2016 Summary Report

Making development co-operation more effective
Preface

Effective development co-operation is a prerequisite for sustainable progress in the implementation of the 2030 Agenda for Sustainable Development. This report is the product of a global monitoring exercise designed to generate evidence on progress in making development co-operation more effective. This second edition since the establishment of the Global Partnership for Effective Development Co-operation in Busan in 2011 aims to build political momentum for change, ensuring that we are able to identify remaining challenges and learn from each other about ways to improve the effectiveness of development co-operation at the country and global levels.

The Global Partnership for Effective Development Co-operation is unique. Its inclusive, multi-stakeholder character enables a broad range of development stakeholders to make strong contributions to the implementation of the 2030 Agenda. Its monitoring framework represents a distinct tool to track progress amongst development partners in the spirit of mutual learning and accountability. The First High Level Meeting (Mexico City, 2014) made use of the results from the first monitoring round to guide discussions. Likewise, at the end of 2016, the Second High Level Meeting of the Global Partnership – in Nairobi, Kenya – will use the findings from this report to underpin inclusive dialogue on the individual and collective action that is still needed to enhance development impact and yield sustainable results on the ground.

We would like to thank the many dedicated stakeholders and partners who contributed to making this a particularly successful monitoring round. The reporting was led by 81 low and middle-income countries and garnered the participation of 125 countries, 74 development organisations and hundreds of civil society organisations, private sector representatives, trade unions, foundations, parliamentarians and local governments; their diversity reflects the increasingly diverse nature of our development co-operation landscape. This record level of participation demonstrates a shared commitment to making development co-operation more effective.

We extend our sincere thanks to all of the participating countries, institutions and individuals for their engagement in this collective effort. We would like to thank the OECD/UNDP Joint Support Team for their work in facilitating the 2016 monitoring round and preparing the progress report: designing the methodology, supporting countries in managing the process, compiling the results and conducting the analysis, drawing on inputs from a broad range of partners. Our thanks are extended also to the members of the Monitoring Advisory Group for their guidance.

The Global Partnership is committed to continuing to provide data and evidence to support country-led efforts and inform global policy dialogue on effective development co-operation, including follow-up and review of the Addis Ababa Action Agenda and the Sustainable Development Goals (SDGs). We urge development stakeholders everywhere to make the most of this report and the intense exercise it summarises by using the evidence to guide policy dialogue at all levels – country, regional and global – to celebrate progress and successes, address hurdles, and jointly devise a way forward.

We are confident that the analysis and information contained herein will also make an important contribution to discussions in Nairobi in November 2016 and beyond, helping us to maximise the contribution of effective development co-operation – collectively, inclusively and effectively – to realising the development ambitions we all share.
Overview

The 2016 Global Partnership monitoring round

Are we making development co-operation more effective?

The Global Partnership for Effective Development Co-operation sustains political commitment and upholds accountability for improving the effectiveness of development co-operation. It does this by regularly monitoring progress on the implementation of agreed development effectiveness principles and related commitments at the country level; and by facilitating dialogue and encouraging the sharing of experiences among governments, multilateral organisations, civil society, parliamentarians and the private sector. The Global Partnership drives change in the way development co-operation is provided by generating evidence to highlight where attention is needed; and by encouraging members to respond to the evidence by agreeing on individual and collective action to accelerate progress.

This monitoring report is an integral part of this process. It compiles data reported by the governments of the 81 low and middle-income countries and territories that participated in the Global Partnership’s second monitoring round, generating evidence on the implementation of agreed principles for effective development co-operation:

The four principles are:

- Focus on results
- Country ownership of development priorities
- Inclusive partnerships for development
- Transparency and mutual accountability

The monitoring exercise looks, on the one hand, at how effectively governments put in place a conducive environment to maximise the impact of development co-operation and enable contributions from non-governmental actors (i.e., civil society and the private sector); and on the other, how effectively development partners deliver their support. It uses ten selected indicators to track progress and create a shared, action-oriented roadmap for making development co-operation more effective, building a foundation for mutual accountability amongst all development stakeholders.

The 2016 monitoring round drew record participation, both in terms of numbers and of diversity: 81 low and middle-income countries; 125 development partners; 74 development organisations; and hundreds of civil society organisations, private sector representatives, trade unions, foundations, parliamentarians and local governments. The data and evidence they generated covers the vast majority (up to 99%) of development co-operation finance programmed for these 81 countries.

The development community is adopting a decisive focus on results for more impact at the country level: 99% of countries have development strategies at the national and sector levels; 74% of countries have set out their priorities, targets and indicators in a single strategic planning document. In addition, 85% of development partners’ new programmes and projects are aligned to country-led results frameworks.

Evidence reveals a promising evolution towards more inclusive partnerships amongst governments, civil society organisations (CSOs) and the private sector. In 70% of countries, the government and the private sector for building a common public-private agenda for sustainable development. Almost 90% of governments consult CSOs on national development policy. Amongst themselves, CSOs have also improved co-ordination for programming and engagement.

Transparency is also growing, with more publicly available information on development co-operation than ever before: 72% of development partners assessed for transparency achieved a “good” score in their reporting to at least one of the three international databases on development co-operation finance and 39% achieved “excellent” in reporting to one or more systems. In parallel, countries have taken strides to enhance the transparency of their budgeting procedures: they now record 64% of development co-operation finance in national budgets that are subject to parliamentary oversight. Furthermore, 47% of countries are tracking public allocations for gender equality and women’s empowerment.

Overall, the results of the 2016 monitoring round testify to important progress towards achieving the development effectiveness goals agreed in Busan in 2011 at the Fourth High Level Forum on Aid Effectiveness.

For example, development partners use government sources and systems to track results for only 52% of interventions – meaning that broadly half continue to rely on other sources of information. Similarly, governments are engaged in the evaluation of results for only 49% of development partner interventions.

Overall performance by countries in strengthening their own systems is mixed: while 18% of countries – including several fragile states and small island developing states – have improved their public financial management systems, 23% have experienced a decline and 58% of countries show no substantial change. Also, development partners channel only 50% of development co-operation finance through countries’ public financial management and procurement systems.

Inclusiveness is essential for ensuring that development processes and results are widely owned. Yet only 51% of countries have all the elements in place for meaningful dialogue with CSOs. In 63% of countries, the potential for quality public-private dialogue is affected by a lack of champions to facilitate dialogue; in 81%, there is a scarcity of instruments and resources to translate public-private dialogue into action.

To be effective, countries need to manage diverse financial flaws in a complementary and strategic manner. Yet development partners’ improvements in medium-term predictability of development co-operation have been limited to only 4%, reaching 74% in 2016. A major institutional and cultural shift is needed to arrive at regular publication of real-time information that meets country needs for planning and managing development co-operation.

The transparency and inclusiveness of country-level mutual reviews also require improvement: less than half of countries involve local governments and non-state stakeholders in these assessments or make the results public.

Moreover, these review processes continue to be largely formulated around traditional development assistance models and require adaptation to the evolving partnership approaches.

It also confirms that across principles and indicators, there are countries, development partners and non-state stakeholders that demonstrate the capacity to progress on agreed effectiveness principles. This indicates great potential for identifying success factors, sharing lessons and facilitating mutual learning to accelerate the global development communities’ efforts to deliver on the Sustainable Development Goals by 2030.
About the monitoring exercise

The 2016 monitoring round drew record participation, both in terms of numbers and of diversity of profiles.

Eighty-one low and middle-income countries led national assessments of the effectiveness of development co-operation, reporting on their co-operation with 125 development partners. The broad range of stakeholders participating in the process – in total 125 countries, 74 development organisations and hundreds of civil society organisations, private sector representatives, trade unions, foundations, parliamentarians and local governments – reflects the increasing diversity of the development co-operation landscape. The data and evidence they generated covers the vast majority (up to 89%) of development co-operation funding programmed for these 81 countries. This diversity and coverage confirms the increasing commitment of the international community to the development effectiveness agenda.

Shared principles and differentiated commitments for more effective development co-operation

<table>
<thead>
<tr>
<th>Commitments</th>
<th>Country governments</th>
<th>Development partners</th>
<th>Civil society</th>
<th>Private sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 Development partners use country-led results frameworks</td>
<td>●</td>
<td>●</td>
<td></td>
<td></td>
</tr>
<tr>
<td>02 Civil society organisations operate within an environment that maximises their engagement in and contribution to development</td>
<td>●</td>
<td>●</td>
<td></td>
<td></td>
</tr>
<tr>
<td>03 Public-private dialogue promotes private sector engagement and its contribution to development</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>04 Transparent information on development co-operation is publicly available</td>
<td>●</td>
<td>●</td>
<td></td>
<td>●</td>
</tr>
<tr>
<td>05A Development co-operation is predictable (annual)</td>
<td>●</td>
<td>●</td>
<td></td>
<td></td>
</tr>
<tr>
<td>05B Development co-operation is predictable (medium-term)</td>
<td>●</td>
<td>●</td>
<td></td>
<td></td>
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<tr>
<td>06 Development co-operation is included in budgets subject to parliamentary oversight</td>
<td>●</td>
<td>●</td>
<td></td>
<td></td>
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<tr>
<td>07 Mutual accountability is strengthened through inclusive reviews</td>
<td>●</td>
<td>●</td>
<td></td>
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<tr>
<td>08 Governments track public allocations for gender equality and women’s empowerment</td>
<td>●</td>
<td>●</td>
<td></td>
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</tr>
<tr>
<td>09A Governments strengthen country systems</td>
<td>●</td>
<td>●</td>
<td></td>
<td></td>
</tr>
<tr>
<td>09B Development partners use country systems</td>
<td>●</td>
<td>●</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 Aid is untied</td>
<td>●</td>
<td>●</td>
<td></td>
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</tr>
</tbody>
</table>

Legend
- Countries and territories participating in the 2016 monitoring round
- Countries and territories participating in the 2016 monitoring round and reported as development partners
- Reported as development partners in the 2016 monitoring round

The Global Partnership tracks development stakeholders’ progress towards more effective development co-operation using ten selected indicators (see next page). The fundamental objectives of the monitoring process include, on the one hand, assessing how effectively governments put in place a conducive environment to maximise the impact of development co-operation and enable contributions from non-governmental actors (i.e. civil society and the private sector); and on the other, measuring how effectively development partners deliver their support. The Global Partnership monitoring drives change in the way development co-operation is provided by generating evidence to highlight where attention is needed and encouraging members to respond to the evidence by agreeing on individual and collective action to accelerate progress.
Countries have made progress in developing results frameworks

**Busan Commitment**
Governments agreed to focus on development results by establishing transparent, country-led results frameworks that can support results-oriented planning and strategic policy making.

**Indicator 1b**
Looks at whether a country has results frameworks in place, and whether there are key strategic planning documents containing its national development priorities, targets and results indicators.

**Results at a glance:**

01 **Countries have made very good progress in developing country-led results frameworks.**
- Most countries have multiple priority-setting mechanisms at the national and sector levels.
- In three out of four countries, priorities, targets and indicators can be found in a single strategic planning document.

02 **Countries still have a way to go in translating their strategic plans and priorities into results-based budgeting and implementation, they also need to strengthen their monitoring and evaluation systems so they generate useful information on results.**

**Do countries have results frameworks?**

- 99% of countries have result frameworks in place
- 74% of countries have a single strategic plan that includes priorities, targets and indicators

**What priority-setting mechanisms do countries have in place at the national and/or sector levels?**

- 76% National development plan
- 74% Long-term vision

**What types of results frameworks are countries using?**

- 34 National development plan
- 33 Long-term vision
- 13 Sector plans

**What is the country’s main results framework?**

- 80% Education
- 79% Healthcare
- 58% Transport
- 56% Public Finance

**And where are the country’s priorities, targets and indicators spelled out?**

- 25 in Long-term vision
- 30 in National development plan
- 20 in various documents

**Greater use of results information in policy-making is essential for achieving better development results.**

**Moving from strategic planning to results-based management will require:**

01 An institutional enabling environment:
- High-level leadership
- More effective implementation of legislation and policies
- Strengthened country institutions and systems

02 Many regions face similar challenges in implementing a results-based approach, including:
- Co-ordination and alignment of budgetary and strategic planning processes
- The need for institutional reform to align public management with results-oriented practices
- Cross-regional learning can help in identifying solutions to these challenges.
**Good partner alignment with country results frameworks needs to be matched by greater use**

**Busan Commitment**
Development partners committed to: using country-led results frameworks to plan and design new development co-operation programmes and projects; using countries’ monitoring and evaluation systems to track progress on and achievement of results; minimising the use of other frameworks.

**Indicator 1a**
Measures the alignment of development partners’ new interventions with the objectives and results defined by countries themselves; it also looks at development partners’ reliance on countries’ own statistics and monitoring and evaluation processes to track progress.

**Results at a glance:**

1. Development partners tend to align new interventions to objectives prioritised by countries, relying heavily on national development plans and sector strategies.

2. The use of country results information and reliance on domestic monitoring and evaluation systems to track project implementation and impact is significantly lower.

**To what extent do development partners use countries’ own results frameworks?**

- Development partners use country-led results framework to set objectives for new interventions: 85%
- Percentage of results indicators drawn from country-led results frameworks: 62%
- Percentage of results indicators monitored using government sources and monitoring systems: 52%
- Percentage of new interventions that plan a final evaluation with government involvement: 48%

**What results frameworks do development partners use**

<table>
<thead>
<tr>
<th>Framework Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>UN agencies</td>
<td>0%</td>
</tr>
<tr>
<td>Multilateral development banks</td>
<td>20%</td>
</tr>
<tr>
<td>Bilateral partners (DAC)</td>
<td>40%</td>
</tr>
<tr>
<td>Other bilateral partners</td>
<td>60%</td>
</tr>
<tr>
<td>Vertical funds and initiatives</td>
<td>80%</td>
</tr>
<tr>
<td>Other international organisations</td>
<td>100%</td>
</tr>
<tr>
<td>Foundations</td>
<td>100%</td>
</tr>
</tbody>
</table>

Legend:
- National development plan
- Sector plans
- Ministerial or institutional plans
- Other government planning tools
- Development strategy (or similar) agreed with the country government

**01**
Countries are embedding the Sustainable Development Goals in their national results frameworks; this opens up opportunities for development partners to strengthen their alignment with national priorities and focus on locally defined development results.

**02**
The next step is to increase the use of country-led results frameworks for implementation, monitoring and evaluation of development interventions.

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The way forward

**Summary Report**

Focus on Results

2016 Monitoring
New approaches can help strengthen country systems

Busan Commitment
Governments agreed to improve the quality of their national public financial management and procurement systems in order to enhance their effectiveness and improve governance.

Indicator 9a
Measures the quality of country systems using the World Bank’s Country Policy and Institutional Assessment (CPIA) scores, rating the quality of budgetary and financial management.

Results at a glance:

1. The quality of budgetary and public financial management in most assessed countries has remained stable at moderate levels since 2010.

2. Budgets are better designed than implemented; most countries need to:
   - Make their budgets more comprehensive and credible, and effectively link them to policy priorities
   - Ensure good predictability and oversight in the management of public expenditure
   - Subject their budgets to timely and accurate accounting, fiscal reporting and public auditing
   - Strengthen procurement practices

3. Crucial obstacles holding back the overall quality of country systems included:
   - Lack of predictability of development co-operation
   - Inclusion in budgets and effective delivery of development co-operation funding

“Encouragingly, progress was concentrated on fragile states and small island developing states.”

How strong are budgetary and public financial management systems?

CPIA score = World Bank’s Country Policy and Institutional Assessment score, rating the quality of budgetary and financial management.

From 2010 to 2015:

- 11 countries have improved their country systems since 2010
- 35 countries have not seen any substantial change in the quality of their country systems
- 14 governments have experienced a decline in the quality of their country systems

The 2015 target:
Half of the countries improve by at least one step in the Country Policy and Institutional Assessment score

Country systems can be strengthened

01. Need to continue work on joint diagnostics to identify weaknesses in domestic institutions and co-ordinate support to strengthen them.

02. Move from “best practice” to “best fit” approaches to improving public financial management and procurement systems.

03. Find ways to build political commitment to support long-term institutional change and reforms in public financial management.

04. Conduct broad public administration reforms in parallel to strengthening of country systems to ensure effective transformation.

05. Build a strong evidence base on what works and promote active peer learning.
Partner use of country systems has slightly increased

Busan Commitment
Development partners agreed to use country systems as the default approach to deliver development co-operation in support of activities managed by the public sector.

Indicator 9b
Measures the proportion of development co-operation disbursed for the public sector using the country’s own public financial management and procurement systems.

Results at a glance:

01
In general, the use of country systems has increased by 6% since 2010.

02
Bilateral partners have driven the increase in use of country systems – particularly those beyond the OECD DAC, who increased their use from 4% to 40%.

03
Development partners are finding diverse ways to use specific systems – increasingly relying on countries’ own budget execution procedures, financial reporting and auditing mechanisms.

04
In contrast, the use of countries’ procurement systems has decreased since 2010.

The share of development co-operation delivered throughout government systems increased by 6 percent

<table>
<thead>
<tr>
<th>Global Score</th>
<th>Target 100%</th>
<th>Progress over Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>(81 countries)</td>
<td>50%</td>
<td>45% 2010, 51% 2015</td>
</tr>
</tbody>
</table>

How does the use of country systems differ by region?

Comparing partners’ use of country systems

<table>
<thead>
<tr>
<th>Partners Type</th>
<th>2010</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multilateral development banks</td>
<td>57%</td>
<td>63%</td>
</tr>
<tr>
<td>Bilateral partners (DAC)</td>
<td>47%</td>
<td>44%</td>
</tr>
<tr>
<td>Other bilateral partners</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Vertical funds and initiatives</td>
<td>37%</td>
<td>42%</td>
</tr>
<tr>
<td>UN agencies</td>
<td>15%</td>
<td>0%</td>
</tr>
<tr>
<td>Other international organisations</td>
<td>9%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Risk needs to be managed, not avoided

01
Development partners tend to rely more on country systems when their quality is high, although in highly aid-dependent countries they are often willing to assume certain risks.

02
Evaluation and peer learning can help to identify and scale up approaches that work, even in the most challenging country contexts.

03
Innovative approaches include risk pooling and experimenting with hybrid or novel modalities of development co-operation – beyond budget support.
Progress in untying aid is leveling off

Busan Commitment
Development co-operation is untied when bilateral partners do not impose geographical constraints on the use of the funds. In Busan, development partners agreed to further untie development co-operation.

Indicator 10
Measures the percentage of bilateral development co-operation provided by OECD-DAC members that is fully untied.

Results at a glance:

01
The share of untied aid has marginally increased since 2010; the global average hovers around the peak value reached in 2013.

02
Belgium, Denmark, Ireland, Luxembourg, the Netherlands, Norway and the United Kingdom maintain fully or almost fully untied aid.

03
The increasing involvement of the private sector from development-partner countries in delivering development co-operation needs to be carefully managed to avoid further tying of aid.

What is the progress in the share of aid that is untied?

* The share of untied aid has marginally increased since 2010; the global average hovers around the peak value reached in 2013.

Untying aid further will need broad collective action

01
Peer pressure amongst the development partner community has helped some partners build support within development agencies to further untie their programmes.

02
The quality of national procurement systems can influence the share of aid that is untied; on the other hand, in fragile situations, untying aid can play a crucial role in improving these systems.
Annual predictability of development co-operation has not increased

Busan Commitment
Development partners committed to disbursing funds on time, improving predictability, and enabling countries to plan and manage their development policies and programmes with greater effectiveness.

Indicator 5a
Measures the proportion of development co-operation funding that is disbursed to a country’s government within the fiscal year in which development partners schedule it. It captures both the reliability of development partners in delivering the resources, and how accurately they forecast and disburse this funding.

Results at a glance:

01
Annual predictability remains at similar levels to five years ago, falling short of the Busan target.

02
Developing long-term partnerships pays off.

03
Predictability is more challenging in difficult country contexts.

However, this global average hides important variations among countries.

A country’s most significant development partners – in terms of funding volume and duration – tend to be their most predictable.

Annual forecasting seems to overestimate the implementation and absorption capacity of the countries with weaker institutions and public administration.

Limited progress in improving annual predictability

Global Score
[81 countries]

83%

<table>
<thead>
<tr>
<th>Progress over Time</th>
<th>TARGET 90%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>85%</td>
</tr>
<tr>
<td>2015</td>
<td>84%</td>
</tr>
</tbody>
</table>

How does annual predictability vary by development partner?

How does annual predictability vary by region?

Effective partnerships to overcome barriers to annual predictability

01
Investing in partnerships with countries is essential. The following initiatives help to increase annual predictability:
- Agency-wide, multi-year rolling plans and budgeting frameworks
- Longer-term country partnerships, strategies and development co-operation instruments
- Effective tracking and reporting

In contrast, fragmented and short-term support is associated with lower predictability levels.

02
Country context matters for predictability. A realistic approach in preparing annual forecasts is particularly important in fragile and conflict afflicted states.

How does annual predictability vary by development partner?
**COUNTRY OWNERSHIP**

**Medium-term predictability has slightly improved**

**Busan Commitment**
Development partners committed to providing forward-looking information on upcoming funding in a timely and predictable fashion, according to agreed schedules, so as to enable countries to plan and manage their development policies and programmes with greater effectiveness.

**Indicator 5b**
Measures the estimated share of development co-operation funding covered by indicative forward expenditure or implementation plans that are shared with the country government (for one, two and three years ahead).

**Results at a glance:**

01
Since 2013, there has been a 4% increase in medium-term predictability, to 74%. Multilateral development banks and bilateral partners continue to lead in the ranking.

02
The relative importance of each development partner to the country determines the level of engagement with the government, affecting the partner’s reliability in providing regular estimates, which are crucial for short- and medium-term planning and budgeting.

**Progress in improving medium-term predictability has been slow**

<table>
<thead>
<tr>
<th>Global Score</th>
<th>Progress over Time</th>
<th>TARGET 85%</th>
</tr>
</thead>
<tbody>
<tr>
<td>71%</td>
<td>2013: 71%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2015: 74%</td>
<td></td>
</tr>
</tbody>
</table>

**How much improvement is still needed in terms of medium-term predictability?**

<table>
<thead>
<tr>
<th>Year</th>
<th>TARGET 85%</th>
</tr>
</thead>
<tbody>
<tr>
<td>One year</td>
<td>82%</td>
</tr>
<tr>
<td>Two years</td>
<td>69%</td>
</tr>
<tr>
<td>Three years</td>
<td>63%</td>
</tr>
</tbody>
</table>

**Which partners have made the biggest gains in terms of medium-term predictability?**

<table>
<thead>
<tr>
<th>All development partners</th>
<th>Multilateral development banks</th>
<th>Other bilateral partners</th>
<th>Bilateral partners (DAC)</th>
<th>Vertical funds and initiatives</th>
<th>UN agencies</th>
<th>Other international organisations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>70%</td>
<td>80%</td>
<td>71%</td>
<td>69%</td>
<td>60%</td>
<td>73%</td>
</tr>
<tr>
<td>2015</td>
<td>71%</td>
<td>79%</td>
<td>69%</td>
<td>69%</td>
<td>60%</td>
<td>54%</td>
</tr>
</tbody>
</table>

**Medium-term predictability enhances countries’ strategic planning and budgetary capacity.**

01
Lack of medium-term predictability hinders countries’ capacity to manage development resources in a complementary and strategic manner; it also affects the credibility and comprehensiveness of their budgetary and public financial management process.

02
Providing timely and accurate forward-looking funding estimates strengthens domestic accountability, as it influences the likelihood of recording development co-operation on national budgets.

03
Close to half of the participating countries have or are preparing medium-term expenditure frameworks – accurate forward-looking estimates will enhance the quality of these frameworks.
Creating an enabling environment for civil society requires further effort

Busan Commitment
Governments committed to creating an enabling environment for civil society organisations (CSOs) so as to maximise their contribution to development. CSOs agreed to make their operations more effective.

Indicator 2
Looks at: government support for multi-stakeholder dialogue around national development policies; CSO accountability and transparency; official development co-operation with CSOs; and the legal and regulatory environment where CSOs operate.

Percentage of countries with all elements in place

Do official development partners co-operate with civil society organisations?

- 81% Agenda for dialogue with government includes CSO-enabling environment
- 80% CSO-enabling environment promoted
- 71% Information on support to CSOs shared with the government
- 63% CSOs systematically consulted on development policy/programming

Do civil society organisations adhere to development effectiveness principles?

- 92% CSOs lead processes for input on policy dialogue
- 81% CSOs co-ordinate among themselves and with others
- 73% CSOs have transparency and accountability mechanisms
- 67% CSOs report to government on finances and programming
- 58% Additional CSO development effectiveness initiatives exist

How enabling is the legal and regulatory environment?

- 22% Marginalises certain groups
- 73% Facilitates access to resources for CSOs
- 95% Enables CSO formation, registration and operation
- 97% Recognises and respects CSO freedom of association, assembly and expression (in the Constitution and more broadly in policy, law and regulation)

Continued efforts are needed to build an enabling environment that will maximise the contribution of civil society to development.

01
Governments need to improve their legal, regulatory and operational policies and practices, including:
- Ensuring freedom of expression and association
- Engaging with CSOs in a transparent and representative way
- Improving regulations to facilitate the operational functioning of CSOs
- Not marginalising any social group
- Strengthening the institutional mechanisms for engagement

02
CSOs can increase their development effectiveness by:
- Improving co-ordination of their activities
- Strengthening reporting on their development efforts

03
Development partners can help strengthen dialogue mechanisms with CSOs.
To be successful, public-private dialogue must address topics of mutual benefit. Instruments and logistics are less of an issue when the private sector is willing to engage. High-level political leadership helps.

Successful public-private dialogue addresses topics of mutual benefit for both the private sector and the government, and it attracts high-level representation.

Lessons from experience can help build successful public-private dialogue:

1. To be successful, public-private dialogue must address topics of mutual benefit.
2. Instruments and logistics are less of an issue when the private sector is willing to engage.
3. The emergence of champions is facilitated when both sides express trust and willingness to engage.
4. Focusing on common interests and orienting the dialogue towards useful outputs and results helps sustain the relationship.
5. Participation of small and medium enterprises in the dialogue ensures an inclusive process.
6. Strengthening and institutionalising mechanisms for engagement is critical; development partners can play a catalytic role in this sense.

The global score for the quality of public-private dialogue hides important variation across countries.

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<thead>
<tr>
<th>Global Score</th>
<th>TARGET 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.5</td>
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</table>
Transparency is moving in the right direction

Busan Commitment
Development partners agreed to improve the availability and public accessibility of information on development co-operation and other development resources in a timely, comprehensive and forward-looking manner.

Indicator 4
Assesses the extent to which development partners are making information on development co-operation publicly accessible, and in line with the Busan transparency requirements.

Results at a glance:

01 In general terms, the three assessments show that although development partners have differing strengths in terms of transparency, the overall picture is good.

02 Of the 61 partners assessed...

24 achieved "excellent" scores in at least one of the three assessments (40% of the assessed partners).

44 achieved "good" scores in one or several of them (72% of the assessed partners).

03 Most notable progress on the timeliness and comprehensiveness of publicly available data, while the publication of forward-looking information continues to be a challenge. Also, observed trade-offs between data timeliness and accuracy.

What systems and standards do development partners use to provide online data on development co-operation in an open and accessible manner?

- The OECD-DAC Creditor Reporting System records activity-level development co-operation flows.
- The OECD-DAC Forward Spending Survey records partners’ development co-operation plans.
- The International Aid Transparency Initiative open-data standard allows publishers to provide detailed information about their development co-operation activities in a timely and accessible manner.

Timeliness
Comprehensiveness
Accuracy
Forward-looking

Improvements in transparency depend on robust policies, sound corporate processes and systems, and dedicated staff.

01 Analysis reveals that good reporting to a specific platform or standard does not automatically imply equally good reporting through other channels, evidencing the need to focus on specific institutional hurdles in terms of systems, policies or culture.

02 Investments in corporate processes and information management infrastructure can help to improve the supply of publicly available information on development co-operation.
Development co-operation is increasingly on budget

**Busan Commitment**
Governments and development partners committed to including development co-operation funds in national budgets subject to parliamentary oversight.

**Indicator 6**
Measures the share of development co-operation funding for the public sector recorded in annual budgets that are approved by the national legislatures of partner countries.

**Results at a glance:**

1. **There has been good progress since 2010:** 15 countries and 29 development partners have met the target of recording 85% of development finance in national budgets.
   - Most countries in Latin America and the Pacific have met the target.
   - Multilateral development banks and some bilateral partners outperformed other development partners.

**Parliaments are overseeing an increasing share of development co-operation**

<table>
<thead>
<tr>
<th>Global Score (81 countries)</th>
<th>Progress over Time (60 countries)</th>
<th>Target 85%</th>
</tr>
</thead>
<tbody>
<tr>
<td>66%</td>
<td>2010 54%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2015 67%</td>
<td></td>
</tr>
</tbody>
</table>

**How does the share of on-budget development co-operation vary by region?**

- **Latin America & Caribbean**
  - 88% 2010, 59% 2015
- **Africa**
  - 61% 2010, 54% 2015
- **Eastern Europe & Central Asia**
  - 79% 2010, 74% 2015
- **South Asia**
  - 62% 2010, 54% 2015
- **East Asia & Pacific**
  - 84% 2010, 77% 2015

**How does the share of on-budget development co-operation vary by partner?**

- **All development partners**
  - 66% 2010, 62% 2015
- **Other bilateral partners**
  - 53% 2010, 74% 2015
- **Multilateral development banks**
  - 74% 2010, 74% 2015
- **Bilateral partners (DAC)**
  - 52% 2010, 62% 2015
- **Vertical funds and initiatives**
  - 47% 2010, 54% 2015
- **UN agencies**
  - 27% 2010, 26% 2015

**Further progress calls for improvements in budgeting systems and processes of countries and their partners alike.**

1. **Development partners** may need to continue investing in corporate systems and processes to generate timely projections, in accordance with countries’ budget planning cycles.
2. **Institutionalising the relationship with the country matters:** larger, more focused country programmes, implemented through national systems and integrated into national budgets, enable parliamentary oversight and accountability.
3. **To facilitate the inclusion of development co-operation on budget, ensure adequate oversight and effective use of funds, and increase mutual accountability, countries may need to strengthen budget planning processes and information management systems for public expenditure.**
   - Creating **budgetary incentives for line ministers** to report development co-operation on budget may contribute to central oversight of public expenditure.
### Transparency and Accountability

#### Tracking budget allocations for gender equality and women’s empowerment is improving

**Busan Commitment**
Countries committed to putting transparent systems in place to track public allocations for gender equality and women’s empowerment, so as to ensure that public expenditure is appropriately targeted to benefit both women and men.

**Indicator 8**
Measures the percentage of countries with systems in place to track public allocations for gender equality and women’s empowerment, and that make this information publicly available.

### Results at a glance:

01
In 72% of the countries, at least one of the three basic elements for tracking gender-related allocations is in place; nearly half of the countries have all three elements in place.

02
The next step is to effectively mainstream gender-responsive programming across the entire budget, beyond specific sectors and programmes.

03
Countries encounter challenges in moving from the formulation of gender-responsive policy, law or strategies to the systematic tracking of gender equality allocations and impacts.

#### Percentage of countries with systems in place to track and make public allocations for gender equality

<table>
<thead>
<tr>
<th>Global Score (81 countries)</th>
</tr>
</thead>
<tbody>
<tr>
<td>47%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Progress over Time (31 countries)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
</tr>
<tr>
<td>2015</td>
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</table>

#### Do countries have the systems they need to track budget allocations for gender equality and women’s empowerment? (Percentage for all 81 countries):

- **62%** Government statement establishing tracking system
- **52%** Central government units provide leadership and oversight
- **51%** Gender equality disaggregated budget information publicly available
- **47%** Countries have transparent tracking systems
- **41%** Public allocations systematically tracked

#### Transparent systems and the use of gender-disaggregated information are crucial for gender equality.

- **01**
  Transparency in gender tracking systems is critical for effective policy formulation and for accountability.

- **02**
  Using gender-disaggregated data to inform policy and budgeting decisions is fundamental for achieving gender equality and sustainable development.
Mutual assessment reviews need to evolve with the changing development landscape

Busan Commitment
Countries agreed to put in place inclusive mutual assessment reviews to respond to the needs and priorities of domestic institutions and citizens.

Indicator 7
Measures whether a country has four out of five criteria in place: 1) an aid or partnership policy; 2) country-level targets; 3) regular joint assessment of progress against targets; 4) local governments and non-executive stakeholders included in the assessments; and 5) public availability of the results.

Results at a glance:

01
Progress in enhancing mutual assessments is limited due to the need for greater inclusiveness and transparency around these processes.

02
Countries with mutual assessment reviews have an increasing number of basic elements in place for effective accountability, but often these are not enough for meaningful accountability.

03
Parliamentarians and other stakeholders need to be sufficiently engaged in reviewing progress against national targets; there is also room to make the results of these reviews more transparent.

Mutual assessments need to be more inclusive and transparent

<table>
<thead>
<tr>
<th>Global Score (81 countries)</th>
<th>Progress over Time (42 countries)</th>
</tr>
</thead>
<tbody>
<tr>
<td>46%</td>
<td>2013: 57%</td>
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<tr>
<td></td>
<td>2015: 55%</td>
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</tbody>
</table>

What progress have countries made in conducting and sharing inclusive mutual assessments?

Rethinking mutual accountability structures to reflect evolving development models and partnerships.

01
While established mutual accountability structures are formulated on traditional development assistance, partnerships for the SDGs increasingly encompass whole-of-government approaches, as well as a variety of development partners, including southern partners, businesses and philanthropies. These partners all need to be accountable to each other.

02
Most low- and middle-income countries need to make mutual accountability processes more relevant in the light of their evolving development models and partnerships. Emerging approaches in some middle-income countries can provide important lessons.
The full Progress Report is published on the OECD iLibrary, it is also available on the UNDP website. Visit www.oecd-ilibrary.org or www.undp.org/library for more information.