

Guide to the Monitoring Framework of the Global Partnership

Final version

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ABOUT THIS DOCUMENT

This document explains the objectives, process and methodology for monitoring the implementation of the selected commitments made in the Busan Partnership agreement through the set of global indicators and targets agreed in June 2012. It is designed to guide countries and organisations that wish to participate in monitoring efforts at the international level within the Global Partnership for Effective Development Co-operation (hereafter “the Global Partnership”).

The first part of the document provides an overview of the ten indicators of progress and associated targets that are designed to support global accountability. It presents the purpose of the global monitoring framework and a description of the indicators and targets, as well as the process through which data will be collected, analysed and reported by the UNDP-OECD joint team supporting the Global Partnership.

The second part of the document provides operational guidance for the collection and reporting of data on those global indicators that will draw on country-level sources of information. It includes guidance on how the process could be managed at country level and a set of questions and detailed definitions designed to assist relevant country stakeholders in collecting the necessary data.

This guide is intended to *primarily* provide country stakeholders with an understanding of what participation in the monitoring framework of the Global Partnership entails and how countries can collect and submit their data in practice, working closely with providers of development co-operation and other stakeholders.

This document was initially issued in a draft form for consultation on 5 March 2013. This final version incorporates feedback received from developing countries and other stakeholders.

To feed into preparations for the first Global Partnership ministerial level meeting scheduled for early 2014, the **deadline for submitting country-level data** to the UNDP-OECD joint support team will be **13 September 2013**.

All countries benefitting from development co-operation are welcome to participate in global monitoring efforts. There is no formal process to register in this process. All countries submitting data within the deadline of 13 September 2013 will be included in this year’s assessment of progress. A list of participating countries is available on the community site of the Global Partnership (see link below). Countries interested to participate in the 2013 monitoring process and not yet included in the country list, are invited to notify their intentions the joint support team at: monitoring@effectivecooperation.org.

This Guide is available online on the [Global Partnership website](#). For stakeholders leading or actively contributing to the Global Partnership monitoring effort, more practical information and updates can be found on [the Global Partnership community space](#) which contains relevant documents and responses to frequently asked questions (to register, please email: community@effectivecooperation.org).

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About the Global Partnership for Effective Development Co-operation

The Global Partnership is an inclusive political forum bringing together a wide range of countries and organisations from around the world that are committed to strengthen the effectiveness of development co-operation. The Global Partnership emerged from an agreement reached among the 160 countries, territories and organisations at the Fourth High Level Forum on Aid Effectiveness in Busan, Republic of Korea, in 2011. It fosters engagement and knowledge exchange among the many, varied actors in the implementation of the agreements reached in Busan. It also supports regular monitoring of progress in implementation of the commitments made in Busan.

The Busan Partnership agreement invited the United Nations Development Programme (UNDP) and the Organisation for Economic Co-operation and Development (OECD) to work together to provide support for the effective functioning of the Global Partnership. **The UNDP-OECD joint support team** includes dedicated staff across the two organisations to provide day to day support to the Global Partnership. This joint support team has been tasked to develop, refine and implement the global methodology for monitoring the implementation of Busan commitments.

More information at: www.effectivecooperation.org

PART I – OVERVIEW OF THE GLOBAL FRAMEWORK FOR MONITORING PROGRESS IN IMPLEMENTING BUSAN COMMITMENTS

This section presents the monitoring framework of the Global Partnership. It includes:

- Key features of the global monitoring framework;
- An overview of the set of indicators and associated targets which act as a basis for supporting international accountability for implementing the Busan Partnership agreement (each indicator is described in more detail, including means of measurement, method of calculation and data sources in Annex I); and
- A description of the process and timeline through which data will be collected, analysed and reported at the international level.

PURPOSE OF GLOBAL MONITORING

The purpose of the global monitoring framework is to support international accountability for “making progress in the implementation of commitments and actions agreed in Busan” (Busan Partnership agreement §35). It places particular emphasis on behaviour change in development co-operation efforts, which is in turn expected to contribute to the achievement of results as defined in the developing countries’ development strategies. Its aim is not to monitor development outcomes themselves, which are addressed through other international frameworks (*e.g.* the Millennium Development Goals).

While entirely voluntary, participation in global monitoring efforts is important to provide evidence of progress and signal opportunities as well as obstacles for further progress. In this process, global monitoring efforts contribute to:

- Support accountability for the implementation of the Busan commitments and actions by providing a snapshot of progress at the international level;
- Stimulate multi-stakeholder dialogue at both country and international levels on how to improve the effectiveness of development co-operation; and
- Promote agreements on specific actions that are needed to enhance successful implementation of the Busan Partnership agreement and support accountability at country level.

The focus on accountability, which remains a central feature of the Busan Partnership agreement, needs to be balanced against the broader scope of the Global Partnership as a space for learning and knowledge-sharing. The nature of the agreement reached in Busan recognizes that different stakeholders may approach a common agenda for development in different ways. As such, partners engaged in South-South co-operation are not expected to participate in the monitoring framework of the Global Partnership but they are invited to share their experience and achievements in implementing agreed principles of effective development co-operation on a voluntary basis.

HOW DOES GLOBAL MONITORING INFORM DIALOGUE WITHIN THE GLOBAL PARTNERSHIP?

Global reports of progress in implementing Busan commitments will be produced to inform high-level political dialogue within the Global Partnership during ministerial-level meetings, which are expected to take place every 18-24 months. A first stock-take of progress will be undertaken in mid-2013 to inform the preparation of the first ministerial-level meeting of the Global Partnership scheduled for the first quarter of 2014 (date and venue to be confirmed).

While the indicators offer a degree of insight into the efforts of individual countries and organisations as they implement their commitments, they are intended to act as an input to a broader political dialogue on development

co-operation and its effectiveness, rather than to act as a narrow score card for the ranking of individual countries and organisations. Evidence generated by the indicators will be complemented, where available, by additional relevant evidence of a more qualitative nature to enrich the analysis.

INDICATORS AND TARGETS

The set of global indicators (see table below) includes some indicators which are based on the previous indicators from the Paris Declaration that developing countries have identified as particularly important. Other indicators capture some of the broader dimensions of the Busan Partnership agreement.

INDICATORS	TARGETS FOR 2015
1. Development co-operation is focused on results that meet developing countries' priorities	
Extent of use of country results frameworks by co-operation providers	All providers of development co-operation use country results frameworks
2. Civil society operates within an environment which maximises its engagement in and contribution to development	
A subset of measures from the Enabling Environment Index	Continued progress over time
3. Engagement and contribution of the private sector to development	
Measure of the quality of public-private dialogue	Continued progress over time
4. Transparency: information on development co-operation is publicly available	
Measure of state of implementation of the common standard by co-operation providers	Implement the common standard – All development co-operation providers are on track to implement a common, open standard for electronic publication of timely, comprehensive and forward-looking information on development co-operation
5. Development co-operation is more predictable	
(a) annual: proportion of development cooperation funding disbursed within the fiscal year within which it was scheduled by co-operation providers; and	Halve the gap – halve the proportion of aid not disbursed within the fiscal year for which it was scheduled (Baseline year 2010)
(b) medium-term: proportion of development cooperation funding covered by indicative forward spending plans provided at country level	Halve the gap – halve the proportion of development cooperation funding not covered by indicative forward spending plans provided at country level
6. Aid is on budgets which are subject to parliamentary scrutiny	
% of development cooperation funding scheduled for disbursement that is recorded in the annual budgets approved by the legislatures of developing countries	Halve the gap – halve the proportion of development cooperation flows to the government sector not reported on government's budget(s) (with at least 85% reported on budget) (Baseline year 2010)
7. Mutual accountability among development co-operation actors is strengthened through inclusive reviews	
% of countries that undertake inclusive mutual assessments of progress in implementing agreed commitments	All developing countries have inclusive mutual assessment reviews in place (Baseline year 2010)
8. Gender equality and women's empowerment	
% of countries with systems that track and make public allocations for gender equality and women's empowerment	All developing countries have systems that track and make public resource allocations for gender equality and women's empowerment
9. Effective institutions: developing countries' systems are strengthened and used	
(a) Quality of developing country PFM systems; and	Half of developing countries move up at least one measure (i.e. 0.5 points) on the PFM/CPIA scale of performance (Baseline year 2010)
(b) Use of country PFM and procurement systems	Reduce the gap. [use the same logic as in Paris – close the gap by two-thirds where CPIA score is >=5; or by one-third where between 3.5 and 4.5] (Baseline year 2010)
10. Aid is untied	
% of aid that is fully untied	Continued progress over time (Baseline year 2010)

A global target is available for each global indicator. This does not prevent stakeholders from agreeing different targets at the country level. For indicators where data is available, 2010 will be used as the baseline year. For others, a baseline will be determined depending on data availability.

A detailed description of each indicator is provided in Annex I, which includes factsheets setting out the means of measurement, method of calculation and data source for each indicator.

DATA SOURCES

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

	INDICATORS	COUNTRY LEVEL (1)	OTHER PROCESSES (2)
1	Development co-operation is focused on results that meet developing countries' priorities	■	
2	Civil society operates within an environment that maximises its engagement in and contribution to development		CIVICUS Enabling Environment Index
3	Engagement and contribution of the private sector to development		Desk review in collaboration with the World Bank Institute
4	Transparency: information on development co-operation is publicly available		Desk review building on data sources of the common, open standard and conducted in collaboration with the IATI and OECD-DAC- Secretariats
5a+b	Development co-operation is more predictable (annual and medium-term)	■	
6	Aid is on budgets which are subject to parliamentary scrutiny	■	
7	Mutual accountability strengthened through inclusive reviews	■	UNDESA work on mutual accountability
8	Gender equality and women's empowerment	■ (Optional country level reporting)	Collected by UN Women
9a	Quality of developing country PFM systems		CPIA Desk review
9b	Use of developing country PFM and procurement systems	■	
10	Aid is untied		Collected by OECD-DAC

(1) See details provided in Part II of this document for guidance on data collection at country level.

(2) See Part II of this document for opportunities to feed findings into country-level dialogue.

WHAT HAS CHANGED WITH THE GLOBAL MONITORING FRAMEWORK?

■ Indicators

In line with the Busan Partnership agreement, which calls for a selective and relevant set of indicators and targets, the number of indicators relying on data collection at country level has been reduced in comparison with the Paris Declaration monitoring framework. The reporting burden on developing countries is further alleviated as countries are not expected to submit additional qualitative information (previously in the form of the "country report"). Part II of this document focuses on guidance and definitions for data collection for the indicators relying on country level sources of information. For indicators drawing from the Paris Declaration monitoring framework, it also highlights changes from previous practice for ease of reference for country stakeholders.

■ Scope of reporting

For the purpose of monitoring the Busan Partnership agreement, indicators relying on country-level sources of data will continue to assess the effectiveness of development co-operation, looking at transactions qualifying as Official Development Assistance (ODA), which include grants or loans of a concessional nature and whose main objective is the promotion of economic development and welfare. In addition, developing countries interested to monitor the effectiveness of a broader range of official development co-operation funds (*e.g.* non concessional lending) are encouraged to do so.

■ Data collection grounded in existing processes

To produce periodic global progress reports, the UNDP-OECD joint support team will draw to the extent possible on existing sources of data where available. At present, an increasing number of countries have their own frameworks and tools in place to monitor the effectiveness of development co-operation. These build on country priorities and may encompass a much wider set of issues and commitments beyond the Busan global indicators. The incorporation of the standard indicators and definitions set out in this guide in such monitoring tools/frameworks will enable these countries to collect data and feed these to inform global monitoring efforts without the need to administer stand-alone questionnaires as was previously the case with the Survey on Monitoring the Paris Declaration. The idea behind the Global Partnership monitoring approach is to ensure a degree of aggregation and comparability in the evidence generated through national frameworks, while avoiding the creation of parallel monitoring tools and cycles that primarily serve international reporting needs. Ad hoc arrangements may need to be established for countries which are interested to participate in global monitoring efforts but do not have in place processes or tools for periodic collection of country-level data required for global indicators.

Developing countries interested in participating in global monitoring efforts are encouraged to ground data collection in existing national monitoring processes, using their own tools when they exist, according to their own calendar agreed in-country. However, to ensure a maximum degree of consistency and comparability in the data, it will be important that the standard methodology and definitions agreed at the international level be used for global reporting on those indicators which rely on country-level sources of information (see Annex II of this document).

■ Dissemination of findings

The UNDP-OECD joint support team will produce global reports of progress in implementing Busan commitments to inform the preparation of ministerial-level meetings of the Global Partnership every 18-24 months. It will draw on evidence of progress and challenges gathered through the set of global indicators and relevant qualitative evidence to generate richer analysis. The scope of global progress reports will be guided by the work of the Steering Committee to ensure that the analysis is focused on areas of relevant interest to the Global Partnership.

Global progress reports will not include standard country chapters (as was the case with the Paris Declaration monitoring surveys). As such, countries will need to consider how best to consolidate evidence of both quantitative and qualitative nature to produce country-specific assessments of progress in implementing Busan commitments which meet their own development co-operation priorities and monitoring needs. The UNDP-OECD joint support team will draw on existing country-level analyses, where relevant and available, to complement the evidence generated through the global indicators and will invite countries to point the team in the direction of any such products.

INDICATIVE TIMELINE

The main steps and milestones described below are presented to guide countries and organisations interested to participate in global monitoring efforts so that they can plan and organise their efforts. Country-level specific milestones should be adapted to country contexts.

<p>June 2013</p>	<p><u>Support to roll-out country-level data collection and validation</u></p> <p>Workshop organised for developing country governments to support the rolling out of the monitoring framework of the Global Partnership.</p> <p>Based on feedback received from countries, Monitoring Guidance and country spread sheet finalised and circulated to the national co-ordinators in participating countries as well as other stakeholders.</p> <p>On-going support to national co-ordinators for data gathering, validation and submission.</p>
<p>July - August ...until 13 Sept 2013</p>	<p><u>Data collection and validation</u></p> <p>The national co-ordinators facilitate country level data collection in collaboration with development partners, including convening consultations and dialogue for data validation.</p> <p>Subsequently, country co-ordinators submit to the UNDP-OECD support team by 13 September 2013 the completed country spread sheet based on data available at the country level.</p> <p>Information on indicators drawing on global processes is gathered under the co-ordination of the support team.</p>
<p>August-September 2013</p>	<p><u>Data processing and review</u></p> <p>Consolidation and aggregation of country-level data and desk reviews for indicators drawing on global-level data sources.</p> <p>Full country data tables are sent to national co-ordinators for final review in consultation with relevant stakeholders. In the case of any errors in the data, national co-ordinators notify the joint UNDP-OECD team.</p> <p>To the extent possible, data arising from the globally sourced indicators will be shared, as available and relevant, with country level stakeholders.</p> <p>Providers of co-operation also receive for information their full set of data pertaining to each country in which they have reported data to the government.</p>
<p>October-December 2013</p>	<p><u>Report production</u></p> <p>Data is analysed by the UNDP-OECD support team and used as a basis for the progress report to inform political dialogue at the first Ministerial Meeting of the Global Partnership.</p> <p>Exact timeline for publication and dissemination of findings to be confirmed. This will include on-line access to the full set of data.</p>

PART II – GUIDANCE FOR DEVELOPING COUNTRY PARTICIPATION IN GLOBAL MONITORING EFFORTS

This section describes the scope of country level efforts to feed into the global monitoring framework and includes a description of the process at country level (detailed definitions and advice to assist in the data collection for indicators based on country level information are available in Annex II).

SCOPE OF MONITORING EFFORTS AT COUNTRY LEVEL

■ Which global indicators are measured using country-level sources of information?

The global indicators listed below will be measured at the level of individual developing countries and aggregated to offer an overview of global progress:

Indicators	
1	Development co-operation is focused on results that meet developing countries' priorities
5a	Development co-operation is more predictable (annual)
5b	Development co-operation is more predictable (medium-term)
6	Aid is on budgets which are subject to parliamentary scrutiny
7	Mutual accountability strengthened through inclusive reviews
9b	Use of developing country PFM and procurement systems
[8]	Optional: Gender equality and women's empowerment

The Global Partnership monitoring framework complements and builds on country-level efforts to monitor progress and strengthen mutual accountability. Countries may include additional indicators and targets relevant for their specific context and priorities when developing their own frameworks to monitor the effectiveness of development co-operation.

Those indicators of the global monitoring framework which are assessed through desk reviews and other mechanisms are not described here (See Annex I for detailed factsheets on each indicator). However, opportunities for country stakeholders to contribute to the assessment of progress for these indicators and integrate their findings in country-level dialogue will be explored on a case by case basis.

■ What kind of development co-operation is included?

For the purpose of monitoring the Busan Partnership agreement at the international level, development co-operation funding primarily refers to Official Development Assistance (ODA). This includes all transactions undertaken: i) with the promotion of economic development and welfare as the main objective; and ii) at concessional financial terms (if a loan, having a grant element of at least 25%).¹

In addition, developing countries interested to monitor the effectiveness of a broader range of development co-operation funds (*e.g.* non concessional lending) are encouraged to do so, provided that the following criteria are met: official source (bilateral or multilateral); and promotion of economic development and welfare as the main objective.

Where development co-operation funding is provided to a developing country as part of a regional (multi-country) programme and it is possible to identify those activities and disbursements that are specific to that developing country, these disbursements should also be recorded.

¹ Detailed definitions available in OECD-DAC Statistical Directives (OECD, 2007).

The following official transactions are excluded from the scope of the Global Partnership monitoring efforts and should not be recorded:

- Transactions made to beneficiaries that are not based in the developing country or to regional organisations that cannot be identified at country level.
- Debt reorganisation/restructuring.
- Emergency and relief assistance.

APPROACH TO COLLECTING AND VALIDATING DATA

■ Grounding data collection in country processes

Consistent with the focus of the Busan Partnership agreement on implementation at country level, developing countries are encouraged to agree on their own country-specific frameworks for monitoring progress and promoting mutual accountability (Busan §35a). Such frameworks could provide the basis for the collection of data necessary for global indicators. Embedding such data collection within countries' existing processes, using their own tools and agreed in-country calendars, will help to avoid the creation of parallel monitoring tools and cycles that primarily serve international reporting needs.

Ways of grounding data collection in country processes – Illustrative examples

A growing number of countries have embedded monitoring of development co-operation effectiveness or partnership commitments in their own systems and processes. Ways of achieving this include the following approaches:

- Incorporation of selected Paris Declaration and now Busan global indicators in data collection through country-level aid management systems (e.g. Burundi Aid Management Platform, Cambodia ODA database, Rwanda Development Assistance Database).
- Use of some or all Paris Declaration and now Busan global indicators in country-level mutual accountability frameworks (e.g. Mozambique Performance Assessment Framework of the Programme Aid Partnership, Rwanda Donor Performance Assessment Framework, the Pacific Islands Forum Compact)
- Collection and analysis of data from providers of development co-operation in advance of annual partnership talks.

Ad hoc arrangements may need to be established for countries, which are interested to participate in global monitoring efforts but do not have in place processes or tools for periodic collection of country-level data required for some or all of the indicators drawing on country-level sources of data. These could include arrangements similar to those used for the Paris Declaration surveys (e.g. using stand-alone questionnaires). However, such arrangements should, whenever possible, be designed in a way that supports broader country-level monitoring and reporting efforts beyond those of the Global Partnership.

■ Roles of various stakeholders

Developing country governments play a central role in leading monitoring efforts at country level. This involves the following aspects:

- ensuring that country stakeholders are fully informed about Busan global monitoring efforts and facilitating their contribution to the process;
- overseeing the collection of data on Busan global indicators either through existing mechanisms and tools or ad hoc processes;
- organising multi-stakeholder dialogue in support of data consolidation, validation and final review as well as ensuring the overall quality of data; and
- submitting data to the UNDP-OECD joint support team.

In previous global efforts to monitor aid effectiveness, governments found it useful to nominate national co-ordinators who were typically senior officials in ministries of finance, planning or foreign affairs responsible for aid management and coordination.

Some countries also found it useful to appoint a 'donor' focal point to assist and support them in this process and to co-ordinate data collection from providers of development co-operation. Whether a government wants to nominate such a provider focal point for the Global Partnership monitoring efforts, and which partner may best fit this role, is left to each government to decide. UNDP has previously played such a role in some countries, and stands ready – on demand – to assume a similar role in this monitoring effort as well.

Providers of development co-operation are called upon to actively support the process at country level by providing the necessary data to the government, in their co-operation countries. Three indicators require inputs from providers: annual predictability, aid on budget and use of PFM and procurement systems (see table below in the section on submission of data). Global programmes (for example, The Global Fund, GAVI...) are also invited to participate. For all providers, the in-country head of the organisation is responsible for ensuring the quality and accuracy of reporting. At the same time, previous experience has demonstrated that the provision of guidance and incentives from these organisations' headquarters to their respective country offices is essential.

Parliamentarians, civil society organisations, the private sector and other stakeholders play an important role in monitoring progress in implementing Busan commitments. Non-state stakeholders are, however, not expected to report to developing country authorities in this context (even when they implement projects and programmes funded by official development assistance). While country-level data for the purpose of the Global Partnership monitoring framework is provided by governments and providers of development co-operation, these stakeholders are encouraged to actively take part in the dialogue described below.

■ Validation of data through inclusive country level dialogue

Close communication among a wide range of stakeholders is important in ensuring the quality of the reporting on indicators as a monitoring tool and in strengthening mutual understanding of progress and challenges in make co-operation more effective. Local authorities, parliamentarians, CSOs and representatives of the private sector are encouraged to participate in country dialogue around monitoring Busan commitments. Undertaken in the context of countries' own monitoring frameworks and coordination processes, such dialogue should wherever possible be used as an opportunity to review key data that will be shared with the UNDP-OECD joint support team. Multi-stakeholder dialogue and validation is an important contribution to ensure the accuracy of data used to monitor progress at the global level. In order to document good practice in multi-stakeholder country-level engagement in global monitoring efforts, countries will be invited to provide feedback on the consultation process as part of their submission of data to the UNDP-OECD joint support team.

The UNDP/OECD joint support team will also in due course facilitate country-level access to information on the indicators measured through global processes so that findings can also feed into country-level dialogue.

HELP DESK

A web-based "help desk" has been established within the community space for the Global Partnership, which is intended to provide a peer exchange space to share access to expertise, technical information and good practices.²

The community space features a separate section dedicated to monitoring, which provides a space for exchange of experience among country stakeholders and access to technical advice about the implementation of the agreed methodologies and processes for monitoring. The section also includes key reference materials and is regularly

² This web solution builds on the UNDP Teamworks web platform and offers a password-protected 'intranet' for Global Partnership stakeholders.

updated with frequently asked questions and answers. In offering a “one stop shop” for all ad hoc questions on indicators and the supporting methodology, this centralised support helps to ensure that arrangements for global monitoring, while relying on existing sources of data, provide reliable and comparable data across participating countries and organisations.

The help desk function is co-ordinated by the UNDP-OECD joint support team and brings together specialists from the two organisations, including from the UNDP regional centres and country offices, which play a key role in supporting overall country-level implementation of Busan commitments and monitoring of progress.

How do I contact the help desk?

Stakeholders leading and contributing to the monitoring process are encouraged to visit the monitoring section of [the Global Partnership community space](#) which contains relevant documents and responses to frequently asked questions. To register, please email: community@effectivecooperation.org

For any queries, please contact: monitoring@effectivecooperation.org

SUBMISSION OF DATA

■ Completing the country spread sheet

Developing countries will be expected to submit data to the UNDP-OECD joint support team by means of a country spread sheet specially designed for the purpose of participating in global monitoring efforts. This spread sheet is an Excel document that records the *data* for the indicators measured through country-level information sources.

The Country Spread sheet can be downloaded from [the Global Partnership community space](#). It combines data provided by both developing country governments and providers of development co-operation, as summarised in the table below:

INDICATORS		Governments	Providers of development co-operation
1	Development co-operation is focused on results that meet developing countries' priorities	Note that this indicator will be piloted in a limited number of countries in 2013. Reporting to take place separately	
5a	Development co-operation is more predictable (annual)		■
5b	Development co-operation is more predictable (medium-term)	■	
6	Aid is on budgets which are subject to parliamentary scrutiny	■	■
7	Mutual accountability strengthened through inclusive reviews	■	
9b	Use of developing country PFM and procurement systems		■
8	<i>Optional:</i> Gender equality and women's empowerment	■	

Notes: Definitions of key terms, specific questions and additional guidance for all of the indicators listed in the above table are provided in Annex II.

■ **Submission of the country spread sheet**

Once the Country spread sheet has, under the leadership of the government, been completed and validated at country level, it should be submitted to the UNDP-OECD joint support team by email (monitoring@effectivecooperation.org) by **13 September 2013** at the latest. Upon receipt of the spread sheet, the joint support team will follow up with the designated developing country authorities for any necessary clarification.

■ **Complementary evidence**

Countries are also encouraged to share any additional information that the UNDP-OECD joint support team could use as a basis to enrich the global analysis of progress and challenges in implementing Busan commitments. This can be done through the country spread sheet, which includes a dedicated section for such information.

ANNEX I – INDICATOR FACTSHEETS

Detailed information on each indicator of the monitoring framework of the Global Partnership (see Table in Part I of the document) is provided in the factsheets presented in this Annex. These provide details on the methodology underpinning each indicator, including means of measurement, method of calculation and data source.

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

Note: This is an area where no measurement has been undertaken so far. As such, the detailed definitions and means of measurement for this indicator remain subject to further work of a technical nature. Final work in this area will be undertaken as part of the rolling out of the Global Partnership Monitoring Framework at country level in 2013 and will involve piloting in a limited number of countries (see Annex II for the proposed approach).

The purpose of this indicator is not to serve a narrow scorecard but to provide a basis to better understand the reasons for progress and remaining challenges in strengthening country-led results frameworks and their associated monitoring and evaluation systems by using them and to raise political attention on issues such as continued additional or parallel reporting requirements by providers of development co-operation.

Ways of establishing a link with the quality of results frameworks, and in particular the inclusive process through which they have been developed, has been factored in the proposed dimensions for assessing progress in this area which are currently being reviewed.

Relevant Busan commitment

Paris Declaration (§45) and Accra (§23) commitments, as reaffirmed in Busan, to rely on partner country results frameworks and monitoring and evaluation systems.

Busan commitment to adopt transparent, country-led and country-level results frameworks and platforms as a common tool among all concerned actors to assess performance based on indicators drawn from country development priorities and goals and with providers of development co-operation minimising their use of additional frameworks. (§18a)

Indicator construction	Measure
<p>Numerator: Number of development co-operation providers that are using country results frameworks</p> <p>Denominator: Total number of development co-operation providers</p> <p>The extent to which providers of development co-operation use country results frameworks will be assessed on the basis of: use of objectives and targets from national development strategy as a reference for delivery and performance assessment; and use of the country's own indicators, national statistics and monitoring and evaluation systems to monitor progress.</p>	<p>% of providers of development co-operation using country results frameworks.</p> <p>A score will be assigned using a graduated scale to assess the extent to which providers of development co-operation use country results frameworks, ranging from non-use, through partial use to full use, on the basis of the proposed dimensions.</p>
Data source	Aggregation
<p>Country level data – partner country government assessment against three dimensions.</p> <p>Periodicity to be determined at country level depending on needs and priorities and existing mutual accountability review processes.</p>	<p>Global, developing country, and provider of development co-operation.</p> <p>Developing country and provider aggregation: % of providers and % of developing countries respectively.</p> <p>The unit of observation is the provider of development co-operation in a given developing country.</p>
Baseline	Proposed target
<p>To be determined</p>	<p>All providers of development co-operation use country results frameworks.</p> <p>Rationale: based on the Busan commitment which calls on all actors to change behaviour in this area.</p>

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

Consensus was reached in 2012 to draw on a new Enabling Environment Index (EEI) under development by CIVICUS, the World Alliance for Citizen Participation. CIVICUS has developed an EEI under the guidance of a multi-stakeholder Advisory Group, with technical support from academia as well as by working in collaboration with the CSO Platform for Development Effectiveness. CIVICUS launched [the pilot index for consultation](#) in April and is currently finalizing the Index on the basis of stakeholder feedback.

It had been initially envisaged that the Global Partnership indicator on the enabling environment for CSOs would focus on sub-dimensions of the CIVICUS-EEI relating to the Busan commitment, which is to enable CSOs to exercise their role as independent development actors and to maximise their contribution to development. Due to limited data availability for the selected sub-dimensions of the EEI that have direct bearing on CSO activity, it is challenging at this stage to use the EEI to construct an indicator that would alone provide a robust basis for meaningful dialogue on the state of enabling environment for CSOs within the Global Partnership.

In light of these challenges, it is proposed to build on the work of CIVICUS-EEI and complement it with additional qualitative evidence to provide a preliminary narrative on the state of enabling environment for civil society.

Particular emphasis will be placed on presenting where challenges and information gaps persist and on drawing political attention to areas where concerted international efforts would be needed to generate more comprehensive primary data and to enable more robust assessments of the enabling environment for CSOs in the future.

Relevant Busan commitment

[we will] “implement fully our respective commitments to enable CSOs to exercise their roles as independent development actors, with a particular focus on an enabling environment, consistent with agreed international rights, that maximises the contributions of CSOs to development.” (Busan §22a).

Indicator construction

The assessment will draw on the CIVICUS-EEI, where data is relevant and available, and on other complementary evidence to provide a first, qualitative narrative on the state of enabling environment for CSOs. Complementary evidence may be generated by the CSO Platform for Development Effectiveness and/or by other stakeholders.

In examining sub-dimensions of the CIVICUS-EEI, particular consideration will be given to those components that relate most directly to the Busan commitments and are largely within the control of stakeholders adhering to the Busan Partnership, *i.e.*: selected elements of the governance / political environment that have a direct bearing on CSO activity, including the legal and regulatory framework for civil society operations.

Measure

Selected components of the CIVICUS Enabling Environment Index.

This first assessment will not deliver a single quantitative measure. It will rather provide a preliminary narrative building on both quantitative and qualitative information.

Data source

CIVICUS Enabling Environment Index as well as relevant complementary evidence.

Aggregation

The unit of observation will be the individual country. Quantitative aggregation may not be feasible at this stage due to limitations in data availability.

Baseline

To be determined based on the preliminary assessment of the state of enabling environment for CSOs.

Proposed target

Continued progress over time.

Rationale: there is no basis in the Busan Partnership agreement for a more specific target and the purpose of the indicator is to provide an entry point for a political discussion based on broad trends observed.

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

Note: Dialogue among interested stakeholders, including discussions within the Building Block on Public-Private Co-operation have confirmed that the monitoring and evaluation framework provided in the Public-Private Dialogue Handbook (B. Herzberg and Wright A., 2006, available online at: www.publicprivatedialogue.org) provides a useful basis for further work on the indicator. The Public-Private dialogue is an initiative aimed at building knowledge and capacity for public-private dialogue. It is hosted in the World Bank Institute and has been sponsored by DFID, the World Bank, IFC, and the OECD Development Centre.

The preliminary tool to assess the quality of public-private sector dialogue is available for consultation with key stakeholders. Developing countries interested to take part in final discussions on the indicator construction and to be part of the piloting process are invited to confirm their interest. Work will involve primarily desk review of existing materials and targeted interviews to be undertaken under the responsibility of the UNDP-OECD joint support team in close collaboration with the World Bank Institute. It is envisaged to review the findings and validate the methodology through a range of relevant consultations in September-October.

This approach will provide initial benchmarking on the quality of public-private dialogue in a selected number of countries, which will serve as a basis to inform the ministerial-level discussions within the Global Partnership scheduled in October 2013.

Relevant Busan commitment

Commitment to enable the participation of the private sector in the design and implementation of development policies and strategies to foster sustainable growth and poverty reduction (BPa§32b)

Indicator construction

The indicator will assess the effectiveness of public-private dialogue as a proxy for private sector engagement (local and foreign, small, medium and large enterprises, business associations, chambers of commerce) and trade unions in country level dialogue around policy strategies and reforms of the enabling environment for private sector investment and development.

Dimensions to be assessed include:

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

Measure

A multi-dimensional index providing a graduated measure of the quality of public-private dialogue.

Data source

In the absence of existing data sources in this area, the UNDP/OECD joint support team is working closely with the WBI to review self-assessments by countries having a public private dialogue process in place to ensure a credible and comparable assessment. This process consists of a desk review complemented with targeted interviews with a selected range of stakeholders to complement the assessment with perspectives from a wider range of stakeholders.

Aggregation

The unit of observation is the individual developing country.

The method for global aggregation will depend in part on the final choice of the indicator (could look at % of countries scoring above a particular score; or average score across all countries).

Baseline

To be determined (depending on the final indicator and data availability).

Proposed target

Continued progress over time.

Rationale: the purpose of the indicator is to provide means to support broader political discussion on enhanced public private cooperation and further mobilisation of the private sector within the Global Partnership.

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

Note: The UNDP-OECD joint support team is working closely with the secretariats managing the two main systems of the common open standard, namely the IATI and OECD/DAC Creditor Reporting System and the Forward Spending Survey, to resolve the pending technical issues related to the indicator construction and identify practical ways for continued collaboration in piloting the indicator in the coming months. Further refinement is needed on the approach to coverage of flows and actors as well as the definition of targets and ways of assessing progress in light of the implementation schedules that individual providers have adopted to implement the common, open standard. Stakeholder feedback on the indicator concept is being facilitated through the above mentioned secretariats and through the ad hoc group on the common standard.

Relevant Busan commitment

"Implement a common, open standard for electronic publication of timely, comprehensive and forward-looking information on resources provided through development co-operation... This standard must meet the information needs of developing countries and non-state actors... We will [aim to] implement it fully by December 2015. Busan (§23c).

Indicator construction	Measure
<p>The state of implementation of the common, open standard by 2015 by providers will be assessed against four elements which are derived directly from Busan Partnership commitments: i) timeliness; ii) level of detail; iii) forward looking nature; and iv) coverage of the information on development co-operation resources made available by providers.</p> <p>The indicator will assess provision of information on historical, current and future resource flows disaggregated to meet recipient countries' information needs. Exact definitions and criteria will be determined drawing on the agreed main components of the indicator.</p>	<p>A composite indicator providing a graduated measure of the degree of implementation of the common standard by each provider of development co-operation (exact measure to be determined).</p>
Data source	Aggregation
<p>Desk review of data available through reporting on the components of the common, open standard (CRS/FSS and IATI). No collection of data at the country level is foreseen.</p>	<p>The proposed unit of observation is the individual country providing development co-operation (in the case of bilateral co-operation providers) or organisation (in the case of multilateral providers). In other words, the indicator looks at whether a given provider of development co-operation has implemented the common standard</p> <p>Ideally the indicator would be defined in a way that supports aggregation to the global level, offering a snapshot of progress.</p>
Baseline	Proposed target for end 2015
<p>To be determined on the basis of the final indicator construction (2011 would measure progress since Busan)</p>	<p>Implement the common standard – All providers of development co-operation are on track to implement by 2015 a common, open standard for electronic publication of timely, comprehensive and forward-looking information on development co-operation</p> <p>Rationale: Busan commitment</p>

Indicator 5a. Development co-operation is more predictable (annual predictability)

Paris Declaration commitment to “disburse aid in a timely and predictable fashion according to agreed schedules” (PD §26; reaffirmed in Busan)

Indicator construction	Measure
<p>Numerator: Development co-operation flows reported by provider as disbursed in year n</p> <p>Denominator: Development co-operation flows scheduled for disbursement by provider in year n and communicated to developing country government</p>	<p>% of development cooperation funding for the government sector disbursed in the year for which it was scheduled by providers of development co-operation</p> <p>Note that this indicator builds on the broad approach used in Paris Declaration indicator 7</p>
Data source	Aggregation
<p>Country-level data (self-reporting by providers of development co-operation)</p>	<p>In order to avoid the situation in which under- and over-disbursements cancel each other out, the ratio is inverted in cases where the numerator is greater than the denominator. This is consistent with the approach taken in OECD (2011).³</p> <p>Note however that when aggregating (globally, by country or by provider of development co-operation), a weighted average is now used. <i>i.e.</i> sum of all numerator values divided by the sum of all denominator values. This replaces the average country ratio used in OECD (2011) and previous work.</p>
Baseline	Proposed target for 2015
<p>2010 (estimate, 78 countries): 75%</p>	<p>Halve the gap – halve the proportion of development co-operation funding not disbursed within the fiscal year for which it was scheduled</p> <p>Rationale: based on Paris Declaration target</p>

³ OECD (2011), Aid Effectiveness 2011: Progress in Implementing the Paris Declaration, OECD, Paris, available online at: http://www.oecd-ilibrary.org/development/aid-effectiveness-2011_9789264125780-en

Indicator 5b. Development co-operation is more predictable (medium-term predictability)

Relevant Busan commitment	
<p>“By 2013... provide available, regular, timely rolling three- to five-year indicative forward expenditure and/or implementation plans as agreed in Accra...” (Busan §24a).</p>	
Indicator construction	Measure
<p>Developing country government determines whether, on the basis of its records, a forward expenditure plan is available for each co-operation provider covering the next one, two and three years. The forward spending plan must meet ALL THREE of the following criteria:</p> <ul style="list-style-type: none"> • Made available by the provider of development co-operation in written or electronic form; • Sets out clearly <i>indicative</i> information on future spending and/or implementation activities in the country; • Amounts are presented (at least) by year using the developing country’s fiscal year. <p>Additionally, for each year, to answer “YES” the information provided must meet BOTH of the following criteria:</p> <ul style="list-style-type: none"> • Comprehensive in its coverage of known sectors, types and modalities of support; and • Amount and currency of funding is clearly stated. 	<p>Estimated proportion of development co-operation covered by indicative forward expenditure and/or implementation plans for one, two and three years ahead.</p>
Data source	Aggregation
<p>Data collected at country level (reporting by developing country governments on the availability of forward plans by each provider).</p>	<p>Indicator values for individual providers and for developing countries will serve as a basis for global aggregation.</p>
Baseline	Proposed target
<p>To be determined based on data collection in 2013.</p>	<p>Halve the gap – halve the proportion of development co-operation not covered by indicative forward spending plans provided at the country level.</p> <p>Rationale: following the same approach as for in-year predictability (see indicator 5a).</p>

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

Indicator 6. Aid is on budgets which are subject to parliamentary scrutiny	
Relevant Busan commitment	
<p>Busan commitment to “...strengthen the role of parliaments in the oversight of development processes” (§21a); and also Accra commitment to “facilitate parliamentary oversight by implementing greater transparency in public financial management, including public disclosure of revenues, budgets, expenditures...” (AAA §24).</p>	
Indicator construction	Measure
<p>Numerator: Development co-operation funding recorded in annual budget for year n.</p> <p>Denominator: Development co-operation funding scheduled for disbursement in year n by co-operation providers and communicated to developing country government at the outset of year n</p> <p>Note that the denominator used in this indicator is the same as that used in the calculation of indicator 5a (annual predictability)</p>	<p>% of development co-operation funding scheduled for disbursement that is recorded in the annual budgets approved by the legislatures of developing countries.</p> <p>Note that this indicator builds on the broad approach used in Paris Declaration indicator 3</p>
Data source	Aggregation
<p>Data collected at the country level (data taken from existing government budgets and self-reporting by providers of development co-operation)</p>	<p>In order to avoid the situation in which under- and over-estimates cancel each other out, the ratio is inverted in cases where the numerator is greater than the denominator. This is consistent with the approach taken in OECD (2011).</p> <p>Note however that when aggregating (global, developing country or co-operation provider), a weighted average is now used. <i>i.e.</i> sum of all numerator values divided by the sum of all denominator values. This replaces the average country ratio used in OECD (2011) and previous work.</p>
Baseline	Proposed target
<p>To be determined and only available for countries having the calendar year as a fiscal year (data for the denominator are currently available only by calendar year)</p> <p>For reference, aid captured in budgets in 2010 as a percentage of aid disbursements (PD indicator 3, 78 countries): 41%</p>	<p>Halve the gap – halve the proportion of development co-operation flows to the government sector not reported on government’s budget(s) (with at least 85% reported on budget)</p> <p>Baseline year 2010</p> <p>Rationale: Paris Declaration target</p>

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

Relevant Busan commitment	
<p>Paris commitment to jointly assess mutual progress in implementing aid effectiveness commitments (PD §50). Accra commitment to ensure mutual assessment reviews in place in all countries, with stronger parliamentary scrutiny and citizen engagement (AAA §24b).</p> <p>Busan commitment to encourage participation of all development co-operation actors in these processes (§18d); agree country-led frameworks to monitor progress and promote mutual accountability (§35a).</p>	
Indicator construction	Measure
<p>Numerator: Number of countries considered to have a mutual assessment</p> <p>Denominator: Total number of countries</p> <p>A country is considered to have a mutual assessment in place when <i>at least four</i> of the five criteria below are met:</p> <ul style="list-style-type: none"> • Existence of an aid or partnership policy that defines a country's development co-operation priorities • Existence of country-level targets for effective development co-operation for both developing country government and providers of development co-operation • Assessment against these targets undertaken jointly by government and providers at senior level in the past two years • Active involvement of local governments and non-executive stakeholders in such reviews. • Comprehensive results of such exercises are made public 	<p>% of countries that undertake inclusive mutual assessments of progress in implementing agreed commitments and meet at least four of the five proposed criteria</p> <p>Note that this indicator takes the form of an improved version of Paris Declaration indicator 12</p>
Data source	Aggregation
Country-level data. Self-reporting against established criteria, using UNDESA work on mutual accountability	The unit of observation is the individual developing country (score across five dimensions). Global aggregation based on % of countries meeting at least four of the five criteria.
Baseline	Proposed target
<p>2010 estimate * = 38% (of 78 countries)</p> <p>* Note that the criteria proposed in the current methodology have evolved since those used to collect the 2010 baseline. As such this is an estimate only</p>	<p>All developing countries have inclusive mutual assessment reviews in place</p> <p>Rationale: Paris target</p>

Indicator 8. Gender equality and women's empowerment

In the spirit of the on-going discussions on the post-2015 development framework, countries at all stages of development are welcome to share evidence on their efforts in this area and performance against this indicator in view of the interest in advancing mutual learning and the exchange of experiences.

Relevant Busan commitment

"[We will] accelerate and deepen efforts to collect, disseminate, harmonise and make full use of data disaggregated by sex to inform policy decisions and guide investments, ensuring in turn that public expenditures are targeted appropriately to benefit both women and men." (Busan §20a).

Indicator construction	Measure
<p>Numerator: Number of countries that have a system for tracking allocations for gender equality and women's empowerment</p> <p>Denominator: Total number of countries</p> <p>It is suggested that in order to be considered to "have a system in place", countries would <i>need</i> to fulfill two of the following criteria, noting that criteria 4 is required:</p> <ol style="list-style-type: none"> 1. There is an official government statement on a system for tracking allocations for gender equality and women's empowerment. This can for example be a framework or legislation on gender responsive budgeting. 2. Allocations for gender equality and women's empowerment are systematically tracked. 3. There is leadership and oversight of the tracking system by the central government unit in charge of public expenditures (for example the Finance Ministry or a sector ministry). 4. Gender equality focused budget information is publically available. This could be through parliamentary oversight, civil society scrutiny, publications, websites or other means. <p>Countries may indicate if they a) use gender-specific indicators and data disaggregated by sex to inform budget allocation decisions at sectoral and/or local/district level; and b) if they conduct regular impact assessments of budgets which address how women and men benefit respectively from government expenditures.</p>	<p>Proportion of developing countries with systems to track and make public allocations for gender equality and women's empowerment</p>
Data source	Aggregation
<p>UN Women corporate reporting, based on data collected from ministries of finance at country level, drawing on existing data sources wherever possible</p>	<p>The unit of observation is the individual developing country.</p> <p>Global aggregation: percentage of developing countries.</p>
Baseline	Proposed target
<p>Not available. Data from UN Women annual reports for 2013 will provide the baseline.</p>	<p>All developing countries have systems that track and make public allocations for gender equality and women's empowerment by 2015.</p>

Indicator 9a. Quality of developing country PFM systems

Relevant Busan commitment																									
Paris Declaration commitments to strengthen country systems at the same time as increasing their use (PD §17-30; reaffirmed in Busan §19)																									
Indicator construction	Measure																								
<p>This indicator takes the form of a score ranging from 1.0 (lowest) to 6.0 (highest), scored in half-point increments (0.5).</p> <p>The following three dimensions are rated by the World Bank using established criteria:</p> <ol style="list-style-type: none"> a. a comprehensive and credible budget, linked to policy priorities; b. effective financial management systems to ensure that the budget is implemented as intended in a controlled and predictable way; and c. timely and accurate accounting and fiscal reporting, including timely and audited public accounts and effective arrangements for follow up. <p>All three dimensions are given equal weighting. See World Bank (2010) for the detailed criteria underpinning each dimension.</p>	<p>Same as Paris Declaration indicator 2a</p> <p>This indicator is based on the World Bank Country Policy and Institutional Assessment (CPIA).⁴ It takes the value of one CPIA criterion – indicator 13 – which offers a measure of the quality of a developing country’s budget and financial management system</p>																								
Data source	Aggregation																								
World Bank (existing international dataset, published on an annual basis and available for IDA countries).	<p>The unit of observation is the individual developing country.</p> <p>When aggregating to the global level, the measure used is the percentage of developing countries moving up at least one measure (<i>i.e.</i> 0.5 points) since the baseline year.</p>																								
Baseline	Proposed target for 2015																								
<p>2010 (for countries participating in the 2011 PD Survey):</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="text-align: left; padding: 5px;">CPIA PFM Score</th> <th style="text-align: center; padding: 5px;">>=5</th> <th style="text-align: center; padding: 5px;">4.5</th> <th style="text-align: center; padding: 5px;">4.0</th> <th style="text-align: center; padding: 5px;">3.5</th> <th style="text-align: center; padding: 5px;">3</th> <th style="text-align: center; padding: 5px;"><3.0</th> <th style="text-align: center; padding: 5px;">All</th> </tr> </thead> <tbody> <tr> <td style="text-align: left; padding: 5px;">Num. of countries</td> <td style="text-align: center; padding: 5px;">0</td> <td style="text-align: center; padding: 5px;">2</td> <td style="text-align: center; padding: 5px;">8</td> <td style="text-align: center; padding: 5px;">25</td> <td style="text-align: center; padding: 5px;">12</td> <td style="text-align: center; padding: 5px;">9</td> <td style="text-align: center; padding: 5px;">56</td> </tr> <tr style="background-color: #f2f2f2;"> <td style="text-align: left; padding: 5px;">%</td> <td style="text-align: center; padding: 5px;">0%</td> <td style="text-align: center; padding: 5px;">4%</td> <td style="text-align: center; padding: 5px;">14%</td> <td style="text-align: center; padding: 5px;">45%</td> <td style="text-align: center; padding: 5px;">21%</td> <td style="text-align: center; padding: 5px;">16%</td> <td style="text-align: center; padding: 5px;">100%</td> </tr> </tbody> </table>	CPIA PFM Score	>=5	4.5	4.0	3.5	3	<3.0	All	Num. of countries	0	2	8	25	12	9	56	%	0%	4%	14%	45%	21%	16%	100%	<p>Half of developing countries move up at least one measure (<i>i.e.</i> 0.5 points) on the PFM/CPIA scale of performance</p> <p>Rationale: Paris Declaration target</p>
CPIA PFM Score	>=5	4.5	4.0	3.5	3	<3.0	All																		
Num. of countries	0	2	8	25	12	9	56																		
%	0%	4%	14%	45%	21%	16%	100%																		

⁴ World Bank (2012), CPIA 2012, Operations Policy and Country Services, World Bank, available online at: <http://www.worldbank.org/ida/IRAI-2012.html>

Indicator 9b. Use of country PFM and procurement systems

Relevant Busan commitment	
Paris Declaration (§21, 26) and Accra (§15) commitments, as reaffirmed in Busan. Busan commitment to “use country systems as the default approach for development co-operation in support of activities managed by the public sector” (§19a)	
Indicator construction	Measure
<p>Numerator: Development co-operation flows using country systems (average of a, b, c and d)</p> <p>Denominator: Total development co-operation flows for the government sector</p> <p>where: a = Development co-operation funding disbursed for the government sector using national budget execution procedures b = Development co-operation funding disbursed for the government sector using national financial reporting procedures c = Development co-operation funding disbursed for the government sector using national auditing procedures d = Development co-operation funding disbursed for the government sector using national procurement systems</p>	<p>Note that this indicator combines Paris Declaration indicators 5a (use of country PFM systems) and 5b (use of country procurement systems) to offer a single composite indicator</p> <p>% of development co-operation disbursements for the government sector using the developing country’s PFM and procurement systems (average across use of four components a-d below)</p>
Data source	Aggregation
Country-level data (self-reporting by providers of development co-operation)	Developing country, co-operation provider, global: total of numerators divided by total of denominators
Baseline	Proposed target for 2015
2010 (78 countries): 49%	<p>Country target depends on score for indicator 9a above (quality of PFM systems):</p> <ul style="list-style-type: none"> • Reduce the gap by two thirds – a two-thirds reduction in % of development co-operation funding not using country PFM and procurement systems for countries with a score of ≥ 5 on indicator 9a • Reduce the gap by one third – a one-third reduction in % of development co-operation not using country PFM and procurement systems for countries with a score between 3.5 and 4.5 on indicator 9a <p>Rationale: based on the logic underpinning the Paris Declaration target (though procurement is now one of the four components of country systems now included in the indicator, rather than being subject to a separate target)</p>

Indicator 10. Aid is untied

Relevant Busan commitment	
“Pursuant to the Accra Agenda for Action, we will accelerate our efforts to untie aid.” (§18e)	
Indicator construction	Measure
Numerator: Amount of untied ODA Denominator: Total ODA	Same as Paris Declaration indicator 8 % of ODA that is fully untied For detailed definitions, see OECD (2007) ⁵
Data source	Aggregation
Existing international data source: self-reporting on tying status by providers of development co-operation through the OECD-DAC Creditor Reporting System	Developing country, co-operation provider, global: total of numerators divided by total of denominators
Baseline	Proposed target
2009 (all bilateral ODA): 79%	Continued progress over time Rationale: Paris target

⁵ OECD (2007), *Reporting Directives for the Creditor Reporting System, 4 September, DCD/DAC(2007), Reporting directives for the Creditor Reporting System*, available online at: www.oecd.org/dac/stats/crsdirectives

ANNEX II – QUESTIONS AND DEFINITIONS TO GUIDE DATA COLLECTION AT COUNTRY LEVEL

This annex provides advice to assist developing country authorities in collecting the data and to enable providers of development co-operation and other stakeholders to engage in the process. It includes guiding questions to support data collection for each indicator using country-level sources of information as well as detailed definitions for key concepts to ensure accurate reporting.

More specific and detailed questions and answers related to all aspects of implementing the Global Partnership monitoring framework can be found under the “Frequently Asked Questions” of the monitoring section [the Global Partnership community space](#) (see Helpdesk in Part II of this document).

GENERAL DEFINITIONS

<p>Development co-operation transactions to be recorded</p>	<p>For the purpose of the monitoring framework of the Global Partnership, development co-operation funding primarily refers to Official Development Assistance (ODA). This includes all the official transactions as defined in OECD-DAC Statistical Directives (OECD, 2007), including grants or loans to developing countries which are:</p> <ul style="list-style-type: none"> • undertaken with the promotion of the economic development and welfare as the main objective; and • concessional in character (if a loan, having a grant element of at least 25%). <p>In addition, developing countries interested to monitor the effectiveness of a broader range of development co-operation funding (<i>e.g.</i> non concessional lending) are encouraged to do so, provided that the following criteria are met:</p> <ul style="list-style-type: none"> • official source (bilateral or multilateral); • promotion of economic development and welfare as the main objective; • the grant element is too low to qualify as ODA.
<p>Development co-operation transactions NOT to be recorded</p>	<p>The following official transactions are excluded from the scope of the Global Partnership monitoring framework and should not be recorded:</p> <ul style="list-style-type: none"> • transactions made to beneficiaries that are not based in the country receiving development co-operation funding or to regional organisations which cannot be identified at country level; • debt reorganisation/restructuring; and • emergency and relief assistance.
<p>Disbursements</p>	<p>A disbursement is the placement of resources at the disposal of a developing country as defined above (see development co-operation transactions). Resources provided in-kind should only be included when the value of the resources have been monetised in an agreement or in a document communicated to government.</p> <p>Where development co-operation funding is provided to the developing country as part of a provider of development co-operation’s regional (multi-country) programme and it is possible to identify those activities and disbursements that are specific to that developing country, these disbursements should also be recorded.</p> <p>In order to avoid double counting in cases where one provider of development co-operation disburses funds on behalf of another, it is only the provider who makes the final disbursement to the government who should report on these funds. The only exception to this is Qp4, against which providers should record total development co-operation funds channelled through other providers (in the case of delegated co-operation, funds provided through multilateral organisations at the country level or multi-donor trust funds administered by another provider).</p>

Disbursements for the government sector	<p>Development co-operation funding disbursed in the context of an agreement with administrations (ministries, departments, agencies or municipalities) authorised to receive revenue or undertake expenditures on behalf of central government. This includes works, goods or services delegated or subcontracted by these administrations to other entities such as:</p> <ul style="list-style-type: none"> • non-governmental organisations (NGOs); • semi-autonomous government agencies (<i>e.g.</i> parastatals), or; • private companies. <p>For the purpose of reporting against indicators 5a (annual predictability), 6 (aid on budget) and 9b (use of country PFM and procurement systems), development co-operation funding focuses on disbursements for the government sector.</p>
Exchange rates	<p>Reporting should be made in US Dollars. A table of exchange rates is provided in the monitoring section of the Global Partnership community site.</p>
Provider of development co-operation	<p>A provider of development co-operation is a country, organisation or official agency - including state and local governments and multilateral institutions – that provide development co-operation funding. Under this definition, non-governmental organisations (NGO) and private companies are not considered providers of development co-operation, even when they implement programmes funded by providers of development co-operation.</p> <p>Notes:</p> <ol style="list-style-type: none"> i. Data concerning providers of development co-operation that have different entities (agencies of distinct programmes) should be combined⁶. ii. In order to avoid double counting in cases where one provider of development co-operation disburses funds on behalf of another provider – bilateral or multilateral, it is only the provider of development co-operation who makes the final disbursement to the government that should report on these funds.
Reporting year of reference	<p>The reporting year of reference is <i>the latest fiscal year of the developing country</i> for which there is information available on relevant aspects of development co-operation.</p> <p>This also means that all data from providers of development co-operation is expected to be provided according to the developing country government’s fiscal year.</p> <p>In developing countries where the fiscal year differs from the calendar year, and where monitoring data is easily available through existing systems, governments may wish to complement fiscal year data with calendar year data. While this would remain optional, it would contribute to facilitate aggregation and comparability of data.</p> <p>Note that for most indicators, the reporting year of reference is likely to be 2012 (or the fiscal year ending in 2012 or 2013).</p>

⁶ UN agencies are encouraged to report individually at country level. However, for the purpose of Busan global monitoring efforts, only combined reporting from ALL UN agencies should be included in the Country spread sheet. Results at the global level will be presented under a single heading: “United Nations”, with the exception of IFAD.

INDICATOR 1: DEVELOPMENT CO-OPERATION IS FOCUSED ON RESULTS THAT MEET DEVELOPING COUNTRIES' PRIORITIES

Note: Given the complex nature of this indicator as well as various approaches to country results frameworks, a more detailed and targeted consultation is required at country level in a selected number of countries interested to pilot the indicator. This will be done from July-September under the guidance of the UNDP-OECD joint support team and in consultation with the full range of interested stakeholders.

This indicator seeks to measure the extent to which transparent, country-led and country-level results frameworks and platforms are adopted as a common tool among all concerned actors to assess performance based on indicators drawn from country development priorities and goals while providers of development co-operation minimise their use of additional and parallel frameworks.

The preliminary methodology to assess the extent to which providers of development cooperation use country results frameworks identifies several dimensions which could be used for constructing various scenarios for each dimensions against a high, medium and low scale of use.

This approach attempts to capture the complex nature of this indicator. However, this raises challenges in conducting the necessary assessments to inform this indicator and to ensure consistency across countries and in each country, across providers of development co-operation. Given that there has been no previous measurement undertaken to assess progress in this area, it is proposed to further refine and test this methodology through a piloting process in a limited number of countries interested and having the capacity to engage in this area in the coming months. The Joint Support Team will provide further guidance and advisory support to the national focal points as the countries undertake the pilot assessment using the following methodology and set of criteria/questions.

Countries interested to test this methodology and pilot the indicator are invited to contact the joint support team by 15 July.

QUESTIONS TO BE INTEGRATED IN COUNTRY-LEVEL DATA COLLECTION PROCESS

Questions will be developed to assess the use of country results frameworks against the following dimensions:

1. The extent to which a provider of development co-operation uses the objectives and targets from the National Development Strategy as a reference to deliver and assess the performance of its own country programme.
(Could be measured through examination of the provider's Country Assistance Strategy, sector agreements with government or project documents)
2. The extent to which a provider of development co-operation uses the partner country's Results Framework and its associated M&E systems, including national statistical systems, to monitor the progress of its programme and projects.
(Could be measured through the use of the country's indicators, national statistics and M&E systems as reflected in actual reporting processes associated with Country Assistance Strategies, sector agreements, loan and grant agreements, project documents)
3. The extent to which a provider of development co-operation's country programme is aligned with the developing country's own programmes.
(Could be measured through the importance of development co-operation funding delivered through programme-based approaches such as projects delivered in support to SWAps, basket/pooled funds or budget support)

During the pilot stage, it is proposed to collect qualitative feedback using a more detailed set of questions covering the proposed dimensions. This pilot phase will aim to come up with concrete examples for each of the scenarios in

order to develop the methodology and scoring criteria to help countries to make assessment and provide further guidance in identifying behavior matching various levels of performance.

Initial feedback provided from different stakeholders confirmed the clarity and relevance of the proposed definitions for country results frameworks. This suggests that the proposed dimensions capture the key element of what constitutes country results frameworks. At the same time, feedback also suggested that further work in this area would need to consider an approach involving a much simpler assessment, focusing on actual practice. As different countries are at varying stages of developing their national development strategies and country results frameworks, appropriate ways to assess performance under this indicator may need to be identified to generate meaningful dialogue on this important agenda at country level.

DEFINITIONS

Country results frameworks	Country results frameworks define a country's approach to results and its associated monitoring and evaluation systems focusing on performance and achievement of development results. They include agreed objectives and output / outcome / impact indicators with baselines and targets to measure progress in implementing them, as stated in national development strategies, sector plans and other frameworks (e.g. budget support performance matrices). Such frameworks should have been developed through participatory processes, involving inclusive dialogue with relevant stakeholders at country level.
National development strategies	National development strategies include Poverty Reduction Strategy Papers (PRSPs) and/or similar overarching strategies. These are typically prepared to cover a clearly identified period of time covering several years. The quality of these national development strategies in operational terms depends on the extent to which they constitute a unified strategic framework to guide the country's development policy and include strategic priorities linked to a medium-term expenditure framework and reflected in annual budgets. They are expected to have been developed through an inclusive consultative process involving the full range of relevant development stakeholders at country level.
National statistical systems	The national statistical system includes all the statistical organisations and units within a country that jointly collect, process and disseminate official statistics on behalf of the national government.
Programme-based approaches	<p>Programme-based approaches are a way of engaging in development co-operation based on the principles of co-ordinated support for a locally owned programme of development, such as a national development strategy, a sector programme, a thematic programme or a programme of a specific organisation. Programme-based approaches share the following features: i) leadership by the host country or organisation; ii) a single comprehensive programme and budget framework; iii) a formalised process for donor-coordination and harmonisation of procedures for reporting, budgeting, financial management and procurement; iv) efforts to increase the use of local systems for programme design and implementation, financial management, monitoring and evaluation.</p> <p>Providers of development co-operation can support and implement programme-based approaches in different ways and across a range of modalities, including budget support, sector budget support, project support, pooled arrangements and trust funds.</p>

INDICATOR 5A: DEVELOPMENT CO-OPERATION IS MORE PREDICTABLE (ANNUAL PREDICTABILITY)

This indicator focuses on in-year predictability of development co-operation. In doing so, it recognises that shortfalls in the total amount of funding for the government sector and delays in the in-year disbursements of scheduled funds can have serious implications for a government's ability to implement development policies and strategies as planned.

This indicator measures the gap between development co-operation funding scheduled by providers of development co-operation and development co-operation funding effectively disbursed as reported by the provider. This indicator is *not* identical to indicator 7 of the former Survey on Monitoring the Paris Declaration, though it is similar in many ways. It aims to provide a better proxy for predictability of disbursements than the indicator used in the Paris Declaration monitoring framework.

In contrast with past measurement, data for both the numerator and denominator of the indicator are now sourced from providers of development co-operation. The inclusion of disbursements in the measurement of this indicator no longer depends on the recording of these disbursements by the developing country government in its accounts. Further changes include the reference period, which can now be the developing country's fiscal year.

QUESTIONS TO BE INTEGRATED IN COUNTRY-LEVEL DATA COLLECTION PROCESS

■ PROVIDER OF DEVELOPMENT CO-OPERATION

■ How much development cooperation funding did you disburse at country-level in...

Q^P1. ...the reporting year of reference? USD _____

■ How much of this was for the government sector in...

Q^P2. ... the reporting year of reference? USD _____

■ How much development co-operation funding for the government sector did you schedule for disbursement at country-level in ...

Q^P3. ... the reporting year of reference? USD _____

■ For reference purposes only, how much development co-operation funding for the government sector did you disburse through other providers (funds which are not captured in your responses to Q^d1 – Q^d3 above) at the country level in...

Q^P4. ... the reporting year of reference? USD _____

MEASUREMENT OF INDICATOR

At the global level, this indicator is calculated as follows:

$$\text{Indicator 5a (\%)} = 100 \times \frac{Q^{P2}}{Q^{P3}}$$

DEFINITIONS

Development co-operation funding for the government sector scheduled for disbursement

Development co-operation funding scheduled for the reporting year of reference n are considered to have been "scheduled for disbursement" when notified to government within the reporting year of reference n-1; it includes development co-operation funding scheduled for disbursement in agreements entered during year n.

INDICATOR 5B: DEVELOPMENT CO-OPERATION IS MORE PREDICTABLE (MEDIUM-TERM PREDICTABILITY)

This indicator focuses on medium-term predictability of development co-operation. In doing so, it recognises that lack of comprehensive and credible forward information on development co-operation funding can have serious implications for a government's ability to plan and implement policies and strategies, deliver public services and design and conduct sound macro-economic policy.

This indicator measures whether developing country governments have at their disposal a forward expenditure and/or implementation plan for each provider of development co-operation over the period of the next three years. Such plans must cover all known components of the co-operation provider's country programme. For example, they cover all development co-operation modalities used by that provider (*e.g.* budget support, projects, technical co-operation, in-kind aid) and include estimates of future flows that have yet to be allocated to specific activities or signed in co-operation agreements (i.e. "unallocated" resource envelopes, which will be provided to the developing country, but where the modality/sector/activity of spending has yet to be decided).

QUESTIONS TO BE INTEGRATED IN COUNTRY-LEVEL DATA COLLECTION PROCESS

■ **GOVERNMENT** – For each provider of development co-operation:

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

Q^g1. Fiscal year ending 2014? (Yes/No) _____

Q^g2. Fiscal year ending 2015? (Yes/No) _____

Q^g3. Fiscal year ending 2016? (Yes/No) _____

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

MEASUREMENT OF INDICATOR

Indicator value for provider P in country C

$$P_c = \frac{(Qg1 + Qg2 + Qg3)}{3}$$

For country C for 1, 2 and 3 years ahead (y=1, 2, 3) C_y = average of Qg1, Qg2 and Qg3 respectively across all providers, weighted by the volume of the provider's development co-operation disbursed in the reference year used for question Qp1.

$$C1 = \frac{\sum_{p=1}^n (Wp * Qg1p)}{n}$$

$$C2 = \frac{\sum_{p=1}^n (Wp * Qg2p)}{n}$$

$$C3 = \frac{\sum_{p=1}^n (W_p * Qg3p)}{n}$$

Where W_p = weight assigned to each provider P based on disbursements reported for question Qp1

$$W_p = \frac{Qp1}{\sum_{p=1}^n (Qp1)}$$

Note that using weighted averages is intended to provide an estimate of the scale of resources covered by indicative forward expenditure and/or implementation plans. This reflects the relative importance that a developing country attaches to obtaining forward spending information from a large co-operation provider vis-à-vis a small provider.

The above indicator values for individual providers and for developing countries will serve as a basis for global aggregation.

DEFINITIONS

<p>Forward spending and/or implementation plan</p>	<p>The developing country government should, for every provider of development co-operation participating in the global monitoring process, establish whether or not it holds information on that co-operation provider's forward spending and/or implementation plans in the country.</p> <p>The national co-ordinator /reporting entity should consult with ministries or departments responsible for managing development co-operation (typically finance, planning, foreign affairs...) to ascertain whether adequate information has been received from each co-operation provider.</p> <p>A forward spending and/or implementation plan meets ALL THREE of the following criteria:</p> <ul style="list-style-type: none"> • Made available by the provider of development co-operation in written or electronic form (e.g. a single document or – where appropriate systems are made available in country – entered appropriately in an aid information management system). • Sets out clearly <i>indicative</i> information on future spending and/or implementation activities in the country, including: <ul style="list-style-type: none"> ○ programmed or committed resources, where the activity and modality is known; and ○ other resources that have yet to be allocated to specific activities in the country. • Amounts are presented by year (or in greater detail – e.g. by quarter or month) using the <i>developing country's fiscal year</i>.
<p>Expected development co-operation flows in fiscal year ending in year 2014, 2015, 2016</p>	<p>A plan may be available which meets all of the criteria above, but the information provided may vary for different years. In responding to questions Qg1, Qg2 and Qg3, national coordinators should examine the data for each year. (The reason for this is that a forward spending/implementation plan may provide comprehensive information for next year, but not the following year).</p> <p>For each year, answer 1 ("Yes") if the information provided meets BOTH of the following additional criteria:</p> <ul style="list-style-type: none"> • Comprehensive in its coverage of known sectors, types and modalities of support (for example, a provider using both project and budget support modalities should include the amounts foreseen under both modalities); and • The amount and currency of development co-operation funding is clearly stated (where support takes the form of technical co-operation and the provision of goods and services in kind, the cost of these planned activities is provided). <p>Where these above additional criteria are <i>NOT</i> met for a given year, or where the three criteria defining a forward spending / implementation plan (definition above) are <i>NOT</i> met, answer 0 ("No").</p>

INDICATOR 6: AID IS ON BUDGETS WHICH ARE SUBJECT TO PARLIAMENTARY SCRUTINY

The formulation of the budget is a central feature of the policy process in all countries. So the degree to which financial contributions from providers of development co-operation to the government sector are fully and accurately reflected in the budget provides a significant indication of the degree to which there is a serious effort to connect development co-operation programmes with country policies and process and to support domestic oversight and accountability for the use of development co-operation funding and results. Budget support is always on budget, but other modalities including project support can and should also be recorded on budget, even if funds do not pass through the country's treasury.

This indicator builds on the broad approach used in indicator 3 of the Survey on Monitoring the Paris Declaration, while introducing modifications that are intended to make it a better proxy for budget comprehensiveness. In other words, the indicator tries to capture the extent to which budgets cover resources expected at the time of their formulation. The denominator is now the amount of development co-operation funding scheduled for disbursement at the outset of year n , rather than ex-post disbursements. This separates the measurement of the extent to which government budgets reflect ex-ante aid estimates (indicator 6) from the measurement of predictability, that is the extent to which scheduled funds are actually disbursed or the realism of estimates (captured by indicator 5a).

QUESTIONS TO BE INTEGRATED IN COUNTRY-LEVEL DATA COLLECTION PROCESS

■ GOVERNMENT

■ How much estimated development co-operation funding was recorded in the annual budget as grants, revenue or loans (concessional and non-concessional)?

Q⁹⁴. In the annual budget of the reporting year of reference: USD _____

Note that the denominator for this indicator is the same as that used in the calculation of indicator 5a (annual predictability).

MEASUREMENT OF INDICATOR

At the global level, this indicator is calculated as follows:

$$\text{Indicator 6 (\%)} = 100 \times \frac{Q^{94}}{Q^{p3}}$$

DEFINITIONS

Annual budget

It is the annual budget as it was originally approved by the legislature. In order to support discipline and credibility of the budget preparation process, subsequent revisions to the original annual budget — even when approved by the legislature — **should NOT be recorded** under question Q⁹⁴. This is because it is the credibility of the original, approved budget that is important to measure and because revisions to the annual budget in many cases are retroactive.

INDICATOR 7: MUTUAL ACCOUNTABILITY AMONG DEVELOPMENT CO-OPERATION ACTORS IS STRENGTHENED THROUGH INCLUSIVE REVIEWS

This indicator seeks to measure progress made by developing countries in undertaking mutual assessment reviews. This indicator takes the form of a modified version of indicator 12 of the Survey on Monitoring the Paris Declaration (OECD, 2011) to build on the lessons learned and evidence on national-level mutual accountability (including evidence generated by UNDESA for the United Nations Development Co-operation Forum). Further refinements to the criteria and methodology underpinning this indicator have been introduced to better capture the extent of involvement of stakeholders going beyond governments to include civil society stakeholders and parliamentarians, for example. A country is considered to have a mutual assessment of progress in place for the purpose of measuring this indicator when at least four of the five proposed criteria are met, providing a graduated assessment of progress.

The set of questions to inform the assessment of this indicator will further benefit from a more in-depth assessment of the situation, progress, and challenges of establishing and strengthening national mutual accountability frameworks through the national Mutual Accountability survey, administered and rolled out by UN DESA in close collaboration with UNDP. At country level, national coordinators are encouraged to liaise closely with the UN Country Team/UNDP to explore opportunities to synchronize and harmonize the assessment process by embedding the dialogue on national mutual accountability survey at a validation meeting/consultation for the global monitoring process and vice versa.

QUESTIONS TO BE INTEGRATED IN COUNTRY-LEVEL DATA COLLECTION PROCESS

Questions Q⁹⁵, Q⁹⁶, Q⁹⁷, Q⁹⁸ and Q⁹⁹ below are drawn from the survey on mutual accountability conducted by UNDESA for the United Nations Development Co-operation Forum (DCF). UNDESA will coordinate a more in-depth survey on mutual accountability in the fourth quarter of 2013 in preparation for the 2014 DCF.

■ GOVERNMENT

Q⁹⁵. Is there an aid policy or partnership policy in place defining a country's development co-operation priorities (or elements of such a policy agreed through other instruments)? (Yes/No)

Q⁹⁶. Are there specific country-level targets for effective development co-operation for both the developing country government and providers of development co-operation? (Yes/No)

Q⁹⁷. Has an assessment towards these targets been undertaken jointly by the developing country government and providers of development co-operation at senior level in the past two years? (Yes/No)

Q⁹⁸. Have non-executive stakeholders (*i.e.* civil society organisations, private sector and parliamentarians) and local governments been actively involved in such reviews? (Yes/No)

Q⁹⁹. Have comprehensive results of such exercises been made public in a timely manner? (Yes/No)

MEASUREMENT OF INDICATOR

At the global level, this indicator is calculated as follows:

$$\text{Indicator 7 (\% of developing countries)} = 100 \times \frac{\left[\begin{array}{c} \text{nb. of developing countries meeting at least} \\ \text{four out of the five criteria} \\ \text{(Qg5, Qg6, Qg7, Qg8, Qg9)} \end{array} \right]}{\left[\begin{array}{c} \text{total nb. of developing countries} \\ \text{participating in the global monitoring process} \end{array} \right]}$$

DEFINITIONS

Aid or partnership policy	A document which sets out agreed approaches to the delivery of development co-operation in the developing country, containing agreed principles, processes and/or targets designed to improve its effectiveness. This may take the form of a stand-alone policy or strategy document, or may be addressed within another document (for example, as part of a national development strategy or similar). The document has been the subject of an inclusive consultation between the developing country government, providers of development co-operation and other interested development stakeholders.
Country-level targets for effective development co-operation	Country-level targets for effective development co-operation have been established in line with Paris, Accra and Busan commitments. They may, however, go beyond the Busan Partnership agreement wherever the developing country government and providers of development co-operation agree to do so. Targets exist for both the developing country government and providers of development co-operation, providing the basis for assessing: the developing country's performance in implementing its development strategy; and the performance of providers of development co-operation against agreed commitments to deliver on the quantity, quality and effectiveness of their support.
Mutual assessment reviews	<p>Mutual assessment reviews are exercises that engage at national level both developing country authorities and providers of development co-operation at senior level in a review of mutual performance. These reviews should be conducted through inclusive dialogue involving a broad range of government ministries (including line ministries and relevant departments, at central and local level), providers of development co-operation (bilateral, multilateral and global initiatives) as well as non-executive stakeholders, including parliamentarians, private sector and civil society organisations.</p> <p>These assessments are undertaken on a regular basis (<i>e.g.</i> every one to two years) and might be supplemented through independent/impartial reviews. The comprehensive results of such assessments should be made publicly available in a timely manner through appropriate means to ensure transparency.</p> <p>For the purpose of assessing progress against indicator 7, a country is considered to have a mutual assessment review in place when the response to at least four of the five questions Q^{g5}, Q^{g6}, Q^{g7}, Q^{g8} and Q^{g9} is "Yes".</p>

INDICATOR 9B: USE OF COUNTRY PUBLIC FINANCIAL MANAGEMENT AND PROCUREMENT SYSTEMS

This indicator combines the Paris Declaration 5a (use of PFM systems) and 5b (use of procurement systems) to offer a single composite indicator. It focuses on the use of developing countries' public financial management (PFM) and procurement systems when funding from providers of development co-operation is provided to the government sector, without applying safeguard measures. National systems for the management of funds are those established in the general legislation (and related regulations) of the country and implemented by the line management functions of the government.

No particular development co-operation modalities automatically qualify as using country PFM and procurement systems. Most modalities including project support can be designed to use country PFM and procurement systems. A set of criteria are presented below to help providers of development co-operation determine when they are, and when they are not, using country PFM and procurement systems.

QUESTIONS TO BE INTEGRATED IN COUNTRY-LEVEL DATA COLLECTION PROCESS

■ PROVIDER OF DEVELOPMENT CO-OPERATION

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

Q^p5. ...national *budget execution* procedures (USD)? _____

Q^p6. ...national *financial reporting* procedures (USD)? _____

Q^p7. ...national *auditing* procedures (USD)? _____

Q^p8 ... national *procurement* systems (USD)? _____

MEASUREMENT OF INDICATOR

At the global level, this indicator is calculated as follows:

$$\text{Indicator 9b (\%)} = 100 \times \frac{\frac{1}{4}(Q^{p5} + Q^{p6} + Q^{p7} + Q^{p8})}{Q^{p2}}$$

DEFINITIONS

Use of national budget execution procedures

Providers of development co-operation use national budget execution procedures when the funds they provide are managed according to the national budgeting procedures established in the general legislation and implemented by government. This means that programmes supported by providers of development co-operation are subject to normal country budgetary execution procedures, namely procedures for authorisation, approval and payment.

Providers of development co-operation are invited to review all their development co-operation activities with a view to determining how funding for the government sector meet three **out of the four criteria** below (anything less does not qualify):

1. Are your funds **included in the annual budget** approved by country legislature? (Y/N)
2. Are your funds subject to established country **budget execution procedures**? (Y/N)
3. Are your funds processed (e.g. deposited & disbursed) through the **established country treasury system**? (Y/N)
4. You do NOT require the **opening of separate bank accounts** for your funds? (Y/N).⁷

Use of national financial reporting procedures

Legislative frameworks normally provide for specific types of financial reports to be produced as well as periodicity of such reporting. The use of national financial reporting means that providers of development co-operation do not impose additional requirements on governments for financial reporting. In particular providers of development co-operation do NOT require: i) maintenance of a separate accounting system to satisfy the provider of development co-operation's reporting requirements, and ii) creation of a separate chart of accounts to record the use of funds from the provider of development co-operation.

Providers of development co-operation are invited to review all their development activities with a view to determining how much funding for the government sector meet BOTH criteria below (anything less does not qualify):

1. You do NOT require maintenance of **a separate accounting system** to satisfy your own reporting requirements? (Y/N)⁸
2. You **ONLY** require financial reports prepared using **country's established financial reporting arrangements**? (Y/N)

⁷ *Budget execution* — **Yes:** you do not require opening separate accounts. **No:** you do require opening separate accounts.

⁸ *Financial reporting* — **Yes:** you do not require a separate accounting system. **No:** you do require a separate accounting system.

Use of national auditing procedures

Providers of development co-operation rely on the audit opinions, issued by the country's supreme audit institution, on the government's normal financial reports/statements as defined above. The use of national auditing procedures means that providers of development co-operation do not make additional requirements on governments for auditing.

Providers of development co-operation are invited to review all their development activities with a view to determining how much development co-operation funding for the government sector meet **BOTH criteria below**⁹ :

1. Are your funds subject to audit carried out **under the responsibility of the Supreme Audit Institution?** (Y/N)
2. You do **NOT** under normal circumstances **request additional audit arrangements**¹⁰? (Y/N)¹¹

AND at least one of the two criteria below:

3. You do NOT require **audit standards different** from those adopted by the Supreme Audit Institution? (Y/N)¹²
4. You do NOT require the Supreme Audit Institution to change its **audit cycle** to audit your funds? (Y/N)¹³

Use of national procurement systems

Providers of development co-operation use national procurement systems when the funds they provide for the implementation of projects and programmes are managed according to the national procurement procedures as they were established in the general legislation and implemented by government. The use of national procurement procedures means that providers of development co-operation do not make additional, or special, requirements on governments for the procurement of works, goods and services. (Where weaknesses in national procurement systems have been identified, providers of development co-operation may work with developing countries in order to improve the efficiency, economy, and transparency of their implementation).

⁹ Note: where development co-operation funding is provided to parastatal entities (for example, public enterprises) and these entities are not subject to audit by the Supreme Audit Institution, the following criteria should be considered:

Providers of development co-operation are invited to review all their development activities with a view to determining how much development co-operation funding for the government sector meet BOTH criteria below:

1. Are your funds subject to audit carried out under the regular audit procedures established for the audit of parastatal entities? (Y/N)
2. You do NOT under normal circumstances request additional audit arrangements? (Y/N)

AND at least one of the two criteria below:

3. You do NOT require audit standards different from those adopted by the partner country for the audit of parastatal entities? (Y/N)
4. You do NOT require a change in the audit cycle of the parastatal entity to audit your funds? (Y/N)

¹⁰ Reserving the right to make an exceptional audit (e.g. when fraud or corruption is discovered) does not count against this criteria.

¹¹ **Yes:** providers do not require additional audits. **No:** providers do require additional audits.

¹² **Yes:** providers do not require different audit standards. **No:** providers do require different audit standards.

¹³ **Yes:** providers do not require to change the audit cycle. **No:** providers do require change to the audit cycle.

OPTIONAL – INDICATOR 8 – GENDER EQUALITY AND WOMEN’S EMPOWERMENT

This indicator seeks to measure government efforts to track and make public resource allocations for gender equality. It does so by encouraging national governments to develop appropriate budget tracking and monitoring systems and commit to making information about allocations for gender equality readily accessible to the public.

A country is considered to have a system in place for the purpose of measuring this indicator when at least two of the four proposed criteria are met, noting that the fourth criteria needs to be met (see question Q⁹13).

UN Women in collaboration with the OECD-DAC Network on Gender Equality (GENDERNET) has developed a methodology and set of criteria to roll out this global indicator at country level and to monitor performance against this indicator over time. The UN Women is planning to support the roll out the indicator in 20 countries¹⁴ in 2013 and all its 65 UN-Women programme countries by 2017 as part of its annual organizational reporting process. The methodology was tested in March-April 2013 in 15 countries and is now available for all countries interested to use the indicator, beyond the 20 initial countries covered by UN-Women. Countries interested to use the indicator are invited to use the methodology and include data in their country spread sheet.

QUESTIONS TO BE INTEGRATED IN COUNTRY-LEVEL DATA COLLECTION PROCESS

■ GOVERNMENT

Q⁹10. Is there an official government statement on a system for tracking allocations for gender equality and women’s empowerment? (Yes/No)

Q⁹11. Are allocations for gender equality and women’s empowerment systematically tracked? (Yes/No)

Q⁹12. Is there leadership and oversight of the tracking system by the central government unit in charge of public expenditures? (Yes/No)

Q⁹13. Is gender equality focussed budget information publically available (e.g. through Parliamentary oversight and civil society scrutiny, publications, websites or other means)? (Yes/No)

Additionally, countries may indicate if they:

- use gender-specific indicators and data disaggregated by sex to inform budget allocation decisions at sectoral and/or local/district level;
- if they conduct regular impact assessments of budgets and expenditures which address how women and men benefit respectively from government expenditures.

MEASUREMENT OF INDICATOR

At the global level, this indicator is calculated as follows:

$$\text{Indicator 8 (\% of developing countries)} = 100 \times \frac{\left[\begin{array}{c} \text{nb. of developing countries meeting at least} \\ \text{two out of the four criteria} \\ \text{(Qg10, Qg11, Qg12, Qg13)} \end{array} \right]}{\left[\begin{array}{c} \text{total nb. of developing countries} \\ \text{participating in the global monitoring process} \end{array} \right]}$$

¹⁴ The 20 countries include: Bolivia, Cameroon, Ecuador, Egypt, Ethiopia, Haiti, Honduras, India, Jordan, Kyrgyzstan, Morocco, Mozambique, Nepal, Nicaragua, Palestinian Authority, Peru, Rwanda, Senegal, Ukraine, Tanzania.

DEFINITIONS

Systems to track allocations for gender equality and women's empowerment

These are the processes and procedures in place to plan, approve, allocate and monitor public expenditures at the national and sectoral level in a way that ensures that expenditures are targeted appropriately to benefit both women and men. Such systems can include gender budget statements, classifiers, gender markers, and even preliminary guidelines as outlined in call circulars. The system in place is overseen by a governmental body, in most cases the Ministry of Finance that considers gender impact in budget decisions and incorporates measures to mitigate any adverse impact on gender equality and women's empowerment.

Allocations for gender equality and women's empowerment

Allocations for gender equality and women's empowerment can be defined as:

- Resources allocated at sector and local level for programmes that specifically target only women or girls (direct allocation).
- Resources allocated at sector and local level to actions that target both women and men equally but gender equality is a specific objective. For example an action that promotes employment of women and men, equal representation within management posts, and equal pay (direct allocation).
- Resources allocated at sector and local level to actions where gender is mainstreamed. For example, an infrastructure project that doesn't include gender equality as an explicit objective but includes women as beneficiaries (indirect allocations).

Systematically tracked

"*Systematically tracked*" means that a tracking process is planned and regularly conducted. For instance, if the tracking of budgets allocations towards gender equality is officially planned and conducted annually by an identifiable or designated body it can be said that allocations for gender equality are systematically tracked.