



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

Indicators clinic B 1, 5, 6, and 9b

UNDP-OECD Joint Support Team
www.effectivecooperation.org

Monitoring approach – “global-light, country-focused”

- **Country leadership**

Data collection and validation is:

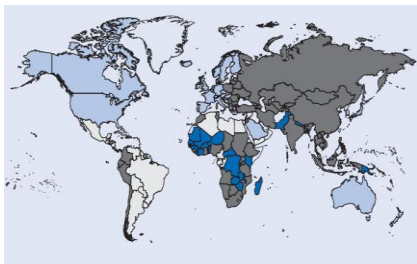


- ✓ led by developing country governments, in consultation with development partners (providers, CSOs, private sector)
- ✓ grounded in existing national processes when possible (e.g. data collection through country-level aid management systems, dialogue embedded in mutual accountability frameworks)

=> Monitoring process and findings spark multi-stakeholder dialogue and accountability

- **Global coordination**

The OECD-UNDP Joint Support Team:



- ✓ coordinates the aggregation and analysis of existing data (country-sourced data and globally-sourced data)
- ✓ provides continued support to countries through operational guidance and a help desk
- ✓ produces global Progress Reports to inform ministerial-level meetings

=> Progress monitored on a rolling basis (2013-14, 2015-16)

What is monitored?

10 indicators, grounded in effective development cooperation principles

Paris Declaration indicators

Strong country demand and good track record

- **Mutual accountability**
- **Predictability**
- **Aid on budget**
- **Use of PFM/procurement systems**
- **Aid untying**

NEW Busan indicators

- **Results**
- **Private sector**
- **CSO environment**
- **Transparency**
- **Gender**

Baseline

For indicators from the Paris Survey, baseline = 2010

For new indicators, baseline = 2013 or 2015

Targets set for 2015

What is monitored? 10 indicators

THEMES and INDICATORS	Source of information	
	country level	other processes
<p>Theme: Development co-operation is focused on results that meet developing countries' priorities</p> <p>Indic 1. Extent of use of country results frameworks by co-operation providers</p>	■	
<p>Theme: Civil society operates within an environment that maximises its engagement in and contribution to development</p> <p>Indic 2. Extent to which governments and providers of development co-operation contribute to an enabling environment for CSOs, and extent to which CSOs are implementing development effectiveness principles in their own operations</p>	■	
<p>Theme: Engagement and contribution of the private sector to development</p> <p>Indic 3. Quality of public-private dialogue</p>	■	■ (Open Budget Survey & WWG indices)
<p>Theme: Transparency - information on development co-operation is publicly available</p> <p>Indic 4. Measure of state of implementation of the common standard by co-operation providers</p>		■ (IATI and OECD-DAC)
<p>Theme: Development co-operation is more predictable</p> <p>Indic 5a. annual predictability - proportion of aid disbursed within the fiscal year within which it was scheduled by co-operation providers</p> <p>Indic 5b. medium-term predictability - proportion of aid covered by indicative forward spending plans provided at the country level</p>	■	
<p>Theme: Aid is on budgets which are subject to parliamentary scrutiny</p> <p>Indic 6. % of aid scheduled for disbursement that is recorded in the annual budgets approved by the legislatures of developing countries</p>	■	
<p>Theme: Mutual accountability strengthened through inclusive reviews</p> <p>Indic 7. % of countries that undertake inclusive mutual assessments of progress in implementing agreed commitments</p>	■	
<p>Theme: Gender equality and women's empowerment</p> <p>Indic 8. % of countries with systems that track and make public allocations for gender equality and women's empowerment</p>	■	
<p>Theme: Effective institutions - developing countries' systems are strengthened and used</p> <p>Indic 9a. Quality of developing country PFM systems</p> <p>Indic 9b. Use of developing country PFM and procurement systems</p>	■	■ (CPIA)
<p>Theme: Aid is untied</p> <p>Indic 10. % of aid that is fully untied</p>		■ (OECD-DAC)

Key steps and timeline for the second monitoring round

June - October 2015

Preparation and sensitisation

September - October 2015

Launch of the monitoring exercise

October 2015 - March 2016

Data collection and validation

key deadline: 31 March, submission of validated data to OECD/UNDP

April-May 2016

Data processing and final review

June-September 2016

Data aggregation and analysis, report production and publication

September – December 2016

Dialogue and dissemination (**2nd HLM – Nov 2016**)

Note: country-level specific milestones should be adapted to country contexts.

WHO should engage?



DEVELOPING COUNTRY GOVERNMENTS



National co-ordinator the leading player!

- He/she usually sits in ministry of finance / planning
- With the support of his minister (high level political engagement)
- In relation with relevant government institutions

PROVIDER COUNTRY OFFICES

- In liaison with their **HQs**
- **1 “provider focal point”**, who will:
 - ✓ Act as the main counterpart
 - ✓ Facilitate engagement of other providers
- Some UN focal points/UNDP focal points play this role

OTHER PARTNERS

- **Parliamentarians, CSOs, private sector, trade unions**
- **1 “focal point” for each stakeholder group**, who will:
 - ✓ Act as the main counterpart
 - ✓ Share views from their group



JOINT SUPPORT TEAM

- Team in Paris/NY: coordination and help desk
- [on a case by case basis] UNDP country offices and regional centres



Regional platforms



Reporting data

- For each indicator:
- ✓ Who reports to the national co-ordinator?
- ✓ What type of data (quantitative or qualitative)?

INDICATORS		Gov.	Providers	CSOs	Private sector	Trade Unions	TYPE of DATA
1	Development co-operation is focused on results that meet developing countries' priorities	■	■				QUANTI & QUALI
2	Civil society operates within an environment that maximises its engagement in and contribution to development	■	focal point	focal point			QUALI
3	Engagement and contribution of the private sector to development	■	focal point	focal point	focal point	focal point	QUALI
5a	Development co-operation is more predictable (annual)		■				QUANTI
5b	Development co-operation is more predictable (medium-term)	■					QUALI
6	Aid is on budgets which are subject to parliamentary scrutiny	■	■				QUANTI
7	Mutual accountability strengthened through inclusive reviews	■					QUALI
8	Gender equality and women's empowerment	■					QUALI
9b	Use of developing country PFM and procurement systems		■				QUANTI

And HOW should they engage ?

- The national co-ordinator is in charge of leading and coordinating the process
- All stakeholders should actively engage in the different phases of the monitoring exercise, including: (1) Preparation, (2) Data collection and validation, (3) Data review and final processing, (4) Use and dissemination of findings

Who?	What?
Government (Nat. co-ordinator, engaging relevant ministries/ gov, agencies)	<ul style="list-style-type: none"> - Oversee and coordinate data collection and validation - Provide data for indic. 1, 5b, 6, 7, 8 - Coordinate the assessment for indicators 2 and 3 - Facilitate dialogue around monitoring results
Providers	<ul style="list-style-type: none"> - Provide data for indic. 1, 5a, 6, 9b and contribute to data validation - Participate in the assessment for indicators 2 and 3 (focal point) - Participate in dialogue around the monitoring results
CSOs	<ul style="list-style-type: none"> - Participate in the assessment for indicators 2 and 3 (focal point) - Participate in dialogue around the monitoring results
Private sector	<ul style="list-style-type: none"> - Participate in the assessment for indicators 3 (focal point) - Participate in dialogue around the monitoring results
Trade unions	<ul style="list-style-type: none"> - Participate in the assessment for indicators 3 (focal point) - Participate in dialogue around the monitoring results
Parliamentarians	<ul style="list-style-type: none"> - Participate in dialogue around the monitoring results
Local authorities	<ul style="list-style-type: none"> - Participate in dialogue around the monitoring results

Ownership and results

INDICATOR 1

Extent of use of country-owned results frameworks by providers of development co-operation

Global target for 2015: all providers of development co-operation use country-owned results frameworks in preparing their interventions

- **Objectives of the indicator**
 - ✓ Paris, Accra and Busan called for **relying on partner country results frameworks and M&E systems** in order to “increase the focus on development results that meet developing countries’ priorities”.
- **Underpinning commitments**
 - ✓ **2011** - Busan commitment called for the adoption of transparent, country-led results frameworks as a common tool among all concerned actors to assess performance of development cooperation efforts, using indicators drawn from the country’s development priorities and goals.
 - ✓ Development cooperation providers also agreed to “minimise the use of additional frameworks, refraining from requesting the introduction of performance indicators that were not consistent with countries’ national development strategies”

Country Results Frameworks (CRFs):

A country's approach to results and its associated M&E systems, focusing on performance and achievement of development results.

They include at least agreed objectives, and results indicators (e.g. output, outcome, impact indicators), with targets to measure progress in achieving them.

They are often broadly stated in national development strategies and specified in more detail in government planning documents at the sector level.

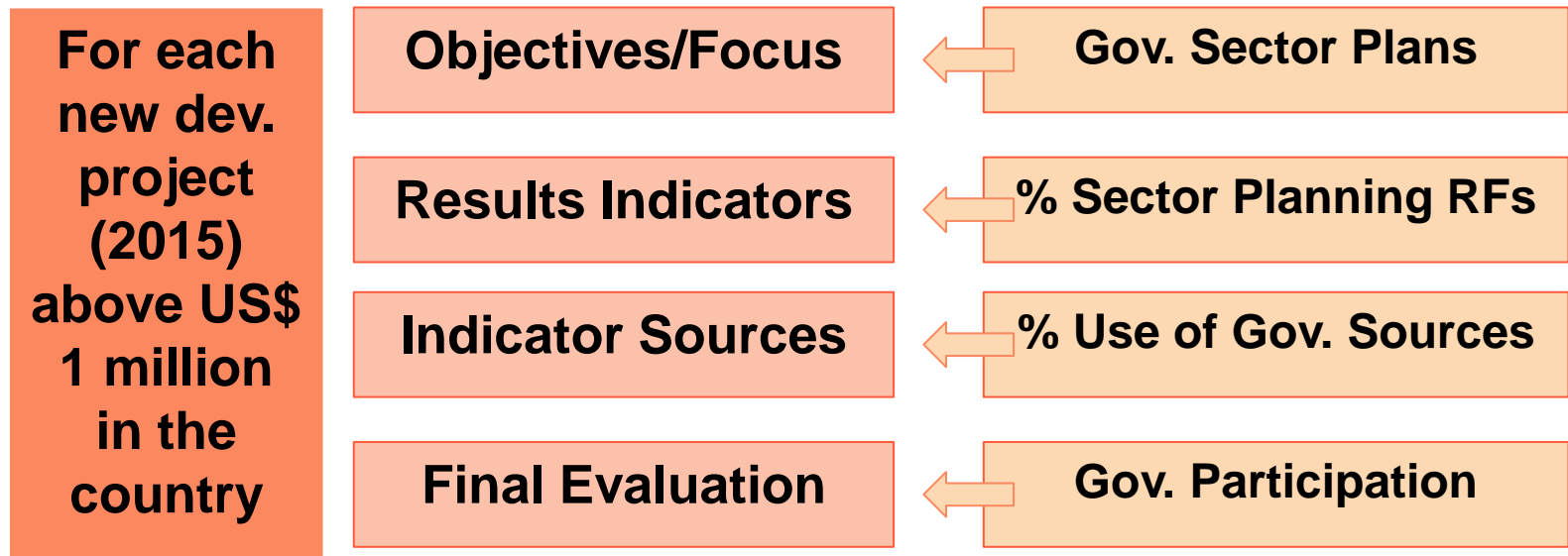
Results indicators:

Measure the effect of the program/project. While results indicators generally encompass output, outcome and impact indicators, this indicator focuses on outcome indicators (and only on output indicators when the project results framework does not include outcome indicators)

INDICATOR 1

Focus on use of Country Results Frameworks (complemented by country context info)

1a. How is “use of CRFs” being measured?



1b. How is the “country context” assessed?

- Brief qualitative self-assessment by the national co-ordinator;
- Complemented by:
 - Evidence from section 1a;
 - A quick mapping of existing planning tools.

- **National coordinators**
 - Identify the list of new projects approved in 2015 in the country which are equal or above US\$ 1 million.
 - Emails a survey link or excel spreadsheet to all relevant providers to report on those specific projects
- **Providers:** Receive the link or excel spreadsheet and provide information on the projects:
 - Descriptive fields (name, sector, amount, etc)
 - Assessment fields:
 - Whether the **project objective/focus** is aligned with [sector] planning tools (+provides link to reference)
 - Percentage of **results indicators** drawn from these planning tools (+provides link to reference)
 - Percentage of results indicators that rely on **sources of data from the government** to track progress
 - Whether the project has a **final evaluation** with government participation

Refer to
guide
Qp1 to
Qp10

- **National coordinators**
 - Using online survey tool: Can access to providers' responses as they are posted (and see the progress made in real time).
 - Using country spreadsheet: Will receive responses when the final excel files are submitted by providers back to national coordinators.
 - Validates and aggregates the data to answer the questions:

Q^{g1}. What is the share of new interventions that draw their objectives/development focus from government-led results frameworks, plans and strategies?

Q^{g2}. What is the share of results indicators included in the interventions' results framework/logical framework that draw on results indicators from existing government-led results frameworks, plans and strategies?

Q^{g3}. What is the share of results indicators that rely on sources of data provided by existing country-led monitoring systems or statistics?

Q^{g4}. What is the share of new interventions that plan a final (ex-post) evaluation supported by the government?

- **In addition to the quantitative scores, national coordinators are invited to provide a brief descriptive assessment of the current degree of development of national planning and M&E systems (1b)**

Q91b. Briefly describe the main characteristics of the country's results framework or alternative similar priority-setting mechanisms that the country uses to set development goals and targets (max. 500 words)

- ***Follow guiding questions (see p. 44 in guide) to develop your response***
- ***Also:***
 - *Use the inputs from the first part of the indicator (1a) to inform your response, if useful;*
 - *Mark existing planning documents described in p. 44.*

Annual and medium-term Predictability

INDICATOR 5

Proportion of development co-operation funding:

5a. disbursed within the fiscal year within which it was scheduled by providers of development co-operation

5b. covered by indicative forward spending plans provided at country level

Global target for 2015:

5a. *Halve the gap – halve the proportion of development co-operation flows to the government sector not reported on government's budget, with at least 85% reported on budget (Baseline year 2010)*

5b. *Halve the gap – Halve the proportion of development co-operation not covered by indicative forward spending plans (baseline 2013)*

- **Objectives of the indicator**

- ✓ Measure the predictability of development co-operation within a reporting year (5a) and at medium term (5b)
- ✓ Contribute to increased ownership over development policies and reforms, by incentivising:
 - more accurate recording of development co-operation funding in national systems,
 - better planning and allocation of resources within and across sectors,
 - better implementation of national development strategies over the medium term,
 - Greater transparency and accountability.

- **Underpinning commitments**

- ✓ **2005 - Paris** commitment to disburse aid in a timely and predictable fashion according to agreed schedules (PD § 26), reaffirmed in **Busan**
- ✓ **2011 - Busan** commitment to provide available, regular, timely rolling three to five-year indicative forward expenditure and/or implementation plans as agreed in **Accra** (Busan § 24a).

INDICATOR 5 How is it measured (1/2)?

INDICATOR 5a. Annual predictability

Note: The methodology does NOT change compared to the first monitoring round (2013-14), and comes from the Paris Declaration Survey

Required data:

The national coordinator collects data from its providers.

Providers receive the link or excel spreadsheet and provide the following information:

(For each provider of development co-operation)

- **Q^P11.** How much development co-operation funding did you disburse at country-level in the reporting year of reference? USD _____
- **Q^P12.** How much of this was for the government sector in the reporting year of reference? USD _____
- **Q^P13.** How much development co-operation funding for the government sector did you schedule for disbursement at country-level in the reporting year of reference? USD _____
- **Q^P14.** For reference purposes only, how much development co-operation funding for the government sector did you disburse through other providers (funds which are not captured in your responses to Q^P11 – Q^P13 above) at the country level in the reporting year of reference? USD _____

Measurement:

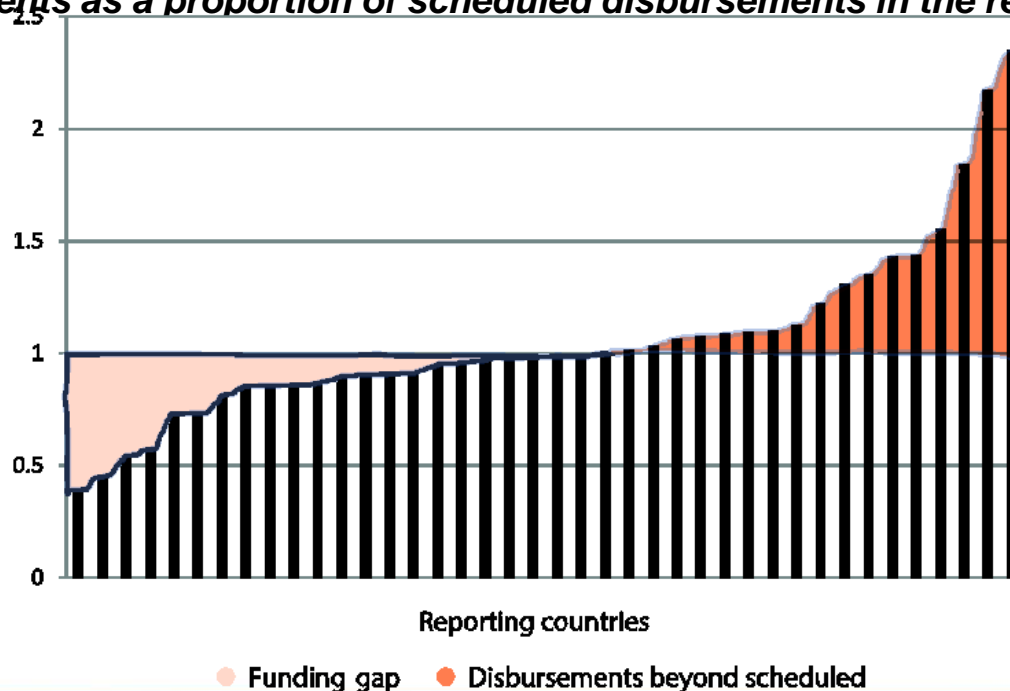
$$\text{Indicator 5a (\%)} = 100 \times \frac{Q^{P12}}{Q^{P13}}$$

INDICATOR 5 Highlights from the 2013-14 monitoring round (1/2)

INDICATOR 5a. Annual Predictability

- In 2013, **84%** of scheduled development co-operation funding for the government sector was spent according to schedule. This represents a positive trend compared with 2010 (79%), but further progress is still needed to reach the target of 90%.
- Aggregate results hide important variations across countries: results for individual countries show discrepancies in both directions, with funding gaps and compared to what was originally scheduled, or disbursements over schedule

Actual disbursements as a proportion of scheduled disbursements in the reporting countries



INDICATOR 5 How is it measured (2/2)?

INDICATOR 5b. Medium-term predictability

Note: The methodology does NOT change compared to the first monitoring round (2013-14)

Required data:

The national coordinator reports on the following questions:

Has the provider of development co-operation made available a comprehensive forward expenditure and/or implementation plan setting out expected development co-operation flows in...

Q⁵. Fiscal year ending 2016? (Yes/No) _____

Q⁶. Fiscal year ending 2017? (Yes/No) _____

Q⁷. Fiscal year ending 2018? (Yes/No) _____

[For all questions if “Yes”, report 1; if “No” report 0]

To qualify as a yes, the Forward expenditure plan needs to meet 3 criteria

- (1) made available by the provider in written or electronic form
- (2) set out indicative information on future spending and/or implementation activities in the country,
- (3) present amounts by year (or in greater detail, e.g. by quarter or month) using the developing country's fiscal year.

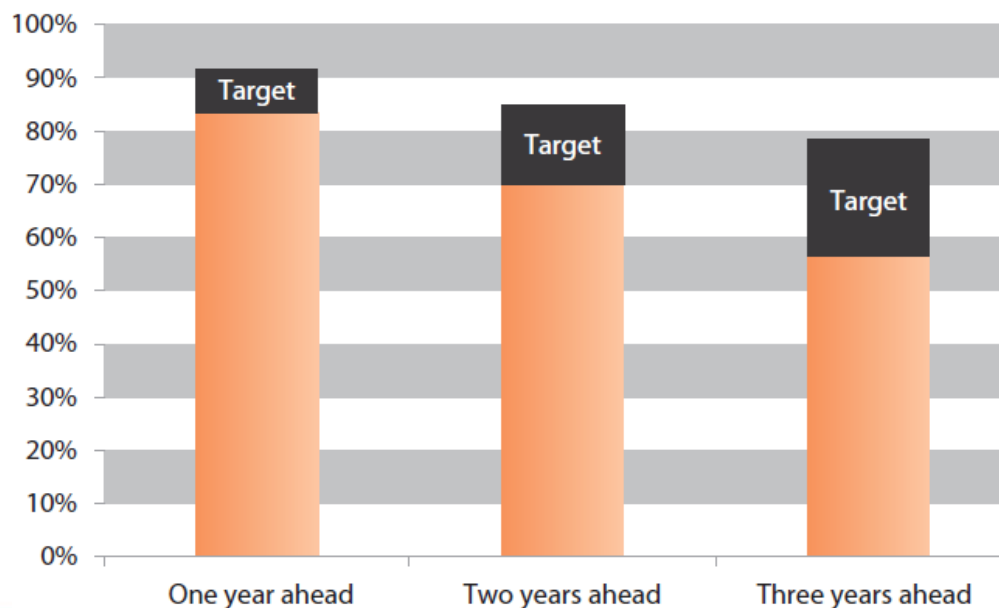
Measurement: For country C for 1, 2 and 3 years ahead ($y= 1, 2, 3$) $C_y =$ average of Qg5, Qg6 and Qg7 respectively across providers, weighted by the volume of the providers' development cooperation disbursed in the reference year used for Qp11.

INDICATOR 5 Highlights from the 2013-14 monitoring round (2/2)

INDICATOR 5b. Medium Term Predictability

- In 2013, the availability of forward information decreased over the planning horizon: on average, **83%** of estimated total funding were covered by forward-spending plans for the fiscal year ending in 2014, decreasing to **70%** for 2015 and to only **57%** for 2016
- To achieve the 2015 target of halving the proportion of funding not covered by indicative forward-spending plans, providers need to collectively ensure that by 2015 forward expenditure plans cover 92% of estimated funding for 2016, 85% for 2017 and 79% for 2018.

Estimated proportion of total funding covered by forward expenditure plans



Aid on Budget

INDICATOR 6

Percentage of development co-operation funding scheduled for disbursement that is recorded in the annual budgets approved by the legislatures of developing countries

Global target for 2015: Halve the gap – halve the proportion of development co-operation flows to the government sector not reported on government's budget, with at least 85% reported on budget (Baseline year 2010)



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Annual budget: It is the annual budget as it was originally approved by the legislature.

In order to support discipline and credibility of the budget preparation process, subsequent revisions to the original annual budget – even when approved by the legislature – should NOT be recorded under this indicator. Because:

- it is the credibility of the original approved budget that is important to measure
- Revisions to the annual budget in many cases are retroactive

Development cooperation funding: For the purpose of this indicator, these funds focus on disbursements for the government sector (i.e. disbursed in the context of an agreement with administrations (ministries, departments, agencies, municipalities) authorised to receive revenue or undertake expenditures on behalf of central government.

Includes: works, goods or services delegated to subcontracted entities (e.g. NGOs, semi-autonomous government agencies, private companies)

- **Objectives of the indicator**

- ✓ Measure budget comprehensiveness: Capture the extent to which budgets cover aid resources expected at the time of the budget formulation process
- ✓ Incentivise better ownership, alignment and accountability, by
 - a better knowledge of aid flows;
 - better alignment with priorities as outlined in the budget participation,
 - more accurate and comprehensive budget reports,
 - greater transparency in reporting by providers,
 - the possibility for parliaments to examine aid modalities, activities and achievements

- **Underpinning commitments**

- ✓ **2008 - Accra** commitment to facilitate parliamentary oversight by implementing greater transparency in PFM, including public disclosure of budgets (AAA § 24).
- ✓ **2011 - Busan** commitment to strengthen the role of parliaments in the oversight of development processes (§ 21a).

INDICATOR 6 How is it measured?

Note: The methodology does NOT change compared to the first monitoring round (2013-14), and comes from the Paris Declaration Survey

Required data:

The national coordinator reports on the following question:

(For each provider of development co-operation)

- ✓ **Q^{g8}**. How much estimated development co-operation funding was recorded in the annual budget of the reporting year of reference as grants, revenue or loans (concessional and non-concessional)? USD _____

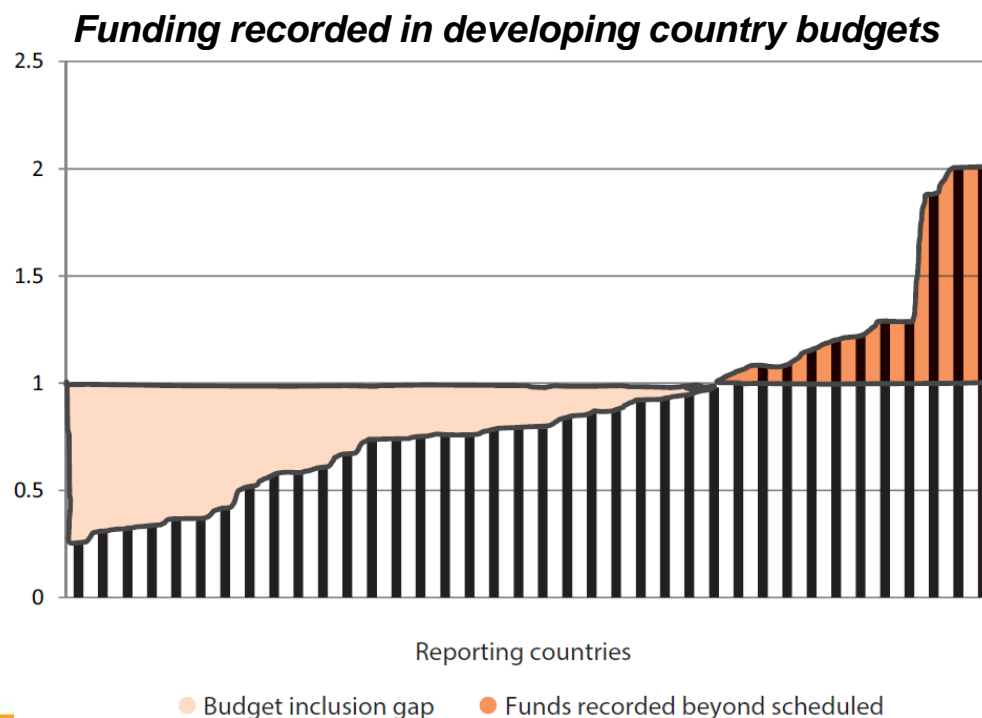
Measurement:

$$\text{Indicator 6 (\%)} = 100 \times \frac{Q^{g8}}{Q^{p13}}$$

Note: Q_{p13} (= Dvp coop funding scheduled for disbursement in year n by coop providers) is used to calculate indicator 5a

INDICATOR 6 Highlights from the 2013-14 monitoring round

- 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 compared with 2010 (57%), but remains far from the target of 85%.
- Aggregate results hide important variations across countries: results for individual countries show discrepancies in both directions, with national budgets both under-estimating and over-estimating development cooperation funds



Use and strengthening of country systems

INDICATOR 9

9b. Use of developing country PFM and procurement systems

Global target for 2015:

- (1) reduce the gap by 2/3 when the quality of PFM system (9a) is equal or above 5,*
- (2) reduce the gap by 1/3 when the quality of PFM systems (9a) is in between 3.5 and 4.5 (baseline 2010)*

Indicator 9 breaks down into 2 dimensions:

✓ **9a: Quality of developing country PFM and procurement systems**

Based on the World Bank's Country Policy and Institutional Assessment (CPIA), which offers a measure of the quality of a developing country's budget and financial system.

The UNDP-OECD Joint Support Team will use existing data from one of the CPIA's criterion (i.e. indicator 13) to assess Indicator 9a.

✓ **9b: Use of developing country PFM and procurement systems**

The monitoring of this indicator will happen at the country level, under the leadership of the national co-ordinator. The 2015 global target for indicator 9b varies according to 9a

→ **This session focuses on 9b.**

National systems for the management of funds: systems established in the general legislation (and related regulations) of the country and implemented in the line management functions of the government.

Use of PFM and procurement systems:

No particular development cooperation modalities automatically qualify as using country PFM and procurement systems.

Most modalities including project support can be designed to use country PFM and procurement systems.

Indicator 9b is built around a set of criteria to help determine when providers are – or are not – using country PFM and procurement systems.

INDICATOR 9b Background

- **Objectives of the indicator**

- ✓ Measure provider's use of developing countries' PFM and procurement systems
- ✓ Incentivise
 - (1) strengthening of developing countries' systems (by using the country's own institutions and systems, providers will contribute to strengthen these institutions and systems and transaction costs will be reduced);
 - (2) increased accountability of countries vis-à-vis their citizens and parliamentarians regarding the use of development cooperation funding.

- **Underpinning commitments**

- ✓ **2011 - Busan** commitment to use country systems as the default approach for development co-operation in support of activities managed by the public sector (§ 19a). – reaffirming commitments from **Paris** (§ 21,26) and **Accra** (§ 15).

INDICATOR 9b

How is it measured?

Note: The methodology does NOT change compared to the first monitoring round (2013-14) and comes from the Paris Declaration Survey

Required data

The national coordinator collects the following data from its providers.

Providers receive the link or excel spreadsheet and provide the following information:

(For each provider of development co-operation)

In the reporting year of reference, how much development co-operation funding disbursed for the government sector used...

- ✓ **Q^P15.** ...national budget execution procedures (USD)?
- ✓ **Q^P16.** ...national financial reporting procedures (USD)?
- ✓ **Q^P17.** ...national auditing procedures (USD)?
- ✓ **Q^P18.** ...national procurement systems (USD)?

A set of criteria can help providers determine whether they are (or not) using PFM and procurement systems (detailed in Guide)

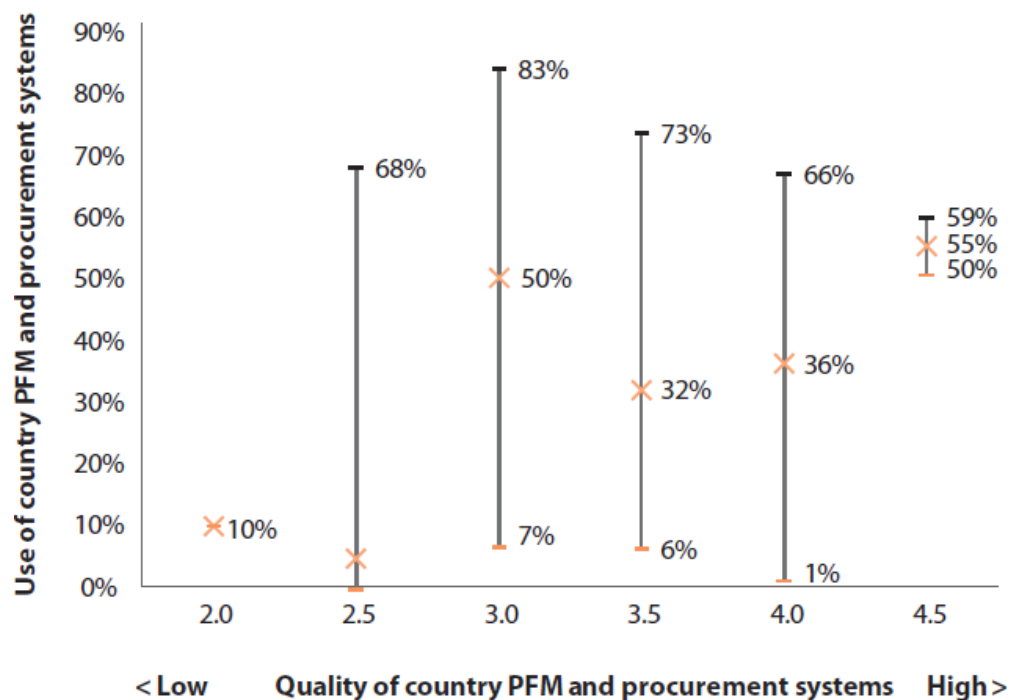
Measurement:

$$\text{Indicator 9b (\%)} = 100 \times \frac{\frac{1}{4}(\text{Q}^{\text{P}}15 + \text{Q}^{\text{P}}16 + \text{Q}^{\text{P}}17 + \text{Q}^{\text{P}}18)}{\text{Qp12}}$$

Note: Qp12 (=total funds disbursed for the government sector) is used to calculate indicator 5a

INDICATOR 9b Highlights from the 2013-14 monitoring round

- In 2013, across all reporting countries, **49%** of disbursement for the government sector used PFM and procurement systems (the most used component being budget execution)
- This aggregated data shows no change for the 38 countries that participated both in the 2010 Paris Survey and in the 2014 monitoring, and it is still below the 57% target



- Note: it was difficult to draw general conclusions on the correlation between the relationship between quality (9a) of PFM and procurement systems and their use (9b) by providers

┌ Maximum use of country PFM and procurement systems
 │
 X Median use of country PFM and procurement systems
 └ Minimum use of country PFM and procurement systems

Thank you

তোমাকে ধন্যবাদ

ありがとう

Gracias

Dankjewel

Asante

Merci

Hvala

مننه

Obrigado

شكرا

Salamat



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