Global Partnership for Effective Development Co-operation

Enhancing Effectiveness to Accelerate Sustainable Development

A Global Compendium of Good Practices

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Acronyms and Abbreviations

AAAA	Addis Ababa Action Agenda
ACU	Aid Coordination Unit
AGWP	Annual Government Work Plan
AIMS	Aid Information Management Systems
AMEXCID	Mexican Agency for International Cooperation and Development
ANPDF	Afghanistan National Peace and Development Framework
BSDC	Business and Sustainable Development Commission
CDC	Council for the Development of Cambodia
CDDE	Capacity Development for Development Effectiveness
CPDE	CSO Partnership for Effective Development
CRDB	Cambodian Rehabilitation and Development Board
CRS	Creditor Reporting System
CSR	Corporate social responsibility
DAC	Development Assistance Committee
DAD	Development Assistance Database
DCPS	Development Cooperation and Partnerships Strategy
DCU	Donor Coordination Unit
DFA	Development Finance Assessment
DIE	German Agency for International Development
DMS	Debt Management Systems
DPG	Development Partner Group
EC	European Commission
EDPRS	Economic Development and Poverty Reduction Strategy
e-ProMIS	Project Monitoring Information Management System
EU	European Union
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GPEDC	Global Partnership for Effective Development Co-operation
GPIs	Global Partnership Initiatives
IATI	International Aid Transparency Initiative
IFMIS	Integrated Financial Management Information Systems
IIED	International Institute for Environment and Development
IISD	International Institute for Sustainable Development
INDIES	Institute for National and Democracy Studies
INGOs	International non-governmental organisations
KDCSP	Kenya Development Co-operation Strategic Plan
KERP	Kenya External Resources Policy
KRA	Kenya Revenue Authority
LDPG	Local Development Partners Group
MDG	Millennium Development Goal
MoPIED	Ministry of Planning, Investment and Economic Development
MTP3	Third Medium-Term Plan
NDPC	National Development Planning Commission
NDP	National Development Plan
NPF	National Partnership Forum
NSDP	National Strategic Development Plan
NST	National Strategy for Transformation
ODA	Official Development Assistance
ODI	Overseas Development Institute

OECD	Organisation for Economic Cooperation and Development
OECD NetFWD	OECD Global Network of Foundations working for Development
OOF	Other Official Flows
PBB	Programme-Based Budgeting
PFM	Public Financial Management
PFMIS	Public Financial Management Information Systems
PM4DEV	Project Management for Development Organizations
PPPs	Public-Private Partnerships
PPD	Public-Private Dialogue
PWC	Price Waterhouse Cooper
SDG	Sustainable Development Goal
SIIFF	Solomon Islands Integrated Finance Framework
SMEs	Small and Medium-sized Enterprises
SSC	South-South Co-operation
SWGs	Sector Working Groups
TCGs	Thematic Coordination Groups
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNSDCF	United Nations Sustainable Development Cooperation Frameworks
USAID	United States Agency for International Development
VNR	Voluntary National Review
WBCSD	World Business Council for Sustainable Development
WIR	World Investment Report

Introduction

Development challenges are increasingly pressing, complex and interrelated. The 2030 Agenda for Sustainable Development responds to this, calling for a whole-of-society approach to development that builds on the collective actions of all stakeholders to deliver long-lasting solutions for people and planet, while leaving no one behind. Recognising the vital role of partnerships in attaining the Sustainable Development Goals (SDGs), Goal 17 calls for the strengthening of the means of implementation and revitalising the global partnership for sustainable development (UN, 2015a).

In this vein, it is necessary to not only mobilise new partners and new sources of finance, but to ensure that all development resources are used as effectively as possible. This is highlighted in the Addis Ababa Action Agenda (AAAA), which calls for continued efforts to improve the quality, effectiveness and impact of development co-operation[1], and recognises the important role of the Global Partnership for Effective Development Co-operation in these efforts (UN, 2015b).

The Global Partnership was established following the adoption of the Busan Partnership Agreement, with the aim of advancing the effectiveness of development efforts by all actors. The Agreement was endorsed in 2011 by 161 governments, as well as heads of multilateral and bilateral institutions, representatives of civil society, the private sector, parliamentarians and other stakeholders committed to strengthening the effectiveness of their development efforts (OECD, 2011a). Building on the aid effectiveness commitments made in Rome (2003), Paris (2005) and Accra (2008), Busan marked a fundamental shift in the effectiveness agenda, moving beyond a focus on traditional aid to a focus on development co-operation, which recognises the increasingly important roles of diverse development actors including civil society, the private sector, philanthropy and parliaments, among others (OECD, 2011a).

The work of the Global Partnership is grounded in the four internationally agreed principles of effective development co-operation: ownership of development priorities by partner countries; a focus on results; inclusive development partnerships; and transparency and mutual accountability to one another. Global Partnership stakeholders reconfirmed the importance of these principles to drive development and accelerate achievement of results in Mexico (2014) and Nairobi (2016).

About the Compendium of Good Practices

The Global Partnership's 2017-2018 Work Programme operationalises the commitments made at its Second High-Level Meeting (HLM2) in December 2016. In this Work Programme, among other crucial priorities, the Global Partnership placed renewed focus on providing support to partner countries in mainstreaming the effectiveness principles into their development co-operation practices (GPEDC, 2016a). In this context, the aim of this Compendium of Good Practices is to provide guidance to partner country governments, as well as other development actors working at the country level, on good practices for implementing effectiveness commitments and overcoming setbacks, drawing on experienced-based evidence provided by the Global Partnership community.

The Compendium outlines common effectiveness challenges and proposes possible solutions based on practical experience of what has worked (figure 2 below). Experience shows that context-specific challenges require context-specific solutions. The Compendium, therefore, should not be considered

[1] In this document, development co-operation refers to international actions and activities that: support national or international development priorities; are not driven by profit; discriminate in favour of developing countries; and are based on principles of country-ownership. Modalities used can be financial and non-financial, e.g. capacity building, technology transfer, multi-stakeholder partnerships (Alonso and Glennie, 2015) (Mawdsley, Savage and Kim, 2014).

prescriptive, but rather a source of ideas and inspiration for partner countries seeking to strengthen the effectiveness of their development co-operation. The Compendium is written primarily for partner country government officials, as it is these governments that have the unique responsibility to lead whole-of-society development efforts. However, development partners and other development actors have vital contributions to make, and the Compendium aims to be a valuable resource for these stakeholders as well.

Identifying challenges and solutions

Nine pilot projects on Enhancing Effectiveness at Country Level were supported under the Global Partnership's work programme and provide a significant source of information for this Compendium. The focus and design of the pilots varied from country to country, depending on effectiveness needs, but the overall aim of the pilots was to build and strengthen the mechanisms and processes underpinning effectiveness, and also to understand the types of actions that work, document best practices, collect and analyse evidence and develop positive and useful stories around effectiveness efforts.

Figure 1. Pilot Countries[2]

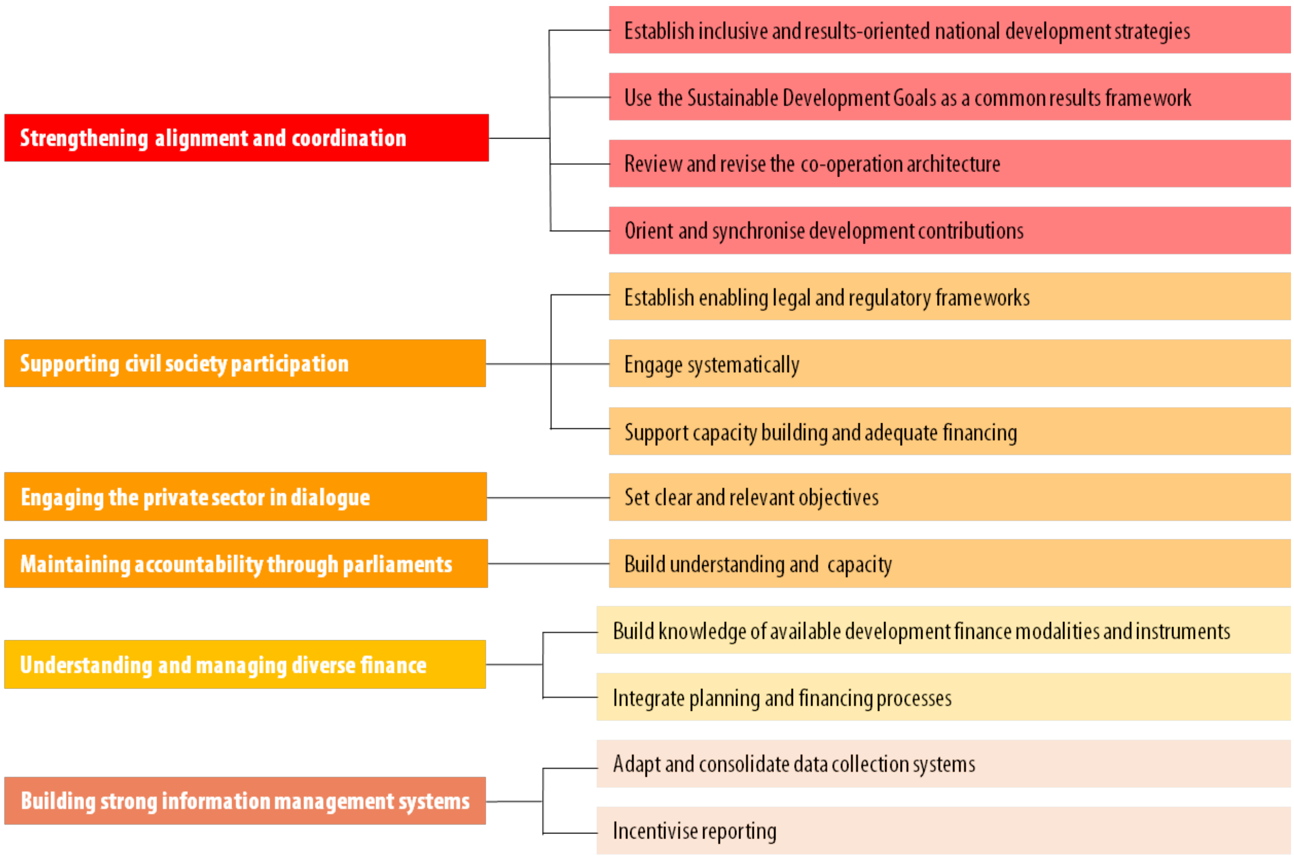
The challenges addressed in the Compendium are those commonly experienced across partner countries. These challenges were identified during a launch workshop for the pilots in February 2018 in Addis Ababa. Challenges were also drawn from the results of the Global Partnership's 2016 monitoring round and a global needs assessment exercise administered under the Global Partnership's Knowledge Sharing workstream.

In addition to the outcomes of the country pilots, this Compendium draws on material gathered through a global call for evidence, which invited Global Partnership stakeholders, including national

[2] The designations employed and the presentation of material on this map do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations or UNDP concerning the legal status of any country, territory, city or area or its authorities, or concerning the delimitation of its frontiers or boundaries.

and local governments, development partners, civil society, the private sector, Global Partnership Initiatives (GPIs), think tanks and academia to submit research, case studies and country stories for inclusion in the Compendium. It should be noted that the Compendium is not exhaustive. While it aims to cover a range of effectiveness issues, it focuses on areas in which there is well-recognised good practice.

Figure 2. Challenge Areas



Box 1. Key Terms

Partner country refers to countries or territories that receive development co-operation.

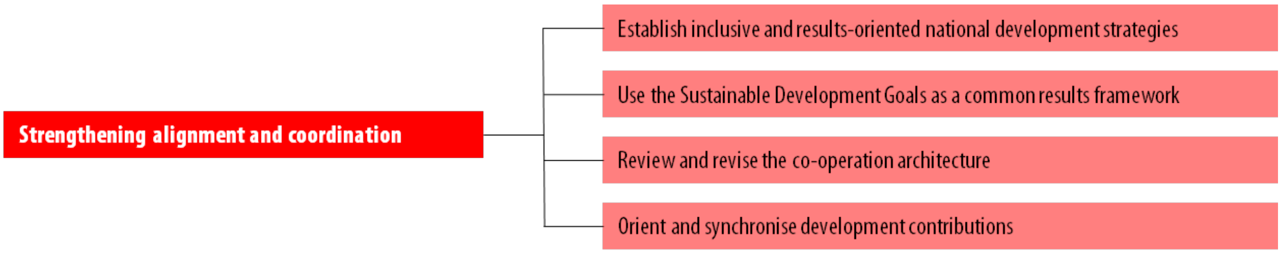
Development partner refers to providers of development co-operation, including traditional, e.g. Development Assistance Committee (DAC) and multilateral development banks, and non-traditional partners, e.g. the private sector and southern partners.

Development actor refers to the full range of development stakeholders. This includes, for example, civil society and development partners as defined above as well as non-traditional development partners, e.g. the private sector and philanthropic organisations.

1 Planning for Effective Development

Achieving the 2030 Agenda for Sustainable Development and its 17 SDGs will require the collective effort of the whole of society. However, it is not enough for development stakeholders to independently pursue development objectives. The active participation of country-level actors can be strengthened when undertaken within a strong development co-operation architecture that sets the stage for successful joint action.

Figure 3. Chapter 1 outline



Challenge: Strengthening alignment and coordination

Global efforts to strengthen the effectiveness of development co-operation aim to ensure that all available resources are used in a way that maximises their impact. Fundamental to these efforts is ensuring that development co-operation is aligned to national development priorities and that development planning and implementation are well coordinated at country level.

Building on commitments made during the First High Level Forum on Harmonization in Rome in 2003, the Paris Declaration on Aid Effectiveness (2005) calls for development partners to let their support be guided by countries' own development strategies and to use countries' own institutions and procedures to deliver co-operation (OECD, 2005). This is an essential element of country ownership, ensuring that development partners' efforts respond to individual country needs, as well as building the capacity of country systems to ensure the sustainability of results. In the subsequent Busan Partnership Agreement (2011) and the Nairobi Outcome Document (2016), this commitment to alignment has remained steadfast (OECD, 2011a) (GPEDC, 2016b).

Alignment to partner country development priorities is best coupled with strong country-level coordination. Coordination among partners reduces the fragmentation of co-operation, diminishing the duplication of efforts and facilitating collective action on priority areas to accelerate achievement of results. Further, good coordination reduces transaction costs for partner country governments and development partners by eliminating parallel systems and processes (Bigsten and Tengstam, 2015).

Development partner reluctance to fully align to partner country priorities or to participate in coordination mechanisms can be caused by both internal and external factors. External factors may relate to the governance of partner countries, with development partners seeking to maintain tighter control over development co-operation resources in situations where there is less trust in the ability of partner country governments to adequately plan and allocate resources (Bourguignon and Platteau, 2015). However, results of the Global Partnership's 2018 monitoring round suggest that quality of a partner country's systems – including development planning, monitoring and evaluation, and public financial management (PFM) systems – are often not indicative of development partners' use of these systems (OECD/UNDP, 2019). As such, external factors for non-alignment may be connected to political issues.

Internal factors that contribute to challenges in this area may relate to politics and public perception. Particularly in the case of bilateral development partners, there may be a domestic push to provide co-operation to particular areas or in a particular way. Further, coordination with the partner country governments or other development partners may be perceived as causing a loss of independence or ability to hold strong negotiating positions (Bourguignon and Platteau, 2015).

In this vein, prioritising and implementing development activities can be a challenge for partner country governments because of the different interests of the various groups involved, and the related competition for resources and influence. Unfortunately, frequently, those most in need have the least voice in policy and programming decisions (OECD, 2008a). Policy making processes need to achieve a fair balance between different interests to deliver policies for sustainable development impact.

In the evolving development co-operation landscape, alignment and coordination remain vital. Each country faces a unique set of challenges, requiring context-specific support guided by partner country governments themselves. And, as an increasingly diverse set of stakeholders are engaged in development processes, putting in place strong, flexible and inclusive coordination systems becomes ever more important.

It should be noted that this section focusses on the actions that can be taken by partner country governments to strengthen alignment and coordination with and among development partners. It does not specifically discuss the ways in which partner country governments can strengthen internal coordination, which is an equally important aspect of effective development.

Solution: Establish inclusive and results-oriented national development strategies

National development strategies that clearly state development priorities and that are owned by the whole of society facilitate alignment and coordination.

The effectiveness principle of country ownership sets forth that development can only succeed if led by partner countries, following approaches that are tailored to country-specific situations and needs. In this vein, the Busan Partnership Agreement calls for partner countries to exercise leadership in establishing and implementing development strategies (OECD, 2011a). The Nairobi Outcome Document goes further, calling for partner country governments to "develop or strengthen effective, inclusive, nationally owned development strategies to implement the 2030 Agenda" (GPEDC, 2016b).The necessity of this effectiveness principle is also highlighted in the 2030 Agenda, which stresses the "importance of strengthened national ownership and leadership at the country level" (UN, 2015a).

National development plans help countries show their priorities for achieving the SDGs, and many are the result of various types of national consensus processes. Typically, plans are for five years or more, and national committees and governmental authorities play key roles in their development (Chimohowu, Hulme, and Munro, 2019). The call for strong and inclusive development strategies is based on the acknowledgement that sound development planning is a prerequisite to achieving development results. National development strategies highlight and prioritise development objectives and serve as a rallying point for development partners, and their establishment is an important part of the process when negotiating national needs. The importance of development planning is showcased in the increasing number of countries with a national development strategy between 2006 and 2018, which doubled from 62 to 134 (Chimhowu, Hulme and Munro, 2019).

This focus on development planning is reconfirmed by the results of the Global Partnership's 2018 Monitoring Round, in which 94 percent of participating partner countries reported that they have a national development strategy in place. Results also show that partner countries continue to make progress in improving the overall quality of their national planning documents (OECD/UNDP, 2019).

Two vital elements of quality national development strategies are: inclusiveness and results orientation. While partner country governments have a unique role in leading development efforts, the effectiveness principle of country ownership extends beyond the national government. As such, good practice in establishing or strengthening national development strategies is to engage the full range of national development actors – including civil society, private sector, parliamentarians and local governments – in defining national priorities (CGD, 2017). Doing so leads to better development plans, while enhancing legitimacy and strengthening accountability and providing a commonality of purpose and a space for 'willing' development actors to engage (European Commission, 2017).

Effective engagement with national stakeholders goes beyond simple consultation and information sharing. It involves organising systematic opportunities to participate in planning dialogue, communicating about these opportunities broadly and well in advance, and addressing issues that may hinder inclusive participation, e.g. language, access to information and weak or missing representative institutions (UNDP Global Centre for Public Service Excellence, 2016)

Results-orientation in national development strategies is essential to ensure plans lead to lasting impact. The Paris Declaration defined focus on results as a principle of effective development co-operation; a principle which has been carried through in the Busan Partnership Agreement and the Nairobi Outcome Document.

In development planning, this principle is put into practice through the establishment of country results frameworks. A country results framework lays out the pathway of key deliverables leading to the achievement of the objectives set out in the national development strategy. It's also the basis upon which monitoring and evaluation systems will track progress. These frameworks include agreed objectives and set the milestones, targets and results indicators -- at output, outcome and impact levels – to be met on the way to achieving them (GPEDC, 2018a).

Country results frameworks serve to focus development efforts on priority areas and ensure that success is defined by results achieved, rather than activities undertaken. Further, these frameworks bolster accountability among development practitioners and provide a basis for evidence-based dialogue on successes and challenges experienced in implementing development plans (World Bank, 2011).

Box 2. Development Planning in Malawi

Malawi's long-term development strategy, Malawi Vision 2020, sets forth a multi-sectoral approach to development. To implement this vision, the Government has adopted a series of medium-term strategies. The third Malawi Growth and Development Strategy (MGDSIII), and also the final medium-term development strategy under the Malawi Vision 2020, was adopted in January 2017 and covers the period from 2017 to 2020 (GPEDC, 2018).

The Government of Malawi adopted the strategy following a year-long multi-stakeholder consultation process which was recommended in the government's final report and review of the preceding Growth and Development Strategy (MGDSII). The review further noted that MGDSII's incomplete implementation was in part due to setting too many priorities (Government of Malawi, 2017).

A technical team situated in the Ministry of Finance, Economic Planning and Development (MoFEPD) led the consultations process, which engaged national government ministries, departments and agencies, local governments, elected officials, development partners, CSOs, the private sector, academia and other eminent stakeholders. These consultations helped to define priorities for the strategy, including unfinished business from the past, as well as emerging issues, i.e. climate and the environment. Broad participation and inclusion of non-governmental stakeholders also extends into MGDSIII implementation through the establishment of Sector Working Groups (SWGs) that bring together public and private sector representatives as well as civil society and development partners (Government of Malawi, 2017).

The Global Partnership 2018 Monitoring Round rated the MGDSIII as a high-quality national development strategy due to its strong focus on defining and monitoring results as well as using results information to inform dialogues with national stakeholders and development partners. A results framework defines outcomes and includes performance indicators under each of the five key priority areas of the MGDS III. Importantly, the results framework is linked to the SDGs on the goal and indicator level and assigns responsibilities to track progress against biannual targets. Furthermore, MGDS III contains detailed yearly costing estimates and relies on an annual planning, budgeting and monitoring cycle that is aligned to the national budget cycle. Finally, MoFEPD has committed to compiling and making publicly available annual review reports (OECD/UNDP, 2019).

Solution: Use the Sustainable Development Goals as a common results framework

Alignment to national development priorities and coordination of development efforts can be strengthened through the use of the SDGs as the basis for common results framework.

The SDGs, universally adopted by all United Nations (UN) Members States in 2015, set out a results framework that includes goals, targets and indicators. Both partner country governments and development partners can draw on the SDGs as a shared development language, helping to ensure that the efforts of all stakeholders are geared towards common aspirations.

Further, use of SDG targets and indicators reduces costs. Fewer resources are required to establish country results frameworks (on the part of partner countries) or country strategies/country partnership frameworks (on the part of development partners). On both sides, fewer resources are required for monitoring and evaluation, as no reconciliation between different sets of targets and indicators is needed (OECD, 2018a). Rather, partner country governments can choose to prioritise the most relevant SDG targets and indicators for their specific country context and incorporate them into national development planning documents. Fewer resources are also required for monitoring and evaluation, as the same set of targets and indicators, and a single data gathering process, will serve national and global reporting processes (OECD, 2018a).

Putting this into practice, partner country governments can choose the most relevant SDG targets and indicators based on their specific development priorities and then embed these into national development planning documents, either as originally presented or adjusted to better respond to country context. In identifying the most relevant SDG targets and indicators, and it may also be useful to prioritise indicators for which data for tracking is readily accessible.

Box 3. Embedding the 2030 Agenda in Afghanistan

Afghanistan is leading efforts to ensure development is effective, including through the integration of the SDGs into national planning and budgeting processes. In its 2017 Voluntary National Review (VNR), the Government of Afghanistan specifically highlights the need to track progress through rigorous data collection and monitoring and evaluation – something that was challenging during Millennium Development Goal (MDG) implementation – as a way to accelerate achievement of sustainable development.

Recognising that the success of SDG implementation is contingent on whole-of-society buy-in and implementation effort, the localisation process began with broad national awareness-raising that took place in 2015 and 2016. This included a series of workshops and seminars that engaged various national government ministries and representatives of development partners, civil society, the private sector, parliaments, local governments and academia. Specific effort was made to engage vulnerable populations in these sensitisation activities, including through the organisation of two youth symposia.

This engagement was followed by technical work and a series of equally inclusive consultations, which prioritised and shaped the 169 SDG targets and 230 SDG indicators into 125 national targets and 190 national indicators that respond the country's specific context and needs. With the Afghanistan SDGs (A-SDGs) set, work was undertaken to integrate these targets and indictors with the Afghanistan National Peace and Development Framework (ANPDF), the country's five-year national development strategy that was adopted in 2016. The 17 SDGs and the related national targets and indicators were divided among the 10 national priority programmes outlined in the ANPDF.

To further bolster implementation and monitoring of the A-SDGs, the Government established an Executive Committee, co-chaired by the Ministry of Economy and the Office of the Chief Executive and the United Nations Development Programme (UNDP) to support the coordination of efforts, oversee the measurement of progress and provide recommendations on ways to further strengthen implementation. This Committee is complemented by various other committees and working groups at both the technical and political levels.

Source: *SDGs' Progress Report Afghanistan*

Solution: Review and revise the co-operation architecture

Development co-operation architecture must continually adapt to changing country context and needs.

A partner country's co-operation architecture is made up of a series of laws, policies, oversight bodies and institutional mechanisms that support the effective management of development co-operation. While each country's co-operation architecture is unique, common elements include: a national development co-operation policy that outlines the country's vision and objectives for development co-operation; a mutual accountability framework to set and track progress against country-level development co-operation targets, often included as part of a national development co-operation policy; and a series of coordination mechanisms that bring together partner country governments, development partners and other stakeholders – at national, sectoral and sub-national levels – to discuss how to best work together to achieve national development objectives. Many countries take a tiered coordination approach, establishing mechanisms to bring together stakeholders at both the political and technical levels and an information management system to track development co-operation resources. These different elements work together to drive dialogue and decision-making on development.

These fundamental elements of a country's co-operation architecture have been a mainstay of effectiveness efforts. And while the value of each of these elements has not diminished, a common challenge has been to ensure that they are implemented in a way that guarantees they remain relevant and useful amid a country's changing context and development co-operation relationships. This includes ensuring they are designed in a way that fosters the participation of all development actors. Further, new modalities and sources of finance continue to emerge, requiring expert oversight. As a result, often there is no longer a single aid coordination unit responsible for overseeing all development partners, rather responsibility for different types of development resources is spread across various government institutions (OECD/UNDP, 2019). This requires adjusting co-operation architecture to ensure these new players have oversight over relevant resources and are able coordinate among themselves to allocate resources smartly.

Box 4. Planning for effectiveness in El Salvador

The Government of El Salvador, led by the Ministry Foreign of Affairs, through the Vice Ministry of Development Cooperation, took steps to mainstream the principles of effective development co-operation in the design and implementation of development plans. Specifically, the Government, working with diverse development actors, defined effectiveness commitments in the document Commitments for a National Agenda for Aid Effectiveness (Compromisos para una Agenda Nacional de Eficacia de la Ayuda) and took part in the Paris Declaration monitoring survey to set baselines for effectiveness.

The Government then drafted its National Agenda for Development Cooperation Effectiveness (Agenda Nacional de Eficacia de la Cooperación para el Desarrollo) and a National Plan for the Effectiveness of Cooperation (Plan Nacional Para la Eficacia de la Cooperación).

To further take these commitments forward, the Government took measures to strengthen coordination with its development partners. Since 2010, the Tripartite Commission has provided a space for dialogue between the Government and civil society on sectoral and programmatic development issues. In April 2015, it established the Global Dialogue Table which provides a space for dialogue on strategic political issues related to development.

To update its effectiveness priorities, the Government drew on the results of past efforts to monitor the effectiveness of co-operation, including through the Global Partnership exercise, and through a series of multi-stakeholder consultations which were supported through the Global Partnership country pilot in the country.

Identified effectiveness challenges included limited alignment of development partner interventions to national priorities; limited transparency of development co-operation information, including forward-looking information; limited inclusiveness of development dialogue; and limited links between dialogue and, and that more regular policy making. The results have informed the updating of priorities included in the new National Plan for the Effectiveness of Cooperation, as well as information targets and indicators to measure under this document.

Of particular note is the pilot examination of development co-operation at the sub-national level. South-South Co-operation (SSC) plays an increasingly important role in El Salvador and is often provided at the department or municipal level. Following this, increased focus will be put on building the capacity of governments and civil society at the sub-national level to more effectively engage in co-operation.

Source: *Enhanced Effectiveness at Country Level Pilot Report – El Salvador*

Box 5. Partnership Review in Uganda

Understanding that effective development co-operation is important in supporting Uganda's long-term development progress, Uganda's Partnership Policy, approved in 2013, sets out principles for the management of the relationship between the Government and development partners, within the context of the Uganda National Development Plan (NDPII). The policy defines the roles of key government authorities and aims to strengthen overall coordination and alignment of development co-operation. To support the policy, the Government and development partners agreed on a framework for joint dialogue, which includes instruments of the Partnership Policy, including a high-level National Partnership Forum (NPF), a technical NPF, engagement through SWGs and a Local Development Partners Group (LDPG).

This co-operation architecture has not evolved with the changing country context, including a financing landscape increasingly dominated by loans and equity investments and more diverse partners that operate outside of Government systems. Such changes have made effective partnerships more difficult. More actors have resulted in difficulties finding common ground and maintaining accountability. Further, many are not yet systematically included in dialogue structures, like the NPF, meaning the agreements made in that setting have less impact, which then disincentivises participation.

To address this challenge, the Global Partnership country pilot in Uganda supported a review of the co-operation architecture, aiming to provide recommendations on how to adapt mechanisms to the new country reality. The comprehensive review examined how existing structures support implementation of the effectiveness principles and looked at lessons to be drawn from other countries.

The review found that none of the existing mechanisms can attract the full diversity of development actors at the appropriate level to make policy decisions and enforce implementation of agreed actions. The review recommended either reforming the NPF and committing additional resources to ensure it can meet the needs of all or to establish a second annual event that brings together a more diverse group of stakeholders at a lower level, which could then inform NPF dialogue. In either case, it was recommended that specific action be taken to link these strategic level discussions to SWGs.

Further, the review touches on how changing co-operation modalities have negatively affected country ownership, with less co-operation channelled through country systems. It also notes that OECD-DAC providers seem to feel limited accountability for adhering to effectiveness commitments, while new actors emerge that were not involved in this agenda. To address this, the review suggests, among other things, the possibility of integrating the Partnership Policy with a development co-operation policy and framework that specifically speaks to country-level effectiveness issues.

The result of the pilot process was a series of options that will be further discussed among country-level stakeholders. Selected options will make a roadmap for strengthened effectiveness, informing the next generation of the co-operation architecture in Uganda.

Source: *Enhanced Effectiveness at Country Level Pilot Report – Uganda*

Solution: Orient and synchronise development contributions

Clearly defined roles and responsibilities help to capitalise on the comparative advantages of different stakeholders and reduce fragmentation.

The Paris Declaration calls on partner country governments to provide leadership to development partners on where to focus development efforts to achieve complementarity (OECD, 2005). The spirit of this commitment lives on in the Nairobi Outcome Document, which calls upon all stakeholders to work together in a complementary and transparent way (GPEDC, 2016b). The objective of this commitment is to reduce overcrowding and duplication of development partner efforts in specific sectors or geographic regions and avoid leaving gaps in others, as well as to ensure each stakeholder builds on its particular strengths, rather than undertaking activities in areas where other actors already show good performance (DIE, 2007).

A common practice in implementing this commitment has been the establishment of division of labour policies/agreements. Requiring strong government leadership, these documents are often negotiated among partner country governments and development partners and prescribe the areas in which each development partner will work, as well as the co-operation modalities to be used.

While division of labour policies/agreement provide medium-term guidance on the roles and responsibilities of different development partners, annual work planning processes, undertaken through co-operation coordination systems, allow partner country governments to direct support based on short-term needs.

Box 6. Rwanda’s Division of Labour Policy

A 2008 study found that development partners in Rwanda were not working equally across priority areas outlined in the Economic Development and Poverty Reduction Strategy (EDPRS), the national development strategy for Rwanda at that time. Some sectors, particularly governance and health, were overcrowded, while others, such as transportation, were underfinanced. Not only did this unequal support to development partners across sectors limit progress in key areas, it also undermined national leadership over the development agenda. The high number of development partner missions, dialogue, planning and reporting processes increased transaction costs in the more crowded sectors, particularly for national stakeholders, diverting sectoral capacity away from core functions of managing and delivering sector programmes.

The results of the 2008 study, as well as development partners' self-assessment and peer review of their comparative advantages informed the development of the first Division of Labour Policy in Rwanda, which was presented to development partners in 2010. At the heart of the Policy is the recognition that far too often, development co-operation is delivered in a fragmented manner, leading to the duplication of activities and increased costs of delivery. Following the initial presentation of the Policy, the Ministry of Finance and Economic Planning engaged in bilateral negotiations to finalise the distribution of partners to specific sectors for the 2010 to 2012 period.

Before adopting a second Division of Labour Policy in 2013, in line with the adoption of the updated EDPRS2, the Government of Rwanda took stock of how the Policy had worked. It found that congestion had decreased in previously crowded sectors, resulting in reduced costs for respective line ministries who were now coordinating among fewer partners. In the same vein, SWGs became more effective as the number of individual stakeholders participating decreased. This more focused policy dialogue resulted in new partnerships between development partners. Further, having a firm agreement on priority areas of work, led by and agreed with the Government, allowed development partners working at country level to resist pressure from headquarters to shift focus away from country-specified needs.

Source: *Division of Labour in Rwanda*

Box 7. Gap Analysis in Georgia

The Government of Georgia has taken extensive steps to strengthen development co-operation coordination. In June 2015, the Government adopted the decree entitled, Rule for External Aid Coordination in Georgia. The objective of this is to define the rules surrounding, and mechanisms to be used by various Government institutions, to increase national ownership and effectively manage development co-operation. The adoption of the Rule follows a number of complementary activities to strengthen donor coordination structures in the country. For example, the Government established Thematic Coordination Groups (TCGs), within the purview of the Donor Coordination Unit (DCU). These are high-level groups that provide strategic guidance on the implementation of Government development plans under different thematic areas. The Government has also recently introduced SDG Working Groups at the technical level.

Despite these mechanisms, duplication of efforts remained a challenge. To address this and further strengthen the effectiveness of development in Georgia, the Government has recently introduced an annual gap analysis process. The gap analysis is part of the Annual Government Work Plan (AGWP), a short-term policy and planning tool that sets measurable development targets across sectors and presents all priority objectives and activities to be implemented by public agencies for the given year. The AGWP is directly linked to the Government development programming, sector policies and international commitments, including the SDGs. It also draws on the Basic Data and Direction document, which is a medium-term fiscal framework for the country.

Now, as part of the development of the AGWP, the Government of Georgia will not only specify activities to be undertaken and responsible parties but will also indicate the state budget allocated to those activities, other funding sources and the resources gap. This will then be presented at the Annual Development Partnership Forum and the six annual TCG meetings, where development partners will be asked to align their activities to clearly stated needs.

Source: *Enhanced Effectiveness at Country Level Pilot Report – Georgia*

Box 8. Coordination among development partners

Development partners at country level can work together to harmonise development programming, easing the coordination burden on partner country governments and reduce their own transaction costs. Two major examples of this are European Union (EU) Joint Programming and the United Nations Sustainable Development Cooperation Frameworks (UNSDCF). In both cases, groups of development partners conduct a shared assessment of the country situation that informs the development of a shared strategy that is further elaborated in consultation with partner country governments. In both cases there is strong commitment to alignment with national development strategies and to clearly defining the roles and responsibilities of the different partners involved (European Commission, 2017) (United Nations Development Group, 2019).

To be successful, there needs to be sufficient buy-in from participating institutions to ensure that common strategies are not replicated in individual organisation documents. Further, monitoring and evaluation roles need to be unambiguous, particularly in cases where there is no clear institutional home (European Commission, 2017).

A successful example is EU joint programming in Cambodia. Phase IIII of the Rectangular Strategy, set out Cambodia's vision for the 2014 to 2019 period. Cambodia's medium-term development policy is outlined in the National Strategic Development Plan (NSDP), 2014 to 2018. Implementation of the NSDP is supported by the Development Cooperation and Partnerships Strategy (DCPS), 2014 to 2018, which highlights principles and identifies goals for the effective management and monitoring of development co-operation in the country.

In line with the vision of the NSDP and the DCPS, European development partners active in Cambodia – the European Union, Czech Republic, Finland, France, Germany, Ireland, Italy, Sweden and the United Kingdom – established the European Development Cooperation Strategy for Cambodia, 2014 to 2018. The goal of the Strategy is to ensure development co-operation is delivered effectively, in line with country priorities and in a coherent manner, leading to strengthened impact.

Development of the Strategy focused on aligning development partner activities with Cambodia's development priorities. It also defined a division of labour among participating development partners, building on existing country coordination structures. It included information on indicative financial contributions, as well as a results framework to support monitoring and evaluation.

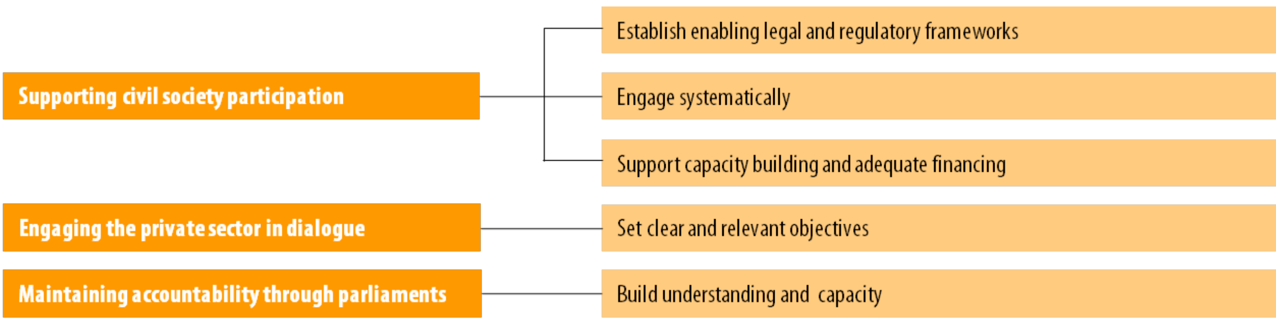
As the lifecycle of the European Development Cooperation Strategy for Cambodia came to a close, initial results show found that the joint programming approach was successful in ensuring a shared vision and understanding among development partners and Government counterparts and that it did so with no additional costs. It is noted that to be successful, joint programming must be based on dialogue with national stakeholders and must be responsive to country context.

Source: *Enhanced Effectiveness at Country Level Pilot Report – Cambodia*

2 Engaging the Full Variety of Development Actors

The 2030 Agenda recognises the need to mobilise all available resources for development and highlights the valuable contributions of diverse development stakeholders. Achieving these collective goals necessitates engagement from all stakeholders, or the 'whole of society', in country-level development efforts, underlining the importance of inclusive partnerships. One of four effectiveness principles, inclusive partnerships consider openness, trust, mutual respect and learning, as well as recognition of the different and complementary roles of all actors as essential for building a broad-based consensus around development priorities. In turn, active participation from the full set of national stakeholders requires strong partner country government leadership, including specific efforts to create environments that encourage and facilitate engagement from all stakeholders.

Figure 4. Chapter 2 outline



Challenge: Supporting the active engagement of civil society

The valuable role of CSOs in implementing the SDGs is highlighted in the 2030 Agenda for Sustainable Development (UN, 2015a) and has long been recognised by development co-operation stakeholders. The Paris Declaration recognised CSOs as development actors in their own right and the Accra Agenda for Action called on CSOs to reflect on their own implementation of the effectiveness principles (OECD, 2008b). In addition, the Busan Partnership Agreement and the Nairobi Outcome Document, continue to highlight the vital contributions of CSOs to effective development co-operation, with the Nairobi Outcome Document calling for efforts to reverse the trend of shrinking civic space and increase support focused on building CSOs' capacities to participate fully in development activities (GPEDC, 2016b).

The role of civil society in development co-operation is broad, ranging from research and policy development, to service delivery, to pursuing accountability from partner country governments and other development stakeholders (Task Team on CSO Development Effectiveness and Enabling Environment, 2019). This work is undertaken as an essential complement to the activities of other development partners, particularly as CSOs are able to reach underserved and vulnerable populations, ensuring the voice of all of society is heard and that no one is left behind (ODI, 2006) (IISD, 2017).

However, the ability of CSOs to contribute to sustainable development is dictated by the political, financial, legal and policy context in which they work, as well as the ways in which these actors organise amongst themselves and with other partners. Moreover, global recognition of the importance of CSOs for sustainable development has not yet translated into country-level enabling environments. The results of the Global Partnership's 2018 Monitoring Round show that constraints on civil society continue to increase, hindering the ability of CSOs to participate in, and contribute to, national development processes (OECD/UNDP, 2019). Specific action is needed to actively tackle these challenges to ensure CSO contributions to sustainable development are delivered.

Solution: Establish enabling legal and regulatory frameworks

Enabling legal and regulatory frameworks allow CSOs to form and operate, including exercising rights.

Supporting the active engagement of civil society in development co-operation begins with establishing enabling legal and regulatory frameworks. In practice, this means putting in place laws and regulations that enshrine CSOs' rights, protect these organisations from discrimination and facilitate their access to resources (GPEDC, 2018a). In the most obstructive situations, CSOs face laws that directly limit their ability to organise, implement and advocate, such as laws that prohibit or restrict freedom of assembly or freedom of speech (INDIES, 2018).

Establishing laws that protect the right to freedom of expression and peaceful assembly, regardless of the issue raised or groups participating, is good practice for increasing the engagement of civil society in development. With regards to freedom of expression, this means that laws did not censor specific topics and that there are no restrictions on access to information, including from foreign media. Further, laws that specifically safeguard CSOs working with marginalised and vulnerable populations can bolster the right to freedom (Task Team on CSO Development Effectiveness and Enabling Environment, 2019) (GPEDC, 2018a).

With regards to peaceful assembly, good practice means that there are no overarching restrictions on the time and location of assemblies and in cases where restrictions are put in place, regulatory authorities provide reasons that can be appealed to an independent body. In addition, laws can include an explicit obligation for law enforcement to protect these rights, accompanied by procedures and training that support implementation (Task Team on CSO Development Effectiveness and Enabling Environment, 2019) (GPEDC, 2018a).

Restrictive civic space can also be the result of less direct legal and regulatory challenges. While laws may protect the fundamental rights of civil society to undertake activities without undue limitations, CSOs may still face burdensome administrative and operational hurdles that negatively impact their ability to work. Partner country governments can address this by adopting clear and transparent laws that govern CSO formation, registration and operation (Task Team on CSO Development Effectiveness and Enabling Environment, 2019) (GPEDC, 2018a).

Here, good practice includes registration procedures that are clear and easy to follow and that include success criteria that are reasonable and attainable, e.g. minimising required documentation and available assets (Task Team on CSO Development Effectiveness and Enabling Environment, 2019). Related laws and regulations should protect against arbitrary decision-making in the registration process by setting out clear timelines, legal grounds for rejection and an overview of the appeals process (GPEDC, 2018a). In addition, CSO operations can be protected through laws that clearly define the scope and powers of the bodies responsible for their regulation, ensuring that their activities cannot be suspended without just cause and a judicial process (Task Team on CSO Development Effectiveness and Enabling Environment, 2019) (GPEDC, 2018a).

Box 9: Protecting civil space in Ethiopia

As part of his response to the 2017 protests, the Prime Minister of Ethiopia adopted a new law for CSOs, revising the previous laws (including the Charities and Societies Proclamation of 2009) which were meant to protect the right to freedom of association, yet in reality were repressive and restrictive. A drafting committee, which included local CSOs, was charged with preparing the new CSO law and was adopted by Parliament to replace the 2009 Proclamation.

The 2018 Proclamation refers only to local and foreign CSOs, rather than distinguishing between resident and non-resident Ethiopian charities. This means that all organisations can effectively engage, as CSOs are no longer prohibited from fulfilling their advocacy and human rights work. Rather, the law explicitly encourages advocacy and lobbying from CSOs.

In addition, the establishment of a Civil Society Organisation Agency oversees the registration and reporting processes. The new law means that CSOs have a space to challenge burdensome or untimely processing, as the responsibility is clearly allocated to the Agency. In addition, CSO representation is increased under the new law, moving from two to three representatives and in contrast to the 2009 Proclamation, a CSO Council appoints these representatives instead of the government.

The new law also promotes CSO self-regulation, led by a voluntary code of conduct, with the aim of enacting the code alongside other development actors, advising the Agency on issues relating to registration and administration, and representing and coordinating the sector.

Source: *INCLUDE – Knowledge Platform on Inclusive Development Policies*

Solution: Engage systematically

Predictable and well-communicated engagement opportunities allow for meaningful civil society participation in development.

The results of the Global Partnership's 2018 monitoring round show that while civil society representatives are the national stakeholders most often consulted by partner country governments in development processes, this engagement is largely ad-hoc and often cursory (OECD/UNDP, 2019). Complementary research confirms this finding and underscores that when consultation is undertaken, it is often conducted in a way that is costly and burdensome for CSOs and rarely leads to influence in decision-making (CPDE, 2016) (IISD, 2017). A truly enabling environment for civil society must go beyond laws and regulations to include mechanisms that foster their meaningful engagement.

As noted in Section 1, systematic engagement with national stakeholders leads to stronger and more holistic national development strategies. In this vein, the engagement of civil society in development ensures broader societal impact that aims to leave no one behind. To make this a reality, partner country governments can take steps to institutionalise multi-stakeholder dialogue processes and facilitate CSOs' access to these discussion spaces. In practice, institutionalised processes take place at regular intervals. The content of each consultation is decided with civil society and other stakeholders, and is communicated widely, allowing CSOs to plan and prepare for their engagement. These processes are considered strong when a diversity of CSOs are invited to take part and criteria for CSO participation is transparent and not unduly restrictive; the roles and responsibilities of various participants is clear; the format of dialogue facilitates feedback and consultation timing allows for feedback to be meaningfully considered in setting policy directions; and the outcome of dialogue, including their impact on policies and programmes, is communicated to all partners transparently (GPEDC, 2018a) (Task Team on CSO Development Effectiveness and Enabling Environment, 2019).

While recognising the vital role of civil society in development efforts, the Accra Agenda invites CSOs to reflect on how they can implement effectiveness principles and calls for increased coordination of CSO efforts with government initiatives and enhanced transparency of, and accountability for, CSO activities (OECD, 2008b). The Istanbul Principles for CSO Development Effectiveness, adopted in 2010, aim to guide CSOs in working in a way that maximises their effectiveness and impact (CPDE, 2010).

In this context, CSOs can facilitate their own systematic engagement in national development processes by taking steps to organise among themselves. This is increasingly important in the changing development co-operation landscape, as partner country governments attempt to coordinate among a larger number of development stakeholders. CSOs can reduce the coordination burden by coming together around common policy positions and designating focal points for engagement. This can be institutionalised in national civil society engagement platforms (Task Team on CSO Enabling Environment and Effectiveness, 2019).

National and sectoral civil society engagement platforms are used by CSOs to coordinate policy positions and development activities to enable more effective partnerships with partner country governments and development partners. These platforms are often created by CSOs themselves and are considered strong when they are representative of the full diversity of CSOs working in a partner country, provide leadership to the civil society sector and act to hold CSOs accountable to each other (GPEDC, 2018a).

Solution: Support capacity building and adequate financing

Dedicated resources are required to enable CSOs to fulfil their role in development.

The ability of CSOs to meaningfully participate in, and contribute to, development is often limited by a lack of financial resources, which can help to both build CSOs' core capacities and to undertake activities. Access to resources is enshrined in Article 22 of the International Covenant on Civil and Political Rights, as an integral part of the right to freedom of association. Yet financial insecurity is a consistent impediment for CSOs, constraining their ability to work (ODI, 2006) (LINC, Peace Direct, Foundation Center and USAID, 2018). This challenge is not limited to CSOs, but they can face specific challenges in accessing financial resources, particularly those working at the country level (LINC, Peace Direct, Foundation Center and USAID, 2018).

When partner country governments are the source of financial resources for CSOs, good practice is to ensure funding opportunities are available to a diverse range of CSOs and are widely communicated. Additionally, application procedures should be clear and non-burdensome and the award decision-making process should be transparent and legally-binding (GPEDC, 2018a) (LINC, Peace Direct, Foundation Center and USAID, 2018).

Partner country governments also have a role in ensuring that CSOs can access domestic and international financing and capacity-building support by putting in place laws and regulations that facilitate this with minimal or no restrictions (GPEDC, 2018a). This includes ensuring that CSOs receiving support from these various sources, e.g. bilateral and multilateral partners, international non-governmental organisations (INGOs), are not subject to additional registration or reporting requirements and that laws and procedures related to tax benefits and exceptions are clear.

Development partners can help to facilitate engagement between partner country governments and civil society by promoting an enabling environment for CSOs through dialogue with national government counterparts, as well as through the provision of funding for civil society. In promoting an enabling environment, development partners directly address legal, political and financial constraints faced by CSOs that reduce their ability to contribute to development. In addition, development partners can support civil society in monitoring commitments in this area (GPEDC, 2018a).

Additionally, results of the Global Partnership's 2018 monitoring round demonstrate that while CSOs are receiving increased financial support from development partners, this support has decreased for local CSOs operating in partner countries (OECD/UNDP, 2019). Further, development partners tend towards project-based funding (UHC2030, 2016), at the expense of core budgets which are crucial for effective operations. One study found that local CSOs received just three percent of their funding as unrestricted grants (OECD, 2011b). This project-based funding is also fragmented. Together, this severely limits the ability of CSOs to navigate legal and regulatory requirements and related institutional process or engage in coordination mechanisms.

Box 10. Creating space for civil society engagement in Moldova

The Government of Moldova has taken a proactive approach to involving civil society in policy-making, reforms, governance and service delivery, recognising the crucial role this group plays in meeting development objectives. In 2018, the Moldovan Parliament adopted a new Strategy for Civil Society Development 2018-2020. The Strategy was developed in a participatory manner and not only includes a vision for the role of civil society, but also outlines specific measures to build the capacity of this group, which are linked to planned sources of financing.

Such measures include strengthening the framework for participation in developing and monitoring public policy. To operationalise this, the Government of Moldova has committed to creating a new structure to facilitate engagement with CSOs, as well as organising joint trainings to promote transparency and mutual accountability in decision making. Beyond this, the Government is continuing to explore innovative mechanisms to further foster the engagement of CSOs.

A second measure relates to the financial sustainability of CSOs. To ensure CSOs have adequate access to resources, the Government is committed to undertaking a national awareness raising campaign around the country's 2 percent law, which allows taxpayers to designate 2 percent of their income tax directly to CSOs.

Source: *European Centre for Non-Profit Law (ECNL)*

Challenge: Strengthening private sector engagement in development dialogue

The 2030 Agenda recognises the important role of a diverse private sector in achieving the SDGs and calls "on all businesses to apply their creativity and innovation to solving sustainable development challenges" (UN 2015a). Capitalising on the private sector's financial and non-financial contributions to development requires a conducive operating environment for business that will only be realised though effective dialogue between the public and private sectors (Bettcher, Herzberg and Nadgrodkiewicz, 2015).

Understanding the importance of the private sector in achieving sustainable development, partner country governments have put renewed focus on creating space for private sector stakeholders to participate in existing development coordination mechanisms. However, many still struggle to consistently engage with this group (GPEDC, 2018b).

It should be noted that in this document, the challenges and solutions presented around the private sector only relate to engaging this group of stakeholders in partner government-led development processes. The ways in which the private sector contributes to sustainable development more broadly, including through core business operations, e.g. job creation, technology development, service delivery, and the ways in which partner country governments can enable the private sector to fulfil these roles, e.g. easing business registration, ensuring access to credit, risk sharing, are not covered here.

Solution: Set relevant and clear objectives

Private sector stakeholders are more likely to engage in development dialogue when objectives are clear and relevant.

Unlike traditional development actors, private sector stakeholders, for the most part, are not driven by development objectives. Emphasising the SDGs as a business opportunity (BSDC,2017) (PWC,2015) and highlighting the concept of 'shared value', i.e. the co-creation of economic and social value (Porter and Kramer, 2011) can incentivise private sector focus on development issues. However, these issues remain outside of core business objectives and are often not fully integrated into core business models (WBCSD, 2018) (Oxfam, 2018).

To this end, private sector participation in development co-operation processes is often limited because this engagement with development actors does not sufficiently address their needs and interests. This is reflected in the results of the Global Partnership's 2019 monitoring round, which show that private sector stakeholders view the relevance of public-private dialogue (PPD) less favourably than partner country government counterparts (it should be noted that Global Partnership monitoring assesses the quality of PPD generally and not as specifically related to development issues) (OECD/UNDP, 2019).

Partner country governments can strengthen private sector engagement in development processes by setting clear agendas that state what issues will be discussed and what objectives will be sought, as well as how these are relevant for the private sector (UNCTAD, 2014). Good practice includes engaging private stakeholders in setting agenda for dialogue, ensuring that issues of concern to both sides are addressed.

In doing so, it is important to include the full diversity of private stakeholders. The 2030 Agenda acknowledges the strong diversity within the private sector, including micro, small and medium-sized enterprises (SMEs), large firms, multinational organisations and trade unions (UN, 2015a). Each subset of private sector stakeholders brings a different set of advantages to the table, as well as facing different engagement challenges. Including these stakeholders may involve putting specific efforts into building the capacity of smaller, local private sector organisations so that they can fully participate.

It is also helpful to build the capacity of the public officials engaging with the private sector. This includes building an understanding about the comparative advantages and challenges of different private stakeholders, which can help partner country governments to identify the type of private sector entity that would be best suited for engagement, in line with the national development priorities. Building capacity in this area also means learning to 'speak the language of business', to engage more effectively (OECD, 2019).

Further, it is helpful when it is clear to all stakeholders what can and cannot be achieved by proposed engagement. Ideally, dialogue will result in concrete outcomes, including an indication of next steps or an implementation plan, often with an exit strategy for the end of the process. In the same vein, rigorously capturing and transparently sharing the outcomes of the dialogue and its follow up actions, including how inputs have shaped policies and programmes, can help build good will and a desire to continue engagement (GPEDC, 2018c) (OECD/UNDP, 2019) (World Bank, 2016).

Taken together, PPD is a means to strengthen mutual trust and country ownership of private sector engagement and bolster its effectiveness and inclusivity. To harness the full potential of the private sector, engagement beyond dialogue is vital, including the use of development co-operation to scale up effective country-level partnerships with the private sector (OECD/UNDP, 2019). To this effect, the GPEDC has developed a set of five principles for effective private sector engagement through development co-operation (GPEDC, 2019c). Based on the premise that the development co-operation community can do much more to improve the implementation of private sector partnerships on the ground, the principles underline the importance of focusing more on sustainable results, impact and accountability when engaging with the private sector.

Box 11. Building a private sector engagement platform in Mexico

Drawing inspiration from SDG 17, in 2016, the Mexican Agency for International Development Cooperation (AMEXCID), established the Partnership for Sustainability (AxS), a platform to strengthen the contribution of the private sector to development in the country. The platform brings public and private stakeholders together to identify opportunities for collaboration. AxS provides a space for co-creation and experimentation, reflecting AMEXCID's commitment to institutional learning in the creation of multi-actor partnerships to accelerate sustainable development. AxS goes beyond dialogue to identify specific projects for public-private partnership.

In establishing AxS, AMEXCID involved private stakeholders from the outset, which helped to build a foundation for mutual trust and ensure that the platform puts all actors involved on equal footing. AMEXCID then went through an inclusive process to identify priorities for dialogue and collaboration. Concerted effort was made to find the intersection between AMEXCID's interests and those of the private sector.

In this vein, AMEXCID distributed a survey with the aim of gaining insight on actions already taken by private sector partners to advance sustainable development and to identify areas and types of activities of interest. The survey was sent to 90 businesses, business organisations and foundations. The results of the survey informed the structure of AxS, which now has five committees designed to address identified priority issues.

Source: *The Partnership for Sustainability: An AMEXCID prototype for private sector engagement*

Box 12. Capitalising on private sector contributions in Honduras

Several businesses and business associations, including those that represent some of the country's largest companies, have committed to supporting sustainable development in Honduras. The Government is capitalising on this commitment, finding ways to systematically engage these private sector actors in development processes and inviting their contributions.

In this vein, the private sector has been awarded a seat on the National SDG Commission, which is the formal space for national follow-up and review for the 2030 Agenda in Honduras. This body provides oversight and guidance on policies, plans, programmes and projects related to sustainable development (Government of Honduras, 2017).

Further, the private sector is engaged in efforts to ensure that their contributions to sustainable development are counted and reported on. The Honduran government and UNDP are currently supporting members of business associations and other individual companies, that are co-creating a methodology to collect and compile data on private sector support to sustainable development. The methodology will cover corporate social responsibility (CSR) initiatives, as well as contributions made through core business. It will cover over 100 SMEs and large firms that voluntarily choose to participate (UNDP, 2019) (COHEP, 2019).

Challenge: Maintaining accountability through parliaments

In enacting legislation, adopting national budgets and overseeing the implementation of national and international commitments, parliaments play an essential role in maintaining domestic accountability over national development efforts. This is recognised in the 2030 Agenda, which identifies parliaments as crucial to achieving the SDGs, explicitly calling upon parliaments to conduct regular and inclusive reviews of progress made on SDG implementation (UN, 2015a). This notion is further reiterated in the Nairobi Outcome Document, which highlights the oversight role of parliaments as central to effective development (GPEDC, 2016b).

The role of parliaments has become increasingly important as the types and modalities of development co-operation evolve. In enacting legislation and overseeing budgets, parliaments can work with CSOs to promote and support legislative powers and governments in achieving the SDGs. They can leverage their position and connection with both civil society and public authorities to identify priority areas and implement activities, as well as exchange good practices (ODI, 2007). The results of the 2018 Global Partnership monitoring round show that overall, the proportion of development co-operation subject to parliamentary scrutiny (primarily through the budgeting process) has decreased since 2016 (OECD/UNDP, 2019). This may be in part due to the fact that less co-operation is being disbursed to the public sector overall as development partners channel more aid directly to implementing partners. In this context, it is important to strengthen the role of parliamentarians to ensure domestic accountability over development co-operation is not lost.

Solution: Build understanding and capacity

Ensuring parliaments have the understanding and capacity to effectively undertake their oversight role helps to maintain accountability over development co-operation.

Global recognition of the important role of parliaments in effective development has not been met with adequate capacity-building (ODI, 2007). Partner country governments can help to address this disconnect by clarifying the specific role of parliament in national development processes and by investing in parliament's ability to discuss policy with bilateral and multilateral development partners.

To this end, partner country governments can more systematically engage members of parliament in each step of national development processes, including the most critical national development co-operation policy discussions, by institutionalising the engagement of parliaments in national dialogue structures, such as donor roundtables or other coordination mechanisms that facilitate dialogue among all development partners. This regular exposure to development planning and progress tracking can help to ensure that parliamentarians are well versed in national development priorities and implementation plans, and are therefore better equipped to hold stakeholders accountable for their commitments and actions (Chungong, 2018).

Additionally, partner country governments can work to ensure that all development co-operation, including co-operation that is not using national budget execution procedures and that does not flow through the national treasury, is included in budget documentation that is subject to parliamentary scrutiny, as well as providing ample time for parliamentary review. This may involve specifically appealing to development partners to provide information on all co-operation disbursed in the country and to do so in line with national budget cycles (ODI, 2012).

Development partners can strengthen their support to capacity building for parliaments to engage in national development processes. Recently, development partners have provided limited financial support in this area (ODI, 2012) – a keyword search of OECD Development Assistance Committee (DAC) providers' Official Development Assistance (ODA) reveals that in 2017 'parliament' is mentioned 763 times, while, for comparison, 'civil society' is mentioned 22,347 times (OECD-DAC Creditor Reporting System, 2019). This funding, if available, could support training for, and peer learning among, parliamentarians, ensuring they are well equipped to review and advise on technical issues, based on the specific needs of a specific country.

Box 13. Building the capacity of Tanzania's national assembly

The Parliament of Tanzania is the key accountability mechanism between citizens and the Government but faces institutional and operational challenges that limit its ability to effectively carry out its role. The Government of Tanzania, in coordination with the National Assembly and with the support of various development partners, undertook efforts to address these challenges (UNDP, 2017).

While this work is ongoing, expected results include strengthened capacity of parliamentarians to understand, analyse and oversee Government activities, including design and implementation of the national budget and monitoring of progress towards development objectives. This work will also seek to facilitate the engagement of parliamentarians externally – both with Government counterparts, as well as directly with citizens. Further, it will support gender mainstreaming in all National Assembly functions. It will achieve these results through a series of trainings and peer-to-peer exchanges and the development of guidelines and toolkits to be used by all parliamentarians going forward (UNDP, 2017).

Box 14. What parliamentarians can do

As noted, to fulfil their oversight role over development co-operation, parliamentarians require a strong understanding of development planning and budgeting processes, as well as development co-operation arrangements. This allows them to scrutinise and advise on national development strategies, development co-operation policies, budget bills and laws and regulations around specific funding sources.

These stakeholders can proactively assess their own capacity in these areas through self-assessments, often undertaken in consultation with representatives of the executive offices of partner country governments. Key questions to consider in such assessments are: whether there is an enabling legal environment that supports the role of parliaments in development and development co-operation and whether adequate financial and human resources, i.e. research and support staff, are available to support parliamentarians (IPU and UNDP, forthcoming).

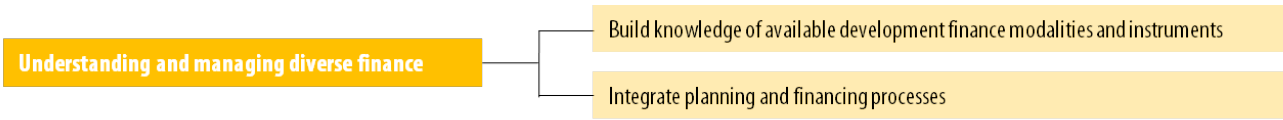
Parliamentarians can also make concerted effort to engage with other development actors, both within government-led dialogue and coordination structures but also finding outside opportunities to engage if institutionalised engagement is not possible. This will ensure access to key resources, build technical capacity, and foster trust between actors.

Source: *Capacity Development for Development Effectiveness*

3 Financing for Results

Achieving the vision of the 2030 Agenda requires not only mobilising new and increasingly diverse sources of public and private finance, but also ensuring that existing sources of development finance are managed as effectively as possible. This can be accelerated through the implementation of the four principles of effective development co-operation.

Figure 5. Chapter 3 outline



Challenge: Understanding and managing diverse development finance

As stated in the 2030 Agenda, "each country has primary responsibility for its own economic and social development" (UN, 2015a). Given the scale of ambition, the ability of partner country governments to fulfil this role and achieve the SDGs depends on the mobilisation and effective use of a wide variety of financing sources and instruments. The increasing uptake and importance of these new financing modalities is already apparent in many countries. And while this is change is positive, it can present a significant challenge for partner country governments. In this evolving development co-operation landscape, partner country governments could build the capacity to capitalise on new financing sources, as well as adapt existing development planning, budgeting and financial management systems and procedures to be able to promote the effective management of all resources.

As noted in Chapter 1, partner country governments have made progress in strengthening the quality of their national development strategies. However, Global Partnership 2018 monitoring results show that only 73 percent of countries with a strategy in place report that the strategy is linked to indicative resources for implementation. An even smaller number of countries report that they use this information on indicative resources to inform the development of annual budgets and the medium-term fiscal and/or expenditure frameworks (OECD/UNDP, 2019). This finding is in line with the 2019 Inter-Agency Task Force for Financing on Financing for Development report, which highlights that national development strategies often lack a clearly defined financing strategy that targets specific financing flows (UN, 2019).

Solution: Build knowledge of available development finance modalities and instruments

A strong understanding of various finance flows is important to effectively engage with potential partners and to ensure the appropriate resources are allocated to the appropriate results.

As noted, partner country governments are already experiencing an increase in the types of development co-operation available to them. Amid these changes partner country governments also indicate that effectiveness principles, particularly that of country ownership, remain vital (ODI, 2016b).

For partner country governments to be able to access new funding sources and to use these resources in a way that maintains their ownership over development, it is essential to build knowledge in this area. This includes: building an understanding of resource needs; of what resources are available; and of the technicalities involved in accessing and using available financing sources and instruments, and in particular an understanding of what resources are best suited to support what development priorities (ODI, 2016a) (UNDP, 2018).

Building an understanding of what resources are available can be undertaken through a mapping of the financial landscape. In doing so, often a mixture of national and international sources are used. National data sources are often the best suited for this type of mapping because in most cases they provide more detail and are updated more regularly. However, international sources can be helpful in filling in missing information. Additionally, it is important to take note of the comparability of data, ensuring that information on financial flows are compiled in a common format and currency (UNDP, 2019).

Box 15. Understanding diverse finance flows in Tajikistan

The National Development Strategy for the Republic of Tajikistan for the Period up to 2030, adopted in 2016, outlines that 118 billion USD would be needed to fully implement the plan and estimates that equal shares would be financed by the public and private sectors, with development partners supporting 6.7 percent of the total cost. Understanding that mobilisation of required financial resources required to meet national ambitions were lagging behind, the Government of Tajikistan undertook a Development Finance Assessment (DFA) to identify the sources of concessional and non-concessional development finance available to them.

In preparation for the comprehensive DFA exercise, the Government undertook a financial analysis of support to development initiatives in the country. The analysis provided a mapping of the various sources of finance used to finance development, including Government revenues, ODA and other official flows (OOFs), Government borrowing, private sector equity and credit, foreign direct investment (FDI), public-private partnerships (PPPs) and remittances.

This data collection process relied primarily on national data sources, including drawing information from the Ministry of Economic Development Trade, the National Bank of Tajikistan and the Agency on Statistics of Tajikistan. Information collected from available documents was complemented by in-person consultations with relevant stakeholders. Similarly, information on ODA was drawn from the OECD-DAC Creditor Reporting System (CRS) and was supplemented with information collected through consultations with development partners in the country. All data was then triangulated with international data sources, including using databases housed by the OECD, the United Nations Conference on Trade and Development (UNCTAD) and World Bank. This not only allowed verification of data but allowed for benchmarking against other partner countries in the region and of the same income level.

It was noted that much of the data required to analyse trends in development financing are disseminated or published to a limited extent. As such, it was important to allow significant time for the data collection and verification process.

The mapping of finance flows was accompanied by an analysis of financing trends and gaps over the course of the implementation of the previous national development strategy. An immediate recommendation of the analysis was to focus increased effort on costing of sector targets as a first step towards programme-based budgeting (PBB). The analysis also informed priority financing areas to be further examined in the subsequent DFA.

Source: *Financial Analysis to Support SDGs Implementation in Tajikistan*

With an understanding of resource needs and resources currently available, the next step may be to identify the volume of additional resources needed, which financing sources should be sought and which flows should be allocated to which priorities. In some cases, partner country government institutions lack the technical understanding of different financing flows, hindering their ability to effectively seek out and negotiate for these resources. This is particularly true as related to private sector sources (GPEDC, 2017). Partner country governments may wish to prioritise capacity-building in this area in order to be able to fully exploit the full variety of sources available.

Box 16. Understanding blended finance in Rwanda

Under the auspices of its Vision 2050, the Government of Rwanda established a seven-year National Strategy for Transformation (NST) that outlines development priorities and implementation strategies. Achieving the vision set forth in these documents will require substantial investment. Understanding this, the Government is now exploring how to use blended finance to advance its agenda, meaning the use of development co-operation resources to leverage increased private sector investment for development priorities, either through co-financing or risk mitigation.

While dialogue around blended finance is increasing, the financing modality is still only used modestly. A Global Partnership country pilot in Rwanda supported the Government's ongoing efforts to increase the use of blended finance. Specifically, it supported an analysis of the blended finance landscape in Rwanda and a review of how blended finance has been used by others in order to provide recommendations on the use of the modality in the country.

The study included an overview of key investment opportunities and challenges in Rwanda, and detailed specific steps the Government could take to make it a more appealing blended finance destination. In recognition of the expertise needed to effectively engage with the private sector, recommendations include the establishment of a dedicated Blended Finance Project Preparation Task Team with technical expertise in project identification and knowledge of blended finance best practice, and a Transaction Advisory Panel to assist in developing and structuring transactions.

Source: *Enhanced Effectiveness at Country Level Pilot Report – Rwanda*

Solution: Integrate planning and financing processes

Linking development plans to financing sources helps to ensure effective implementation.

In setting out a framework for financing the 2030 Agenda and calling for the mobilisation of a diverse range of public and private finance, the AAAA states: "cohesive nationally owned sustainable development strategies, supported by integrated national financing frameworks, will be at the heart of our efforts" (UN 2015b). Partner country governments are acting on this, looking to establish holistic systems to mobilise, manage and track development financing. However, achieving such integrated approaches presents challenges, often rooted in, or made more difficult by, misalignment between planning and financing processes, as well as the participation of only a narrow group of stakeholders in dialogue and decisions on financing (OECD, 2018b).

A key step in overcoming this challenge is including financing information in national development strategies. To achieve effective integrated processes, partner country governments can ensure the system is designed and managed in a participatory way. If ineffective execution of the policy/strategy, i.e. not using the systems, is due to the government structure, e.g. decentralised units, then co-creation processes, e.g. participatory design of an SDG results-based framework, including planning and financial data, could support cross-country coherence. If the challenges relate to ease of access to the information, then solutions include capacity building exercises that aim to build the capacity of both the relevant individuals in government, and the institutional capacity to deliver reliable, user-friendly data (UNDP, 2018) (OECD/UNDP, 2016).

Box 17. Integrated National Financing Frameworks and Solomon Islands

Since adoption of the AAAA, there has been substantial discussion around how to operationalise the call for "integrated national financing frameworks that support nationally owned sustainable development strategies" (IATF, 2018). In the outcome of the 2019 Follow-up Forum on Financing for Development, Member States committed to "develop integrated national financing frameworks, […], aiming at effectively mobilizing and aligning a wide range of financing sources and instruments with the 2030 Agenda, and [making] use of the full potential of all means of implementation" (UN, 2019). The outcome document goes on to encourage the Inter-agency Task Force on Financing for Development to continue work to development a methodology around integrated national financing frameworks, as well as to elaborate policy toolkits to assist partner countries to implement and share lessons in this area (UN, 2019). While this work is ongoing, partner countries have already made strides in operationalising this AAAA call to action.

Integrating planning and financing in Solomon Islands

The National Development Strategy of the Government of Solomon Islands, covering the period from 2016 to 2035, outlines five interconnected objectives and acknowledges that achievement of these goals will require policies, partnerships and an enabling environment that effectively mobilises and utilises public and private finance. As such, the Government of Solomon Islands undertook a DFA with the aim developing a framework and roadmap for financing its development plans. One of the key recommendations of the DFA was the development of Solomon Islands Integrated Finance Framework (SIIFF).

The SIIFF supports the achievement of the National Development Strategy by providing guidance on different types of financing and institutional arrangements that will be needed to meet its aspirations. In essence, the SIIFF is a bridge between the long-term goals of the National Development Strategy and the design and implementation of short and medium-term policy-making.

The SIIFF covers a wide variety of financing flows: government revenue; government spending; sub-national government revenue; state-owned enterprises financing; private investment; Public Private Partnerships; credit and financial services; Official Development Assistance; and non-governmental organisations (NGOs) and faith-based organisations. For each of these flows, the SIIFF sets out: the current context, including recent trends and current contribution to development efforts; the vision for the role of the flow in advancing national development going forward; the strategic direction or types of reforms needed to allow the flow to meet the planned vision; and short to medium-term actions that can be taken towards the strategic direction.

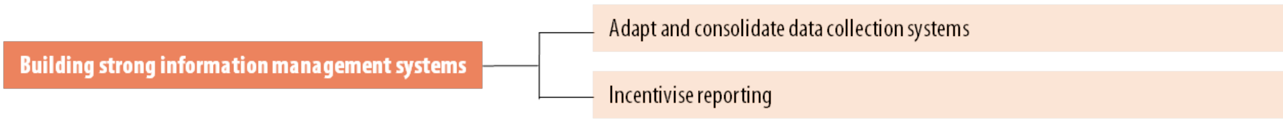
Similar analysis is undertaken for policy and institutional structures, which are deemed as key components of integrated planning and financing. These are: integrated planning and financing functions that bring together national planning and budgeting processes; policies or institutional arrangements to foster public-private collaboration, including dialogue and coordination structures that include private stakeholders or advisory mechanisms to support informed engagement with the private sector; transparency and accountability systems; and mechanisms for monitoring and review.

Source: *Solomon Islands Integrated Financing Framework*

4 Collecting, Managing and Using Development Co-operation Data

The effectiveness principle of transparency and mutual accountability highlights that accountability among development actors and to the intended beneficiaries of development actions is essential in delivering results and notes that transparent practices are the basis for enhanced accountability. In the same vein, the 2030 Agenda calls for all development stakeholders to regularly review progress made towards development goals as a way to promote accountability to citizens, as well as to support more effective international co-operation. It goes on to highlight the need for accessible and reliable data to inform this review process (UN, 2015a). Recognising the vital role of development co-operation in achieving the SDGs, the AAAA specifically notes the need for increased transparency in this source of financing (UN, 2015b).

Figure 6. Chapter 4 outline



Challenge: Building strong information management systems

Information systems that ensure access to high-quality and timely information on development co-operation help governments in planning and managing resources for results. These systems can also guide development partners in coordinating their support with other providers, as to avoid fragmentation and duplication of efforts. Additionally, as noted above, accountability in development co-operation, between governments and development partners, as well as towards citizens, civil society and other development stakeholders, is vital to ensuring efficiency and effectiveness in development activities and thereby maximising impact. Transparency of development co-operation, realised through these information systems, plays a key role this.

Broadly, these information management systems are digital databases, generally organised in a way to support decision making. With ODA making up a larger proportion of development financing in the past, many partner country governments established Aid Information Management Systems (AIMS) as the sole system to track external resources for development. Commonly, AIMS are managed by partner country governments but rely on development partners working at country level to report on their activities at regular intervals. Other systems include Public Financial Management Information Systems (PFMIS) and Debt Management Systems (DMS) (UNDP, 2018).

Results of the Global Partnership's 2018 monitoring round reveal that nearly all reporting partner countries (96 percent) have one or more information management systems in place to collect data on development co-operation. Of these countries, 86 percent use one or more of the systems listed above, while 8 percent rely on a generic spreadsheet-based system (OECD/UNDP, 2019). This demonstrates strong country-level commitment to the management and use of development-operation. However, while efforts are being made in this area, partner country governments report consistent challenges in collecting high-quality and timely data, as well as in collecting data on the increasing variety of development co-operation resources.

Solution: Adapt and consolidate data collection systems

Working towards systems that track and manage the full variety of development co-operation resources in a single platform strengthens accessibility and usability of data.

The increasing variety of development co-operation resources calls for a review of the systems for tracking and managing these flows, ensuring that systems remain responsive to country needs. This includes integrating new sources of development financing, as they gain importance. Good practice in this area includes consolidating the collection of different types of data into a single system, as much as possible, as information scattered across various systems limits its usefulness for evidence-based policy making and resource allocation (UNDP, 2018).

As country needs vary, there is no single blueprint for a strong information management system. Rather, partner country governments wishing to adapt and/or consolidate information management systems may wish to begin with a review of needs and capacities. This can begin with an assessment of the scope of data to ideally be included. In doing so, it is suggested that consideration is given to whether a specific piece of information is necessary to inform decision making, as well as the investment required to make this data available as needed – including both finance and results information (UNDP, 2018). More specifically, this assessment may answer questions around which information needs to be available, when and to whom, and how information will be collected and validated. At this stage, it is important to include all relevant stakeholders – that is all stakeholders who will be providing and using data – as decisions taken on what data to include will form the basis of the design of the system (PM4DEV, 2016).

Ultimately, a country's approach to its financial information management will depend on its unique context. For example, in conflict-affected or fragile states, it is particularly important to link the political process to development financing and legitimacy. It's also useful for country development finance systems to include clear and accessible indicators for mutual accountability between all stakeholders.

With a full understanding of the data to be collected, partner country governments may wish to do a mapping of all current systems used and what is collected by each, as well as a review of user experiences in engaging with each system. Again, it is important to identify and engage relevant stakeholders, which, at this stage, include internal stakeholders who will oversee the management of the system, as well as external users. The goal of this mapping of systems and user experience is to inform the design of the system, including to identify the best ways in which to disseminate information (UNDP, 2018).

It is also important to assess the legal framework and institutional environment for information-sharing, as well as cost implications for information management. This includes ensuring there are laws and regulations in place related to the collection and management of information and adequate human and financial resources to maintain the system over time (UNDP, 2018). Finally, efforts to establish or strengthen information management systems can benefit from a consideration of flexibility so that they can be continually updated, as well as possible integration with other platforms, including global transparency systems (PM4DEV, 2016).

Box 18. Establishing a homegrown Aid Information Management System in Cambodia

Cambodia's Development Cooperation and Partnerships Strategy (DCPS) includes objectives around the use of official development assistance (ODA) with the aim of maximising the development impact of these resources and highlights instruments that can be used to support these efforts. This includes instruments to increase the transparency of co-operation.

In this vein, the Government established a homegrown ODA Database to record all incoming development co-operation. The system is managed by the Cambodian Rehabilitation and Development Board of the Council for the Development of Cambodia (CRDB/CDC), which supports ODA mobilisation and coordination, under direction of the Ministry of Economy and Finance, which manages all ODA. In addition to recording ODA commitments and disbursements, the system supports the monitoring of effectiveness commitments, as well as linking these co-operation resources to thematic development priorities.

The ODA Database, as well as the Development Cooperation and Partnerships Report, which is produced annually by the CRDB/CDC using data from the system to analyse trends in ODA and its alignment to national priorities, has been successful in strengthening the coordination of development efforts in the country and ensuring policy dialogue is evidence-based.

Source: *Enhanced Effectiveness at Country Level Pilot Report – Cambodia*

Box 19. Strengthening absorptive capacity in Kenya

The Government of Kenya has recognised the continued importance of the principles of effective development co-operation in this era of new partnerships and financing modalities, enshrining them in the Kenya External Resources Policy (KERP), 2014 to 2018, officially launched at the Second High-Level Meeting of the GPEDC, as well as the Third Medium-Term Plan (MTP3), 2018 to 2022 and the Kenya Development Co-operation Strategic Plan (KDCSP), 2018 to 2022. Implementation of these vision documents is supported by several systems that allow for more structured dialogue between the Government and development partners, as well as with county governments, civil society, the private sector and foundations.

However, despite Government efforts to put in place measures to maximise development co-operation effectiveness, a number of challenges remain in this area. One such challenge is limited absorption of development co-operation. Approximately 50 percent of Kenya's budget was to be financed through development co-operation in the 2016 to 2017 fiscal year, but due to limited data on development co-operation, hindering predictability and the ability to effectively allocate resources, only 62 percent of these resources were used. To address this, the Government of Kenya, in line with the country's Public Financial Management (PFM) Strategy, took steps to reform its PFM systems, explicitly aiming to improve transparency and accountability.

In the same vein, the Global Partnership country pilot in Kenya supported efforts to increase understanding of available development co-operation. Specifically, the pilot supported efforts to improve the country's electronic Project Monitoring Information Management System (e-ProMIS), as well as development partners' capacity to report to this system. e-ProMIS was integrated with the country's Integrated Financial Management Information Systems (IFMIS) and the Kenya Revenue Authority (KRA) Customs Systems, ensuring that all resources flows are captured in a single platform that allows for better resource allocation and monitoring.

Source: *Enhanced Effectiveness at Country Level Pilot Report – Kenya*

Solution: Incentivise Reporting

Development partners are more likely to report in a more comprehensive and timely manner when the process is not duplicative and data is used.

Comprehensive and timely reporting to these country-level systems is essential to ensure that partner country governments, their development partners and other stakeholders at country level have the information they need, when they need it, for effective development planning, budgeting, and monitoring and evaluation. Global Partnership monitoring results show that, on average, 83 percent of development partners report to country information management systems (OECD/UNDP, 2019). However, this reporting often lacks quality and consistency (UNDP, 2018). Consultations with development partners, conducted under purview of the International Aid Transparency Initiative (IATI) revealed that while development partners working at country level view reporting on their activities as important in fulfilling their obligations to partner country governments, true buy-in to these systems is lacking (IATI, 2019).

Adaptation and consolidation can help to ensure systems are user friendly and that reporting burden for development partners is lessened, encouraging more comprehensive and regular reporting. Additionally, partner country governments can incentivise reporting by demonstrating how development partner data is used to inform decision making. The above-mentioned consultations also highlighted that development partner officials noted that often when their government counterparts from outside of the ministry responsible for the country level system require specific data, they request this directly, even if it has already been reported to the country level system. Because of this, partners are less motivated to make a substantial effort to report their activities. This creates a challenging cycle: data is not used because of completeness and quality issues, dissuading partners from reporting, which causes further challenges with completeness and quality (IATI, 2019). To address this, partner country governments can advocate across sector ministries to ensure all government stakeholders are aware of the availability of information and how to use it.

Box 20. Tracking resources flows in Somalia

Since 2014, development co-operation flows in Somalia have been tracked through an annual aid mapping exercise. Earlier exercises were led by the Aid Coordination Unit (ACU). The most recent exercises, undertaken in 2017 and 2018, have been carried out by Ministry of Planning, Investment and Economic Development (MoPIED), with the support of the World Bank and the United Nations.

The aid mapping exercise began following discussions on the New Deal for Somalia at various international fora, which demanded recent and accurate development co-operation data. Action was further prompted by dissatisfaction with the Development Assistance Database (DAD) that was established in 2011. Criticism was received for being overly complicated and collecting more data than was needed. It was also unable to adjust to changing data needs and unable to provide data in a format that would incentivize most stakeholders. The reporting burden, combined with the inability to provide useable data, disincentivised reporting.

To address these concerns, the new aid mapping exercise was restricted to the collection of a more focused dataset, while still including data both at the level of overall partner envelopes and at the project level. It has resulted in the collection of high-quality data and shows a strong willingness of development partners to engage in information sharing.

Further, the Government of Somalia made efforts to strengthen the collection of development co-operation data and improve the aid effectiveness in the country through the establishment of an Aid Information Management System (AIMS).

In developing the AIMS, an analysis of aid information management in the country was undertaken. There are several elements noted in this study that have informed the design of the new system. One of the key messages is the need to keep reporting simple, with no more than 20 fields to be collected and displayed, ensuring the system is user friendly. This can be supplemented by links to complementary sources of information for those requiring more in-depth information. Another key message is that no single data source can be expected to provide all the necessary information for each project – funders, implementers and beneficiaries all have information that together provide a full picture of development activities.

With this in mind, the new AIMS attempts to ease data entry for development partners and simplify the verification process for Government. Data entry will remain manual but will allow those inputting data to pull project information from IATI directly, if available. However, in cases where IATI data is not available or inaccurate, the system will allow for manual adjustments. Another key feature is the ability for multiple organisations engaged in the same project to enter data for that project, ensuring more complete information and reduced duplication.

Source: *IATI Case Study – Somalia*

Conclusion

The Compendium has aimed to highlight common effectiveness challenges – both long-standing and persistent challenges, as well as challenges experienced as a result of the changing development co-operation landscape. In both cases, the stories told here are not an exhaustive account but rather provide a snapshot of good practices based on the work undertaken by Global Partnership stakeholders to strengthen effectiveness at country level.

An overall message emerging from this collection of good practices is that there is need to refocus efforts to ensure function follows form. Often partner country governments have put in place the requisite policy and institutional arrangements to strengthen effectiveness but these are not yet fully implemented or are not able to perform their intended function. This creates a negative feedback loop in which participation in effectiveness efforts is seen as unsuccessful, disincentivising continued engagement, which then further hinders the ability of the co-operation architecture to fulfil its intended role. Effectiveness needs to go beyond establishing the 'right' architecture. Rather effectiveness must be mainstreamed into the actions of all development actors as a core pillar of sustainable development.

Relatedly, an additional challenge commonly cited but not included the Compendium is a lack of understanding or buy-in to the development co-operation effectiveness agenda. This extends beyond the county-level to development partners headquarters. Country-level stakeholders consulted noted decreasing levels of commitment of traditional providers to maintain effectiveness commitments and limited uptake of the effectiveness principles among emerging providers and new development actors. As such it will be vital to continue to make the case for how effectiveness efforts move forward the development agenda – looking not only at the '*how*' of effective development but the '*why*'.

As the world continues to change and effectiveness efforts continue to be adapted, new challenges and solutions will emerge. The Global Partnership's Knowledge Sharing Platform will remain a living source of evidence-based solutions to advance the effectiveness of all development efforts, for achievement of national priorities and the SDGs.

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