameworks. The JST reflected this recommendation in designing a data collection methodology that would reveal actual use of existing country planning tools on the basis of actual behaviour.</li> <li>• Relying in more than a survey instrument to examine the question of provider alignment in a context of multiple types of country results frameworks being used within and among countries. The JST reflected this by relying on a combination of qualitative self-assessment, quantitative measurement and supporting document evidence to come up with a more accurate description of <i>de jure</i> and <i>de facto</i> institutions and practices in the ground.</li> </ul>	<p>of development co-operation providers' development interventions, with a focus on intervention design and in type of results reporting. This is done by assessing (i) alignment to broader priorities and objectives, (ii) use of results indicators from CRFs, and (iii) the degree to which results are reported by using existing government-led monitoring systems and data. Also, the JST embedded flexibility in the CRF definition to reflect different approaches to country-owned results framework and other equivalent priority-setting mechanisms around which providers may focus on and coordinate their support.</p> <ul style="list-style-type: none"> <li>• Complementary qualitative assessment will provide more information on the diverse forms and characteristics of CRFs, as well as practices in the use of CRFs in different country contexts. The JST expects that the results will in turn inform further refinement of the methodology in the next rounds of monitoring as suggested by the MAG.</li> <li>• The suggestion of complementary case studies to assess current practices of providers' use of CRFs is well noted and is taken into account. That said, it is worth noting that resource availability will dictate the extent and sampling size of such case studies.</li> </ul>
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## Indicator 2

Previous approach	MAG Recommendations	JST reflection	Revised methodology
<ul style="list-style-type: none"> <li>• Narrower focus on monitoring the legal and regulatory framework to enable CSOs' independent contribution to development.</li> <li>• Use of existing global reporting mechanisms (envisaged use of sub-dimensions of the CIVICUS-Enabling Environment Index).</li> <li>• Challenges encountered: nature of the data (secondary data from a single source), limited data availability (low country coverage) and limited country dialogue between the different stakeholders included in the previous methodology.</li> </ul>	<ul style="list-style-type: none"> <li>• While acknowledging the political sensitivities and inherent challenges in monitoring the CSO enabling environment, the MAG agreed that the proposed methodology (Framework) is overall technically sound and the four modules are relevant.</li> <li>• The monitoring process seems to take account of a "theory of change". In other words, through multi-stakeholder country-level dialogue, greater understanding of different stakeholder perspectives on enabling environment issues is achieved, and the Framework provides guidance on particular changes that would improve this environment. A global report that draws attention to the area of progress, or lack of progress, provides tools for country-level actors to pursue enabling environment issues relevant to their country context.</li> <li>• However, concerns were raised regarding whether perception-based methodologies achieve the degree of independent/"neutrality" necessary for credibility of the assessment. Further consideration was needed in the medium term as to how quality assurance can be better achieved, moving from an assessment approach to a monitoring approach based on a more empirical indicator.</li> <li>• MAG agreed that the challenge with this indicator lies in the voluntary basis of the</li> </ul>	<ul style="list-style-type: none"> <li>• The JST acknowledges the perception-based nature of the approach, and notes on the need to move from an assessment approach to a monitoring approach based on a more empirical indicator in the medium term. To this end, the second round in implementing the assessment approach can be used as a useful basis to better construct the monitoring approach for the next iteration of the framework.</li> <li>• The option of a "minority report" was well noted, and incorporated into the methodology.</li> <li>• The importance of multi-stakeholder country-level dialogue is also further recognised in the process of assessment/monitoring, by the proposed process emphasising country-level dialogue and close coordination with focal points of key stakeholders in the process.</li> <li>• To address the possible issue of the perception-based approach limiting the degree of independence/neutrality, the methodology incorporates case studies to augment the assessment and country-data collection.</li> </ul>	<ul style="list-style-type: none"> <li>• Broader focus on assessing the extent to which governments and providers contribute to an enabling environment for CSOs, and to which CSOs are implementing development effectiveness principles in their own operations.</li> <li>• Collecting primary data through a qualitative country-level questionnaire structured around four modules: (1) space for multi-stakeholder dialogue on national development policies; (2) CSO development effectiveness; (3) official development co-operation with CSOs; and (4) a legal and regulatory framework.</li> <li>• The monitoring process will be led by developing country governments, in close consultation with focal points from CSOs and providers. Multi-stakeholder dialogue to collect, validate and discuss the data will be encouraged. On a case by case basis, developing country governments can decide whether to use the services of a consultant/think tank to support the process.</li> </ul>

	<p>GPEDC monitoring process and getting countries to “buy-in” to complete a relatively complex set of questions.</p> <ul style="list-style-type: none"> <li>• With regard to the sensitivity in some countries where the enabling environment is seen to be problematic by civil society and other stakeholders, the MAG recommended an option for “minority reports” from the stakeholders on some aspects of the enabling environment where there is no agreement.</li> <li>• The MAG also raised concern on the use of a “neutral” think-tank with knowledge of the local context to lead and manage a consultative process in a limited number of countries. This was proposed by the JST, to respond to the need for quality assurance and neutrality. The MAG noted that this option is a consultant-driven process, and asked whether a minimum number of countries might not produce a credible outcome. The issue of comparability between countries for tracking progress was also raised. Most of all, the MAG raised the question on “ownership” with country stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>• JST took a note of the concerns raised by the MAG on the use of a “neutral” think-tank in a limited number of countries, and revised the monitoring process to emphasise the process to be led by countries.</li> <li>• In order to respond to those cases in which the intervention of a third-party entity might help avoid overburdening the national coordinators and the process allows for neutral and balanced assessment, the methodology/process provides a space for this engagement (if chosen by a country).</li> </ul>	
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### Indicator 3

Previous approach	MAG Recommendation	JST reflection	Revised methodology
<ul style="list-style-type: none"> <li>• Focused on assessing the quality of public private dialogue at the country level, as a proxy to capture private sector engagement in improving public policies.</li> <li>• The data gathering builds on the Public-Private Dialogue (PPD) Country Profile methodology developed and tested with the World Bank. The Country Profile provides evidence on (1) the legal and regulatory context for PPD, (2) the country's readiness to host, create or sustain dialogue, and (3) the organisational effectiveness of a given PPD platform.</li> <li>• The assessment tool was still under development during the first monitoring round.</li> </ul>	<p>Key Recommendations include:</p> <ul style="list-style-type: none"> <li>• Agreement with the assessment of country-context and quality for PPDs as a proxy to measure the engagement and contribution of the private sector to development, while being clear about the areas not measured by the indicator (e.g. private sector's actual contributions to development / impact).</li> <li>• Ensure inclusiveness of private sector actors in the data gathering process, and the participation of country-relevant private sector actors (SMEs, farm-producers in agricultural based economies, etc).</li> <li>• Prioritize deeper analysis of the modules that are more directly related to assessing the quality of PPD platforms.</li> <li>• Ensure country ownership and country leadership in the data collection effort, even if you rely on consultants to ease the burden of this heavy assessment tool.</li> <li>• Allow countries to drive the selection of PPDs that are relevant to their country- and private sector context, as to ensure relevance of the assessed PPD platform.</li> </ul>	<ul style="list-style-type: none"> <li>• The JST agreed with the recommendations made by the MAG, in particular regarding the need to balance a broad and substantive indicator reporting across countries with deep assessments at the country level. Regarding implementation, the JST agrees on the importance of balancing the need to ensure country ownership and leadership in the data collection effort while also alleviating the burden of the national coordinator with the potential support of consultants.</li> <li>• Furthermore, the JST agrees with the overarching need to ensure inclusiveness and neutrality in the multi-stakeholder consultation process.</li> </ul>	<p>Key revisions include:</p> <ul style="list-style-type: none"> <li>• A tiered approach to data collection for the three modules of questions included in this indicator (module 1 relies on global indicators and it will be pre-filled by the JST and shared with the national coordinator; module 2 will be carried out by the national coordinator in a multi-stakeholder dialogue process; and module 3 will be carried out with the potential support of consultants in a selected number of countries, as a deeper assessment of PPD platforms identified by countries as relevant.</li> <li>• Terms of reference for the focal points of different stakeholders are oriented to identify actors that can perform their role in an inclusive way, conveying the different views emanating from naturally diverse constituencies (e.g. private sector actors).</li> <li>• The multi-stakeholder process has been structured to incentivize consensus among the different actors in the responses, but it allows for minority reporting in the event of disagreement.</li> </ul>

## Indicator 4

Previous approach	MAG Recommendation	JST reflection	Revised methodology
<ul style="list-style-type: none"> <li>Indicator focused on measuring the state of implementation of the common standard by co-operation providers.</li> <li>The indicator relies on two international sources of data (DAC and IATI), which assess the three components of the common standard: timeliness, comprehensiveness, and the forward-looking approach.</li> <li>A single composite score derived from both data sources, reporting based on the best score obtained in these datasets.</li> <li>However, the DAC and IATI data sources diverge in methodological specificities (objectives, country coverage and reporting timeframe) creating methodological challenges related to</li> </ul>	<ul style="list-style-type: none"> <li>The approach for Indicator 4 is valid.</li> <li>Limitations and challenges lie less in the detailed methodology, but more in the principle of aggregating inherently different data sets and the associated methodology around it. Another limitation has to do with the process of consultation and limited time given to explaining the meaning of the results with development co-operation providers. Lastly, the group noted the importance in the way in which data and results are presented.</li> <li>A composite approach is a sound one. For each development cooperation provider, the methodology separately considers the three components agreed at Busan, namely (i) timeliness; (ii) comprehensiveness; and (iii) forward-looking.</li> <li>Scores should be presented for each and an un-weighted average calculated to produce a composite.</li> <li>The utility of the assessment lies in the detail, and disaggregated performance for each component should be made available.</li> <li>The “best score” approach, which brings the two sources of data together, should not be used. Instead, composite scores should be calculated for each of the common standards, and the scores should be presented separately. This should be supplemented with details on their composition.</li> <li>Each component in terms of timeliness should be assessed on the basis of the current agreements that relate to each component and reported separately.</li> <li>Comprehensiveness should be assessed with due consideration for new providers reporting to the</li> </ul>	<ul style="list-style-type: none"> <li>Proposed approach for the composite and calculating and presenting for each component of the common standard separately for each system is fully incorporated into the revised methodology.</li> <li>All three components to be individually subject to a coverage ratio in calculating individual component scores for each system taken on board.</li> <li>The need for country profiles with sufficient narrative and contextualisation focusing on progress over time is well noted and reflected in the proposed revised methodology.</li> <li>The question remains as to whether dimensions in each component and the interpretation of the component should be kept consistent. In other words, whether the assessment of each component should still be based on the frequency of reporting and how recent the reported data is for the timeliness component; how detailed the information reported is for comprehensiveness; and for how many years ahead is the data provided and at what level of disaggregation for the forward-looking component of the common standard. The different nature of</li> </ul>	<ul style="list-style-type: none"> <li>The indicator focus does not change.</li> <li>Measurement continues to rely on these two main sources of data (DAC and IATI).</li> <li>The methodological approach will still assess the three components, using composite scores calculated based on an agreed scoring method by the two secretariats (IATI/DAC) supporting the Common Standard.</li> <li>There are different dimensions assessed for each component by the three reporting systems. For CRS/FSS, it is also proposed to incorporate assessment of data accuracy as an additional component.</li> <li>To avoid previous methodological challenges related to aggregation, the indicator’s composite scores will be calculated for each dimension of the Common Standard separately. The Progress Report will present progress over time based on the composite scales of implementation status. This will be based on an assessment of information reported to each reporting systems of each secretariat.</li> </ul>

<p>the use of both data sources as equivalent.</p>	<p>DAC and IATI. This should be assisted by accompanying narrative contextualisation, noting the voluntary nature of some report requirements.</p> <ul style="list-style-type: none"> <li>• All three components are individually subject to a coverage ratio in calculating individual component scores. Each dimension, when assessed and reviewed individually, captures a coverage dimension.</li> <li>• Significantly more time needs to be invested in the consultation process to explain the methodology and what it measures as well as explaining what the outcome of the methodology would be when applied.</li> <li>• The need to expand the consultation period for this indicator beyond that currently planned for the other pilot indicators.</li> <li>• Bilateral verification processes with cooperation providers can be complemented by public consultations and an IATI and DAC Stats Working Group to reflect on outcomes of the data collection process, with the JST and/or the MAG identifying key issues for discussion.</li> <li>• Opportunities to improve comparability between data sources across certain elements may be explored through dialogue with the financial and accounting industry and platforms used to rebase accounting figures between different GAAP standards.</li> <li>• For the transparency indicator, it is important that the outcome of the monitoring is presented in terms of country progress overtime, not a ranking of one country against another. This could incorporate profiles and country case studies that provide context and meaning to what progress has been made.</li> </ul>	<p>the data, the purpose, and different processes of verification and time frame means that the dimensions in each component may be different. This was the case of the proposed measurement approach by the two systems. This requires the decisions by the SC based on adequate consultation with relevant stakeholders.</p> <ul style="list-style-type: none"> <li>• The need for a consultation process with providers at an early stage as well as adequate time for the finalisation of the methodology and the validation of composite scores for each component for each system is well noted. The JST will therefore seek SC endorsement on the finalisation of the methodology to be made in January 2016, with the proposed timeline for consultation on methodology.</li> </ul>	<ul style="list-style-type: none"> <li>• The JST will strengthen the consultation process with providers at an early stage of the assessment process, to ensure a common understanding of the methodology and results.</li> </ul>
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## **SECTION B. REFLECTION ON MAG'S PRELIMINARY RECOMMENDATIONS ON WAYS TO INCENTIVIZE BEHAVIOURAL/POLICY CHANGES**

### **A. Context:**

The Monitoring Advisory Group (MAG) meeting in May argued that, to ensure a stronger second round monitoring process, there is a need to demonstrate impacts on behavioural changes. In addition to playing a critical role in the success of the monitoring process, political-level engagement / buy-in also facilitates policy and behavioural changes. The MAG provided preliminary recommendations on further ways to incentivise behavioural and policy changes. These recommendations were made by drawing from years of experience in national monitoring and evaluation systems for evidence-based policy-making and strengthened accountability. The MAG also drew from the high-level policy dialogue in Latin America, thus incorporating their experience throughout both the Paris Declaration surveys and GPEDC's first monitoring round.

### **B. JST Reflection on key areas of MAG recommendation**

#### **1. *Relevance of the monitoring indicators and framework***

The MAG's main recommendation highlights the critical importance of ensuring a monitoring framework with indicators that are deemed to be relevant by most/all stakeholders. This is a precondition to foster political buy-in, country-level engagement, production of relevant and reliable information, and incentivise the use of monitoring results to produce behavioural changes.

JST agrees with the critical importance of ensuring the relevance of GPEDC's monitoring indicators. To that end, a planned work stream of the GPEDC monitoring efforts (track 3) focuses on assessing the relevance of the monitoring framework and fine-tuning it. This will take into account the dynamic context of development partnerships of the Post-2015 era. At present, the monitoring framework in 2012 was based on the guidance provided by the Post-Busan Interim Working Group. Looking forward, and to strengthen the relevance of the monitoring framework beyond 2015, the second round of monitoring presents an unique opportunity to review the usefulness and relevance of the indicators through a "stress-testing" exercise for all the indicators. This exercise will be part of the feedback assessment from countries, development partners and the multi-stakeholder GPEDC community. As such, it will ensure that the revised monitoring framework covers the broadened scope of development efforts and actors by capturing the lessons and realities in managing dynamic development partnerships that are emerging at the country level. In addition, the exercise will and track other innovations in development – including the new modalities of development co-operation and financing, south-south co-operation efforts, emerging approaches to triangular co-operation, and public-private collaboration.

The MAG pointed out that relevance questions at the global and country levels may differ. Their assessment argued that, in order to ensure that an enhanced monitoring framework produces useful information contributing towards a country-led development process with more effective management of development co-operation resources, the relevance assessment should clearly incorporate a country perspective contextualized to their needs. The MAG's discussion underlined that development financing instruments are changing at a fast pace, reflecting both evolving needs in developing and emerging countries and tectonic transformations of the global development landscape.

This is an important point on which to reflect further. Behavioural and policy changes to which the GPEDC monitoring framework aims to contribute will require actions both at the country and global levels. For example, while development co-operation policy-making is done at the global level (HQs), policy and behavioural changes with regard to how countries access, receive, prioritise and effectively use resources take place at the country level. Similarly, partnership principles and engagement of the private sector and other non-state actors will require changes both at the global and country levels. How to best adapt the monitoring framework to incentivise global and country-level changes is the question that needs to be considered as we review and strengthen the relevance of the monitoring framework in Track 3.

In this context, the question of comparability will also need to focus on this balance – informing credible results for facilitating changes at the global level (as raised by the MAG, providers are still far from having achieved the level of behavioural change planned in Paris/Busan), and providing high-quality/relevant data to inform policy changes at the national level.

### Relevance of Indicator 1 and 3

The MAG pointed out the specific need for a broader look at Indicators 1 and 3, on the use of country results frameworks and the engagement of the private sector, respectively. The recommendations included the need to strengthen relevance and usefulness of these indicators. In addition, it was suggested that an assessment approach should be adopted, as opposed to a monitoring approach.

Following their general guidance, as well as the MAG's specific comments on these two indicators, the JST further revised both indicators as to gear the data gathering for this monitoring exercise towards generating more useful evidence for future improvements. In particular, for indicator 1, the 2015/2016 monitoring round will map out the current extent to which existing country-led results frameworks are used (CRF), adopting an agnostic descriptive approach regarding the way governments set their own national and sector priorities. This is as opposed to the previous normative/best practice approach to CRFs. For indicator 3, the refined methodology adopts a dual comparative and case study approach. This will generate evidence on the country's institutional context and enabling environment for public-private dialogue (PPD). In addition, it will provide selected deeper assessments of diverse forms of PPD platforms. In both of these cases, comparable indicators will track progress towards their respective Busan commitments. But the methodological approach will also generate learning-oriented information which will help inform lighter, evidence-grounded monitoring questions for the next round.

## 2. ***Ways to incentivize behavioural changes***

The MAG's general suggestions to incentivise behavioural changes include: (1) creating space for inclusive policy dialogue; (2) generating country/national profiles to help inform country-level dialogue on strengths, weaknesses and opportunities; and (3) building a short "value proposition" and building communication/outreach efforts around this.

These suggestions reconfirm the underlying approaches of the GPEDC monitoring (i.e. a country-led approach rooted in the actual experience of countries). JST encourages participating countries to use their own accountability mechanisms and information systems to undertake this, including facilitation of an inclusive process and dialogue throughout the monitoring process. The Guidance Note for the monitoring will reinforce this approach. In addition, the next round will include a brief country profile to support country-level dialogue. To facilitate this and capture more qualitative aspects of changes

(impacts of monitoring), the country worksheet will also provide a space for countries to provide additional information.

The MAG identified three levels of incentives that need to be addressed in order for the GPEDC monitoring to incentivize behavioural and policy changes: (1) incentives to participate in the monitoring process; (2) incentives to produce reliable and comprehensive information on development cooperation; and (3) incentives to improve the way they deliver, receive and use resources and strengthen linkages of development resources to outcomes.

### Incentivising participation

The MAG suggested publishing the list of participating countries to encourage more countries to participate. The JST has already taken action to this end, and during the preliminary preparation stage (i.e. before the official launch and invitation to countries to participate), the number of countries that have expressed interest in participating already surpasses the milestone achieved in the first monitoring round. Steering Committee (SC) members are playing an important role as champions of their different constituencies. For example, Afghanistan has brought additional g7+ countries to take part in the monitoring exercise.

The MAG also underscored the importance of maintaining a high-level political dialogue to keep this monitoring work on the global development effectiveness agenda. Co-Chairs and SC members have an important role to play in high-level outreach and engagement with a broader number of countries, beyond the traditional participants of previous monitoring rounds. The MAG also offered to participate in direct dialogue between MAG members and high-level officials in the context of high-level political meetings. However, there is need to distinguish between the Co-Chairs/SC role in political and high-level outreach, and the role of the MAG in providing technical expertise and advice.

### Incentivising to produce reliable monitoring information

The MAG's suggestions in this area included: (1) to invest in capacity building to build/strengthen sufficient and effective capacity; (2) increase the relevance of indicators in convincing the need for quality information; and (3) high-profile public recognition through awards.

These suggestions reconfirm the country-led approach of using country systems and mechanisms to undertake monitoring. The use of relevant country systems to collect data has been encouraged throughout the process, and a number of countries have incorporated data needed for the monitoring indicators into their country systems. Other countries are working towards this. However, such efforts require investment in systems and capacity to lead and manage this process as part of the country's development planning and accountability process. Many countries have raised their concerns about reduced engagement and investment by development partners at the country level in this area. The JST hopes to support this through facilitating exchange among countries as well as highlighting good practices in this area. But actions are needed by all stakeholders. The JST will also strengthen its communication activities, in order to provide high-level visibility of country monitoring efforts and impacts.

## Follow-up mechanisms to change behaviour

The MAG pointed out that establishing follow-up processes is often a neglected (final) step in monitoring processes, and yet, it is a critical aspect in closing the feedback/learning loop and supporting behavioural and policy changes. GPEDC's monitoring framework aims at facilitating follow-up on monitoring findings to inform actions by countries and development stakeholders. The Monitoring Guide encourages data collection for some indicators to be organized in the form of multi-stakeholder dialogues – these dialogues are encouraged to take place at the country level, and they could result in the development of joint action plans. The current framework also addresses the need to foster learning and strategic discussions at the country and regional level. This is accomplished through contextualized reports/summaries in the form of country profiles. In parallel, with the close support of regional platforms and bodies, regional summaries on monitoring findings are also envisioned.

Finally, the MAG also suggested incorporating qualitative questions during the second round to gather evidence/information on how to improve the process ignited by the monitoring effort. This is a valid point, and the JST will consider incorporating such concerns.

## Country Systems Strengthening

The MAG pointed out the importance of strengthening country monitoring processes (national systems) that would incorporate/embed the GPEDC monitoring and enable appropriate follow-up of continuous improvements, strengthening ownership and national capacities. This is very much in line with the underlying country-led approach of the GPEDC monitoring process. The country-focus of the GPEDC means that investment and engagement is needed at the country level – whereby existing coordination and partnership mechanisms and systems can be strengthened. This task goes beyond the JST, and requires all concerted partners to engage and invest.

## Linking monitoring efforts to the allocation of development co-operation resources

The MAG recommended linking country participation and results to global development cooperation resource allocation (i.e. linking monitoring to budget). While this is an important point, we need to be mindful that the quality of development co-operation is not the only criteria/condition that drives resource allocations. It is too ambitious to monitor the different ways to deliver development cooperation. However, information about development co-operation practices and policy should inform policy dialogue and changes in the way that development co-operation is delivered based on the principles of effective development cooperation.