

FAQs for Participating in the Second Monitoring Round of the GPEDC: **Indicator 6**

This document presents frequently asked questions and answers on the second monitoring round of the GPEDC.

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FREQUENTLY ASKED QUESTIONS FOR INDICATORS 6

The [Monitoring Guide](#) provides indicator factsheets (Annex II) and questions and definitions to guide data collection at the country level for each indicator (Annex III).

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

The [Monitoring Guide](#) provides detailed information on this indicator in Annex III.

What does this indicator focus on?

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.

What does the indicator measure?

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).

How is information collected for this indicator?

The national co-ordinator is responsible for the overall data collection and validation process, in liaison with colleagues from relevant government institutions/ministries and with providers' country offices. Where possible, data should be drawn from the country's aid management systems.

Should revisions to the annual budget after approval by legislation be included?

The annual budget refers to 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 Qg4. 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.