



# A Review of Indicators 1-12

Launching Workshop for the PD Survey

LRDC



25 February 2008, Monrovia



# Indicator 1

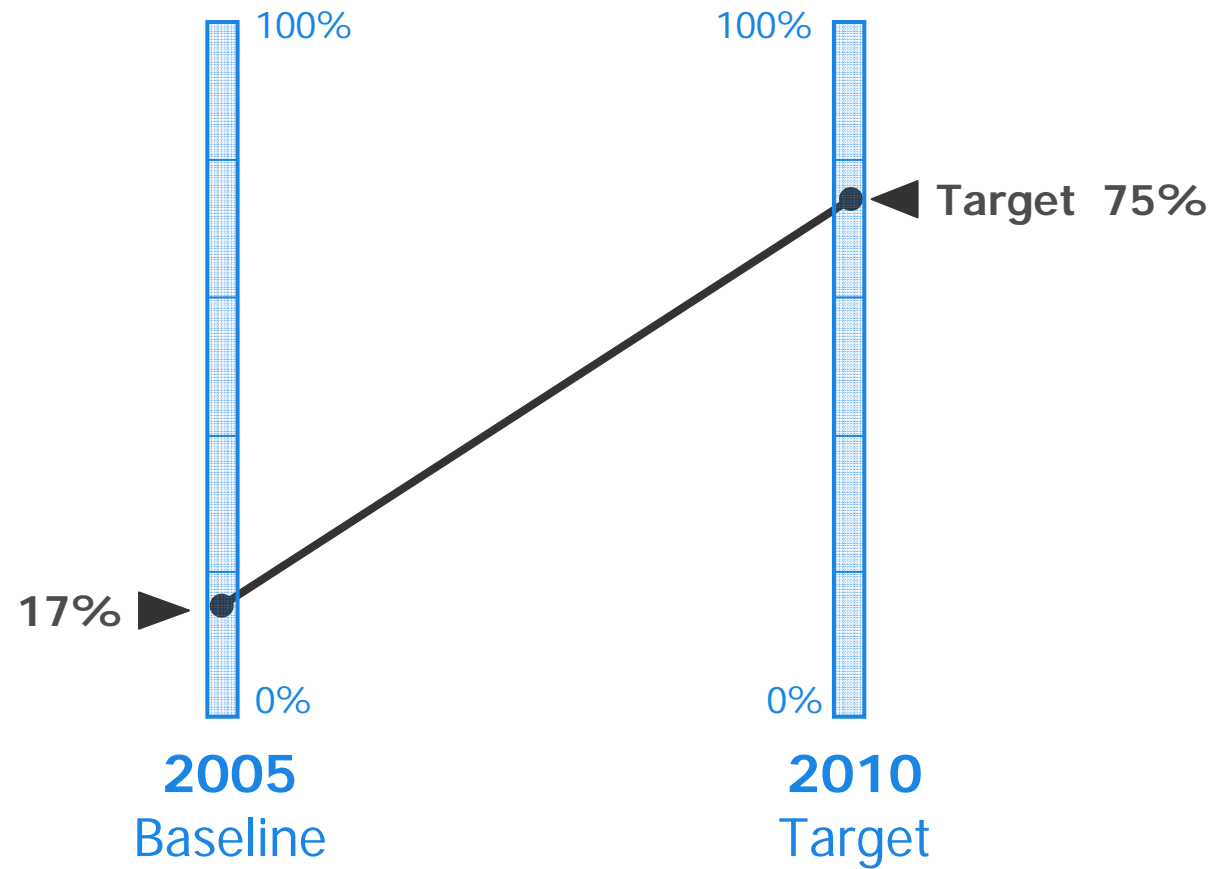
## What will it achieve?

- **Increase the number of partner countries with national development strategies that have**
  - Stronger links to a long-term vision
  - Clearer strategic priorities and a prioritized set of targets
  - A results-framework linking long-term goals to outcomes and outputs, facilitating the link of the strategy to the budget and a medium-term fiscal framework



# Indicator 1

## Target





# Indicator 1

## What is the monitoring tool?

- **Aid Effectiveness Review (AER)**

[www.worldbank.org/aer](http://www.worldbank.org/aer)

- Building on 2005 CDF Progress Report which provided the 2005 Baseline
- Covering 62 countries implementing PRS or IPRS
- Including 62 aid effectiveness profiles organized around the 12 Paris Indicators
- Relying on in-country consultations with National Coordinators, other government officials and development partners on profiles





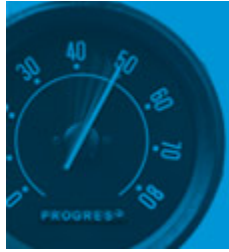
# Indicator 1

## How is it measured?

- **Assessment criteria**
  - Unified strategic framework
  - Prioritization
  - Strategic link to the budget
- **Assessment methodology**
  - Documentation
  - Country Review
  - Scoring the assessment criteria
  - Guidelines available at [www.oecd.org/dac/hlfsurvey/indicators](http://www.oecd.org/dac/hlfsurvey/indicators)
  - Overall score
- **LEADS score**
  - D indicates a level of progress satisfactory to meet the Paris Declaration target

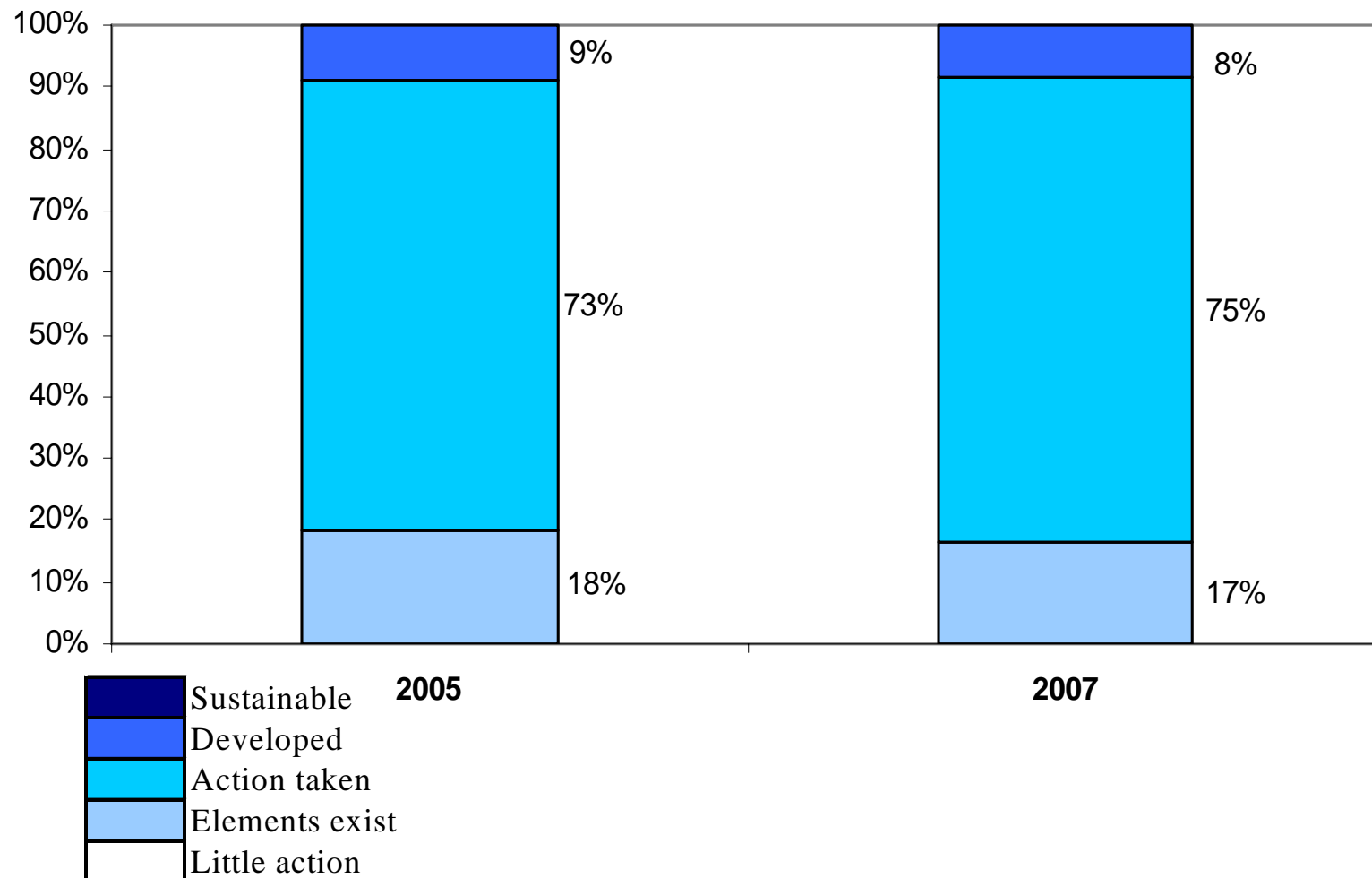






# Indicator 1

## Overview of LEADS scores East and Central Asian Countries





# Overview of indicators

Indicator 1: Operational development strategies

**Indicator 2a: Reliable PFM systems**

Indicator 2b: Reliable procurement systems

Indicator 11: Results-oriented frameworks

Indicator 12: Mutual accountability





# Indicator 2a

## What will it achieve?

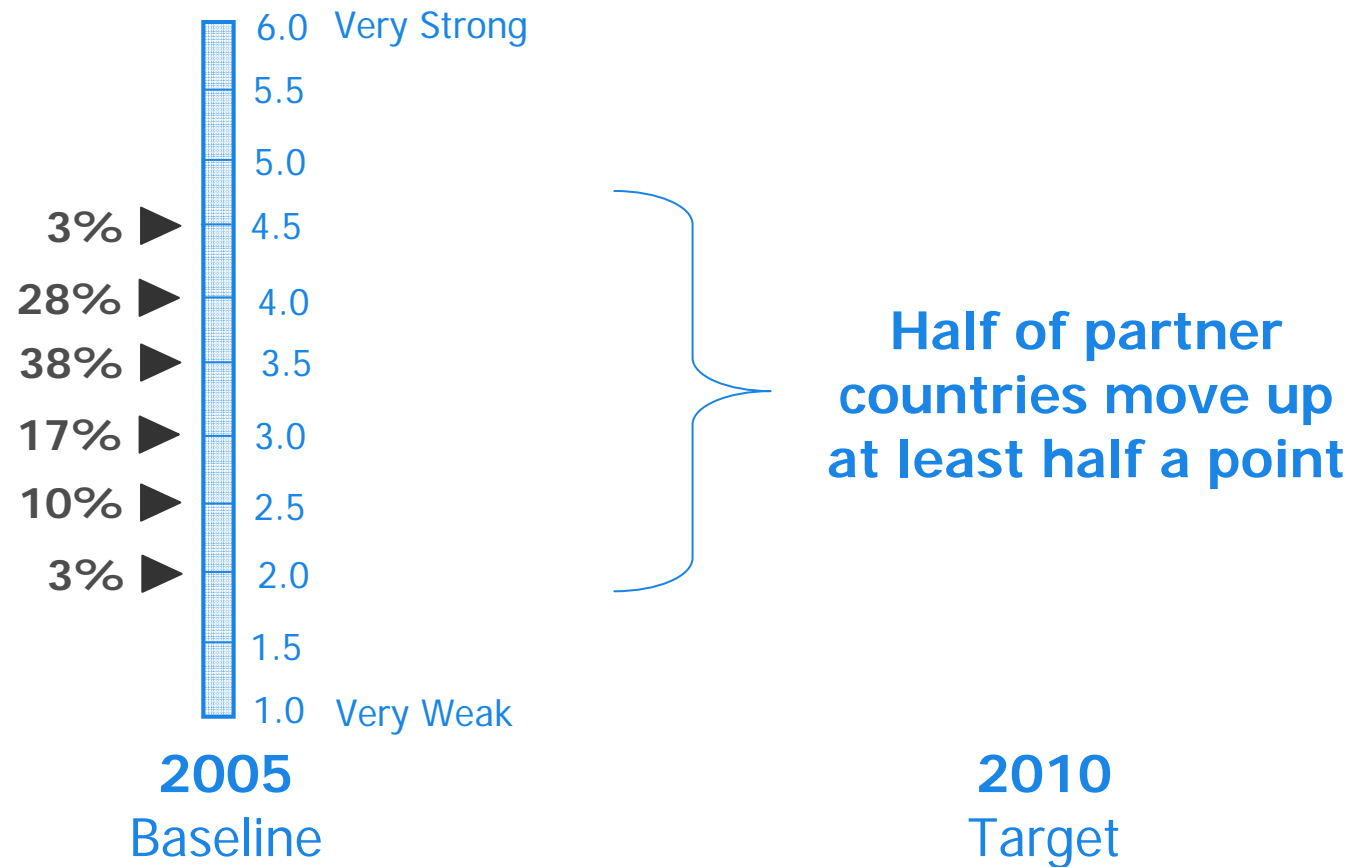
- **Increase the number of partner countries with public financial management systems that**
  - Ensure that a comprehensive and credible budget is implemented in a predictable and controllable way
  - Produce timely and accurate accounting and fiscal reporting





# Indicator 2a

## Target





# Indicator 2a

## What is the monitoring tool?

- **World Bank Country Policy and Institutional Assessment**
  - Diagnostic tool measuring the extent to which a country's policy and institutional framework supports sustainable growth and poverty reduction
  - Criterion assessing the quality of a country's budget and financial management system
  - Publicly disclosed for IDA-eligible countries





# Indicator 2a

## How is it measured?

- **Assessment criteria**

- A comprehensive and credible budget, linked to policy priorities
- Effective financial management systems to ensure that the budget is implemented as intended in a controlled and predictable way
- Timely and accurate accounting and fiscal reporting

- **Assessment methodology**

- Benchmarking phase
- Scoring of remaining countries
- Guidelines available at [www.oecd.org/dac/hlfsurvey/indicators](http://www.oecd.org/dac/hlfsurvey/indicators)

- **Scores to be released in June 2008**





# Indicator 2b

## What will it achieve?

- **Increase the number of partner countries with procurement systems that**
  - Adhere to broadly accepted good practices
  - Or have a reform program in place to achieve them
- **Target**
  - First assessment to be conducted in 2008





# Indicator 2b

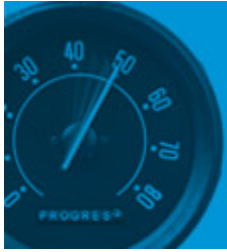
## What is the monitoring tool?

- **Self-assessment methodology developed by the Joint Venture on Procurement**
  - Methodology piloted in 22 countries
  - Pilot country reports available at [www.oecd.org/dac/effectiveness/procurement](http://www.oecd.org/dac/effectiveness/procurement)

## How is it measured?

- **Assessment methodology**
  - Set of benchmarking and compliance indicators available at [www.oecd.org/dac/effectiveness/procurement](http://www.oecd.org/dac/effectiveness/procurement)





Indicator 3

# Aid on Budget (1/3)

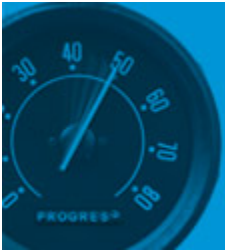
## What will it achieve?

### Stronger ownership & alignment

- Countries have better **knowledge** of aid flows.
- Aid is **better aligned** with priorities as outlined in the budget.

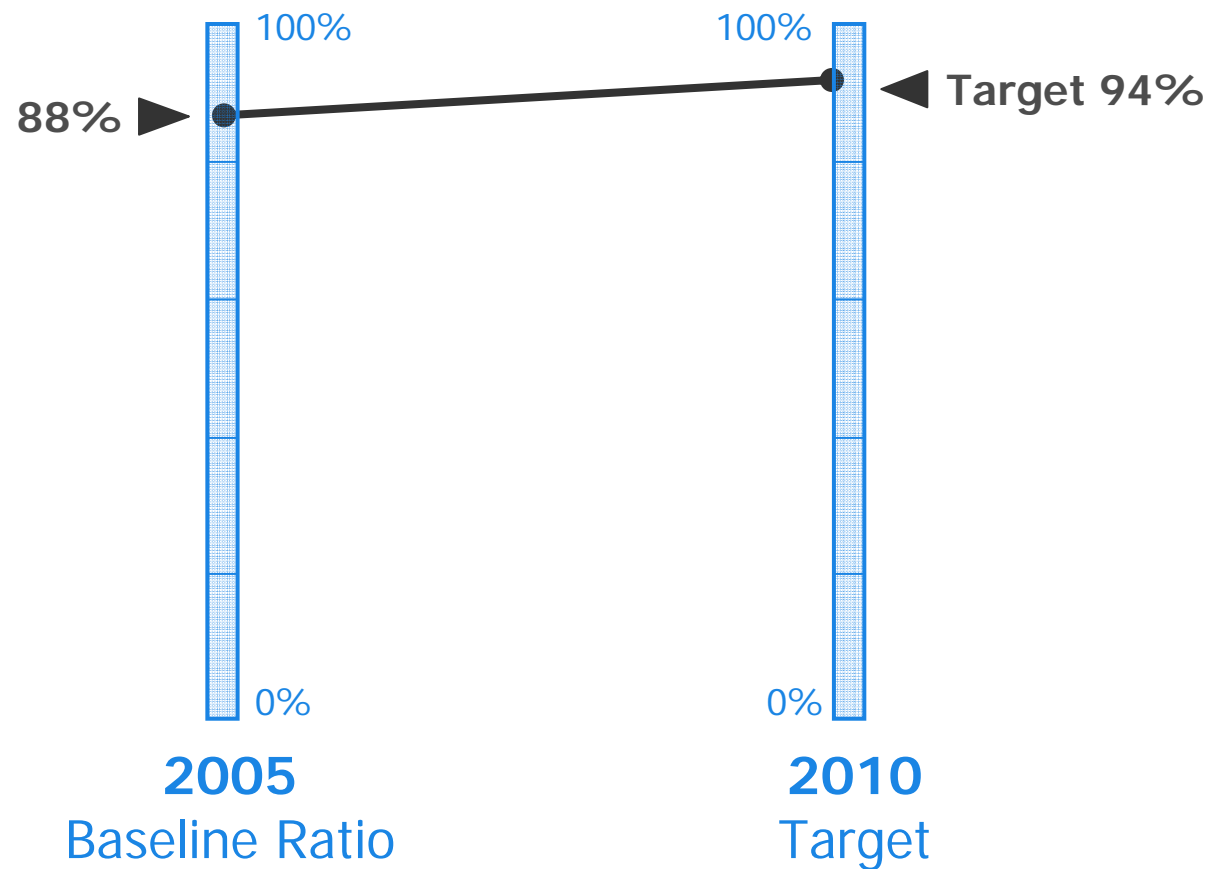
### Better accountability

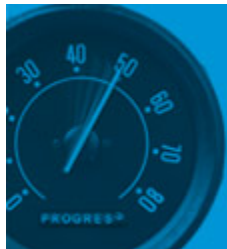
- Donors are more **transparent** on their activities.
- **Parliaments** get opportunity to examine aid.
- Governments are more **realistic** about disbursements.



# Indicator 3

## Aid on Budget (2/3)





## Indicator 3

# Aid on Budget (3/3)

**Estimated ODA** recorded by government in countries' annual budget preparation (ex ante)

%

**ODA disbursed** by donors for the government sector (ex post)

# Coordinated Technical Cooperation<sup>(1/4)</sup>

- **What will it achieve?**
  - **Increased Ownership over Capacity Development**
    - Technical assistance that contributes to sustainable capacity development;
    - Country ownership over C.D. programmes
  - **Increased Alignment**
    - Capacity development aligned with national development priorities;
  - **Increased Harmonization**
    - Donor coordinates technical cooperation.



Indicator 4

## Coordinated Technical Cooperation (2/4)

- How is it measured?

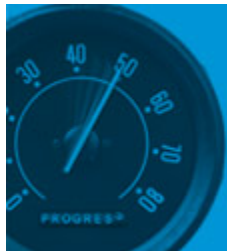
[coordinated T.C. in support  
of capacity development ]

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[Total disbursement for T.C.]

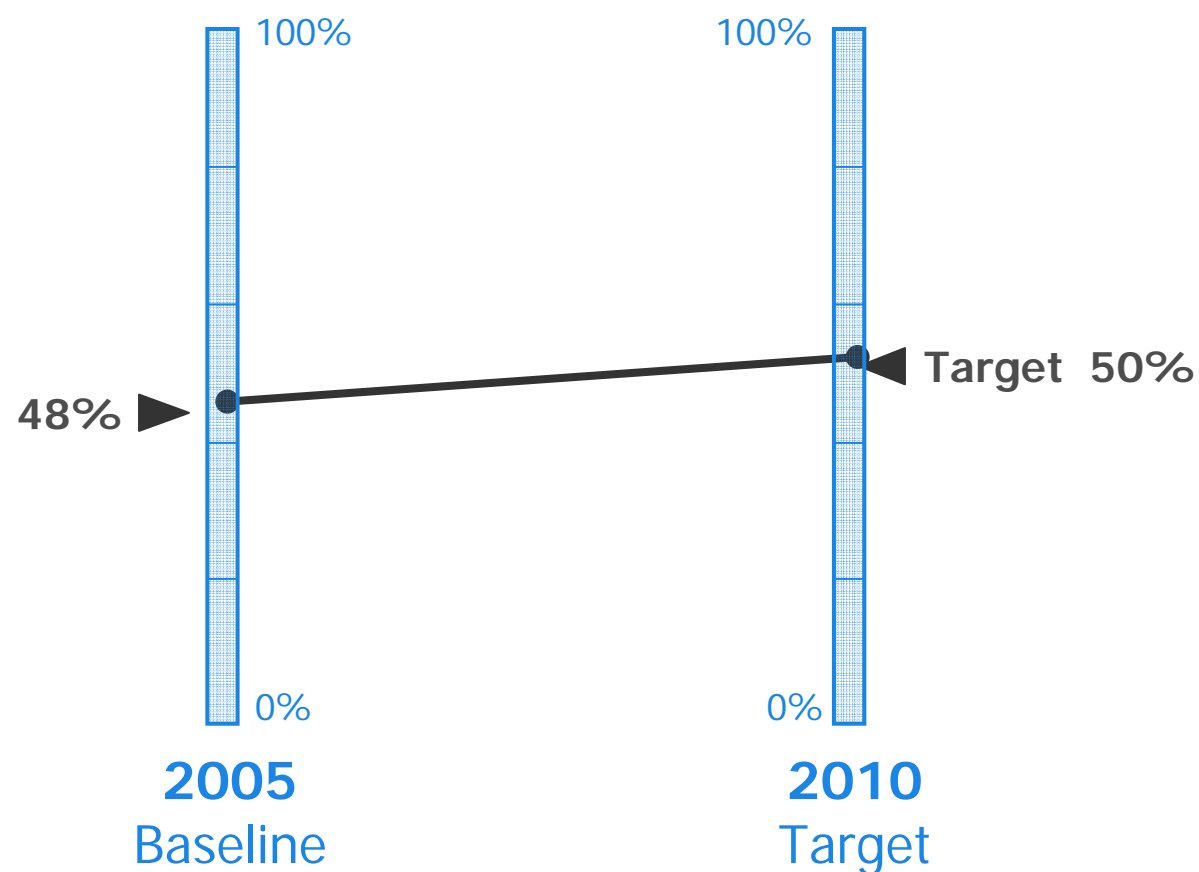
%

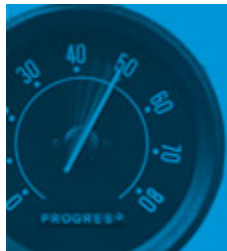
- Scope: free-standing and embedded T.C. (SWAPs)



## Indicator 4 Coordinated Technical Cooperation<sup>(3/4)</sup>

Target: 50% of T.C. are coordinated T.C.





Indicator 4

# Coordinated Technical Cooperation (4/4)

## ■ Criteria:

1. Ownership: Country authorities communicate clear capacity development objectives.
2. Alignment: The T.C. is aligned with capacity development objectives.
3. Ownership: Country authorities have control over the T.C.
4. Harmonisation: Arrangements in place for the country authorities to coordinate the T.C. provided by different donors.

# Using Country Systems (1/5)

## What will it achieve?

### Strengthen country systems

- Channelling aid through country systems helps strengthen them.
- Decrease transactions costs.

### Better accountability

- Countries can better account for aid.

# Using Country Systems (2/6)

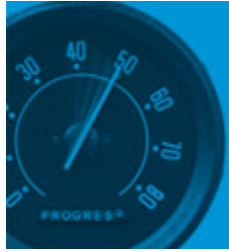
## What are country systems?

### **Procurement** (Indicator 5b)

- Rules and regulations as established in the general legislation and implemented government.

### **Public financial management** (Indicator 5a)

- Budget execution procedures (4 criteria)
- Financial reporting procedures (2 criteria)
- Auditing procedures (4 criteria)



Indicator 5a/5b

# Using Country Systems (3/5)

## 5a PFM systems

ODA disbursed for government sector  
using country **PFM systems**

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%

**Total ODA** for government sector



# Indicator 5a/5b Using Country Systems (4/5)

## 5b Procurement systems

ODA disbursed for government sector  
using country **procurement** systems

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%

**Total ODA** for government sector

# Using Country Systems (5/5)

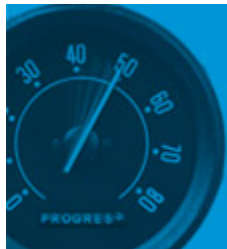
## Frequently Asked Questions

Is using country systems the same thing as budget support? **No.**

–**Budget support** usually qualifies as use of country systems but not always.

–**Project support** can also use country systems.

–Budget and project support need to meet the criteria set out in the definitions.



## Indicator 6

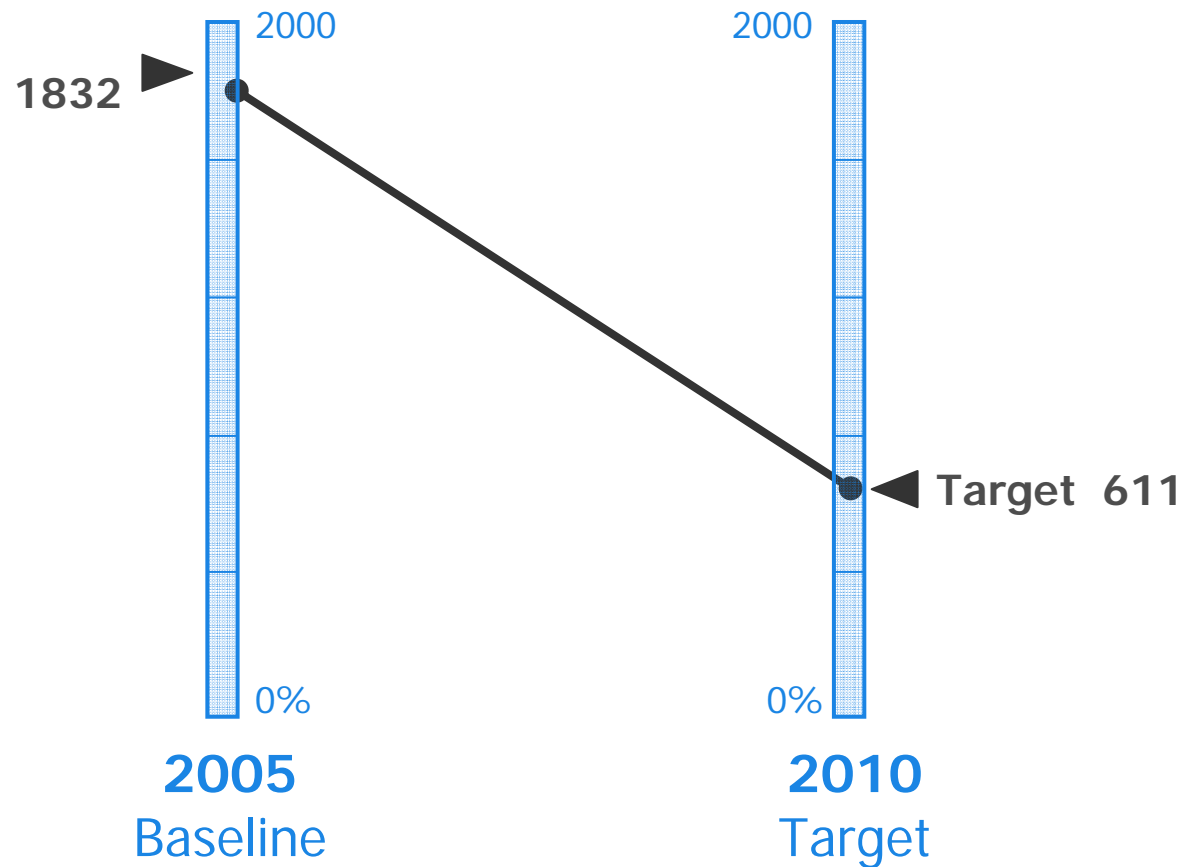
# Avoid parallel PIUs (1/3)

- **What will it achieve?**
  - **Strengthen Capacities to Manage Aid**
    - Strengthen day-to-day capacity to manage and implement projects
  - **Strengthen Accountability Lines**
    - Accountability of the project and staff lies with the government
    - Reduce number of PIUs created outside existing country structures



# Indicator 6 Avoid parallel PIUs (2/3)

Target: Reduce by two-third stock of PIUs

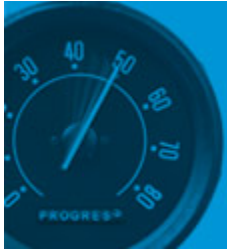




## Indicator 6

# Avoid parallel PIUs (3/3)

- **Criteria for parallel PIUs: three of more “yes”**
  1. Accountability of PIUs lies with external funding agencies / donors rather than county implementing agencies;
  2. TORs of externally-appointed staff determined by the donor.
  3. Most of the professional staff appointed by the donor.
  4. Salary structure of national staff (including benefits) higher than those of civil service personnel.



Indicator 7

# In-year predictability (1/3)

## What will it achieve?

### Increased aid effectiveness

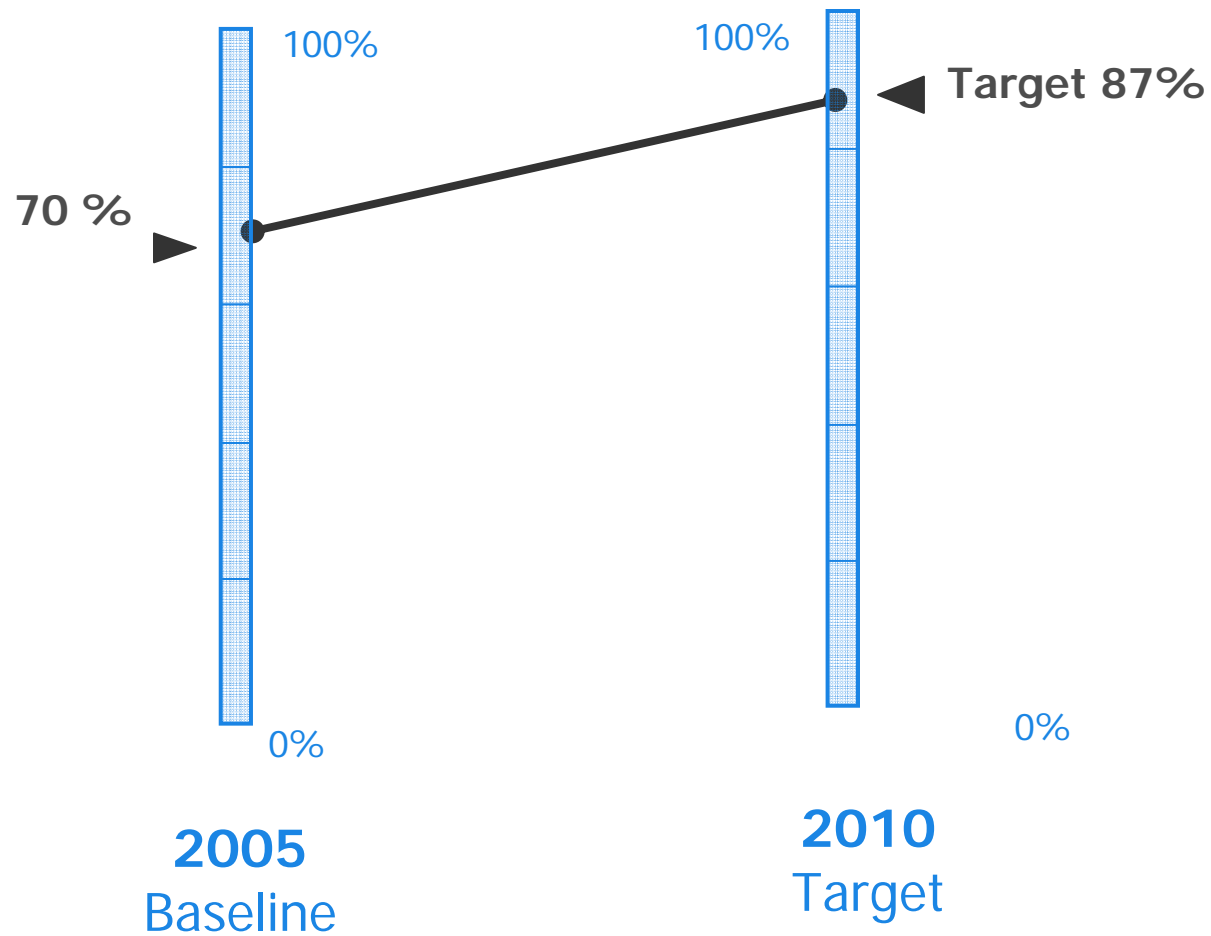
- Better planning of aid.
- More effective allocation of resources.

### Integration of aid flows in country systems

- Donors report comprehensively their scheduled disbursements.
- Government better record disbursements made by donors.

## Indicator 7

# In-year predictability (2/3)





Indicator 7

# In-year predictability (3/3)

**Disbursements** recorded by  
government in 07 (ex post)

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%

Aid **scheduled** by donors for  
disbursement in 07

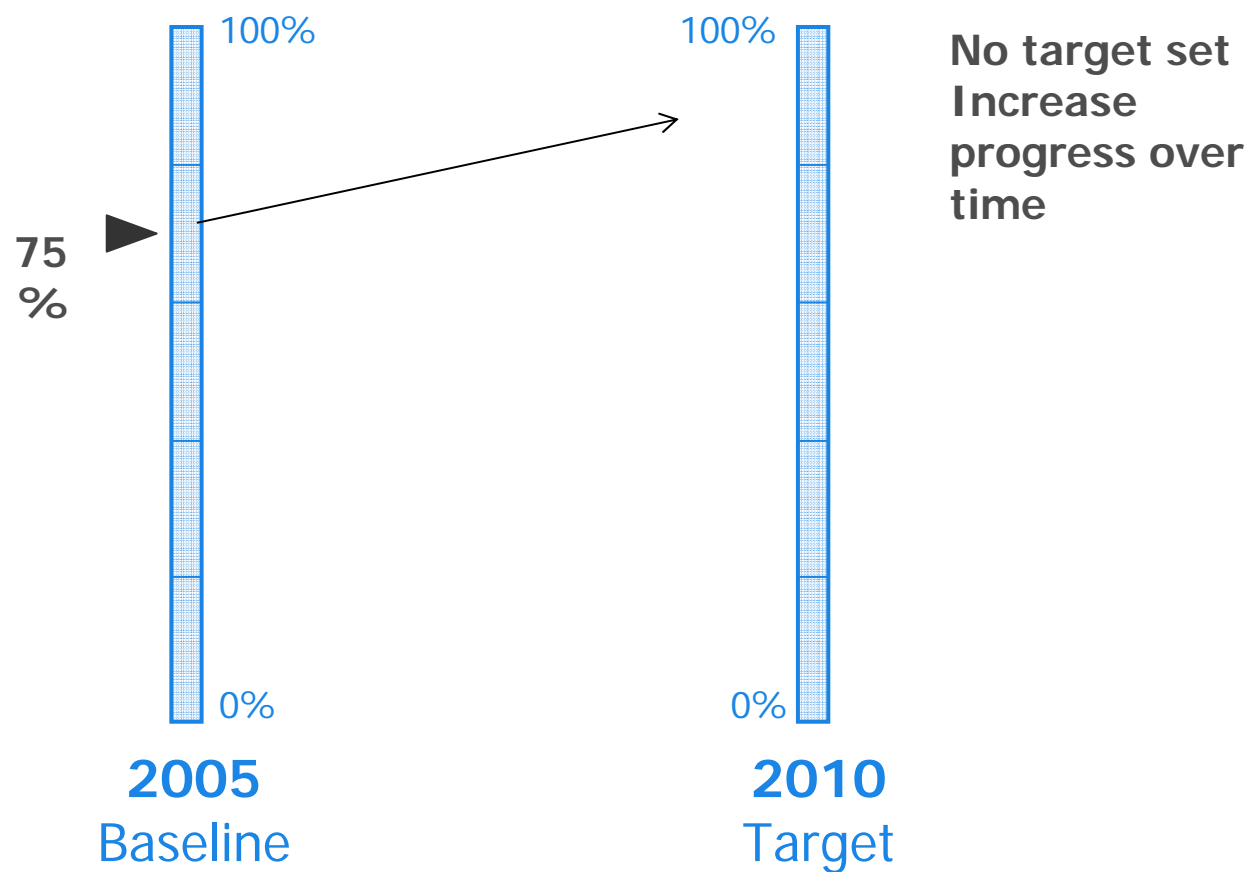


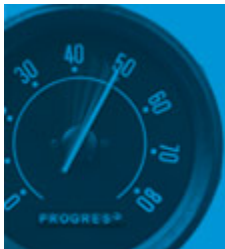
## Indicator 8: Untied Aid

- **What will it achieve?**
  - **Increase country ownership and alignment**
    - More use of local and regional donor procurement sources
    - More value for money

*Measurement: Data on untied aid is drawn from reporting by DAC donors to the annual DAC Questionnaire*

# Indicator 8: Untied Aid





Indicator 9

## Programme-based Approaches (1/4)

### What will it achieve?

#### Ownership is strengthened

- Country is responsible for defining a clear country owned programme.

#### Alignment is enhanced

- Donors support country policies and country systems.

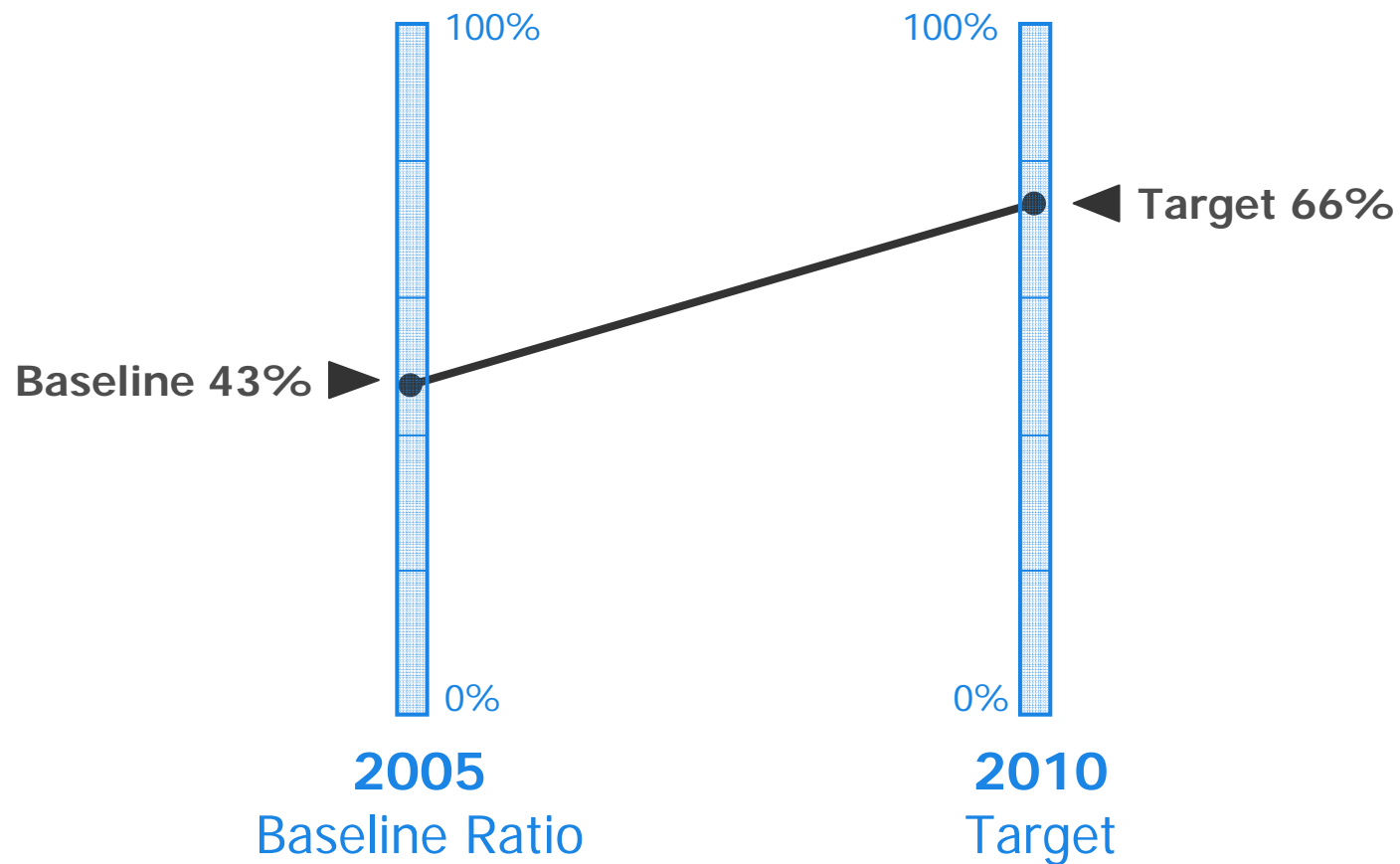
#### Harmonisation is improved

- Better donor coordination and cooperation.



## Indicator 9

# Programme-based Approaches (2/4)





Indicator 9

## Programme-based Approaches (3/4)

ODA disbursed in support of PBAS

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%

Total ODA (not only aid for  
government)

## What counts as PBA?

4 criteria

1. Host country leadership over programme.
2. Single programme and budget framework.
3. Formal process for donor coordination.
4. Donors use country systems.



Indicator 9

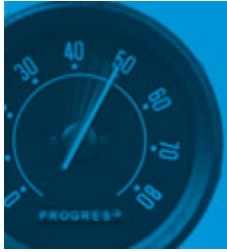
## Programme-based Approaches (3/3)

**ODA disbursed** in support of PBAS  
(Budget support + other PBAs)

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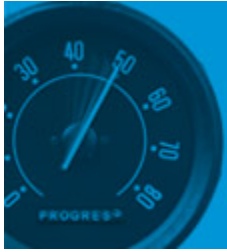
%

**Total ODA**  
(not only aid for government)



## Indicator 10a: Joint Missions (1/5)

- **What will it achieve?**
  - **Reduce transaction costs**
    - Reduce and streamline donor requests;
    - Respect for donor-free periods
  - **Enhance harmonisation**
    - Donor coordinates their work and avoid duplication
    - Common approach towards partner countries



## Indicator 10a: Joint Missions (2/5)

- **How is it measured?**

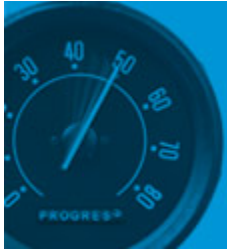
[coordinated missions]

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[ total number of donor  
missions to the field]

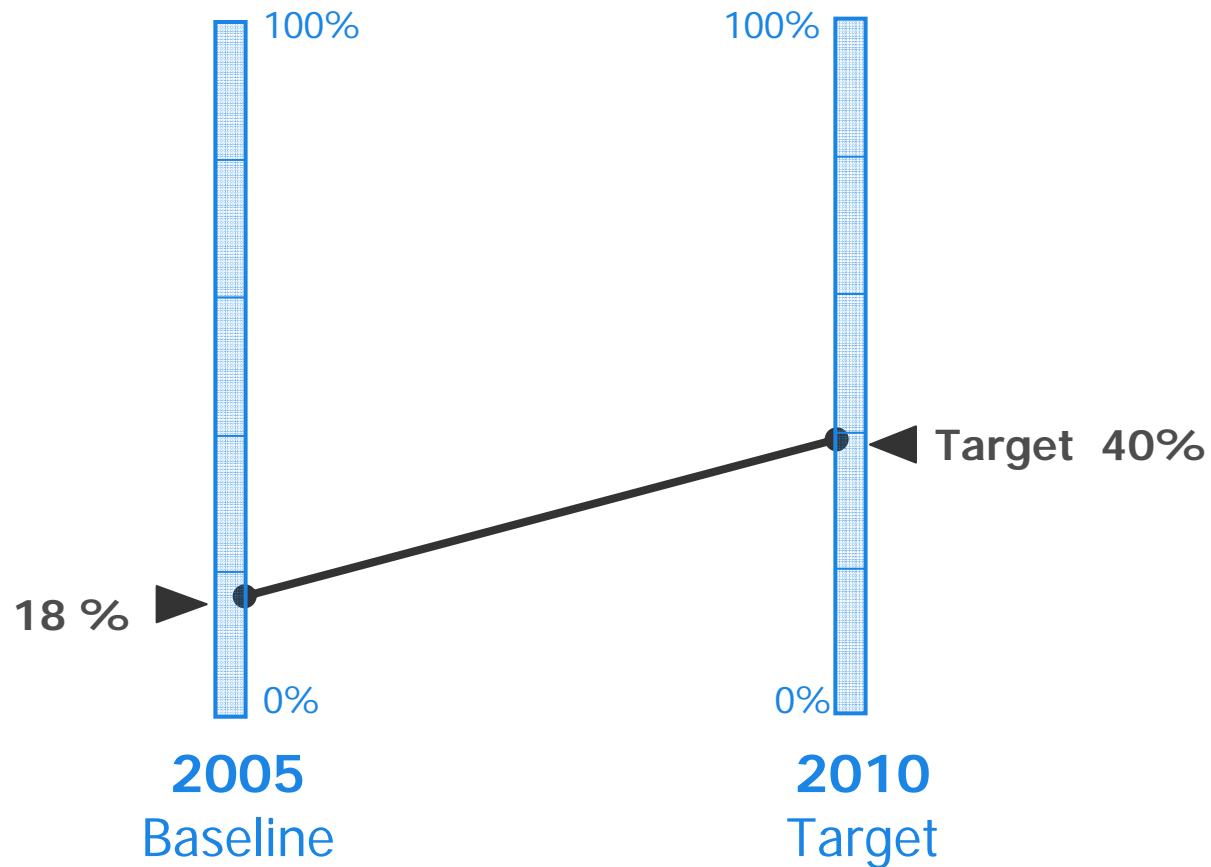
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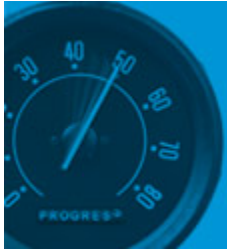
- **Avoid double counting**



# Indicator 10a: Joint Missions (3/5)

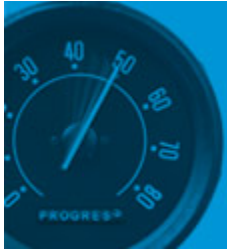
Target: 40% of donor missions are joint





## Indicator 10a: Joint Missions (4/5)

- **Donor missions to the field (meet all criteria):**
  - Mission by donors, or on behalf of donors including programme developers, evaluators, sector assessment teams commissioned by a donor;
  - International travel, often from donor HQ;
  - Mission request to meet with government officials (including local govt)
  
- **Coordinated Missions:**
  - Two or more donors working together
  - One donor on behalf of another



# Indicator 10a: Joint Missions (5/5)

## Examples:

UNICEF and WHO works with Canada – 1  
Joint Mission

WHO, UNICEF and UNFPA works together  
– 1 joint mission

World Bank and IMF works together: 1  
joint mission



# Indicator 11

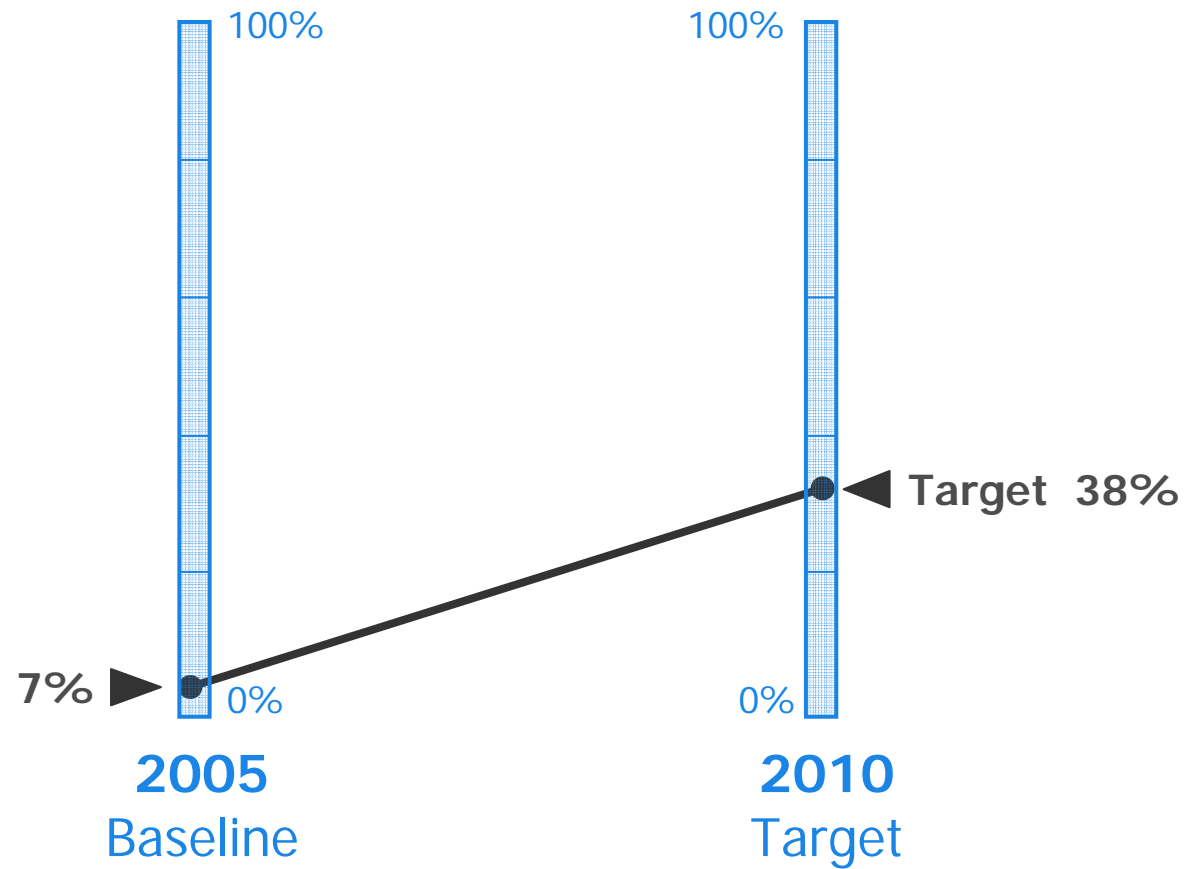
## What will it achieve?

- **Increase the number of partner countries with performance assessment frameworks that**
  - Rely on timely and comprehensive data related to the goals identified in the long-term vision and medium-term strategy
  - Are transparent and make information systematically available to national stakeholders
  - Track a manageable number of input, output and outcome indicators and produce unified reports for country policy makers and external partners



# Indicator 11

## Target





# Indicator 11

## What is the monitoring tool?

- **Aid Effectiveness Review (AER)**
  - Like for Indicator 1

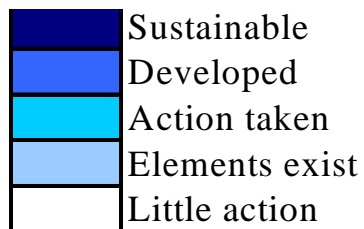
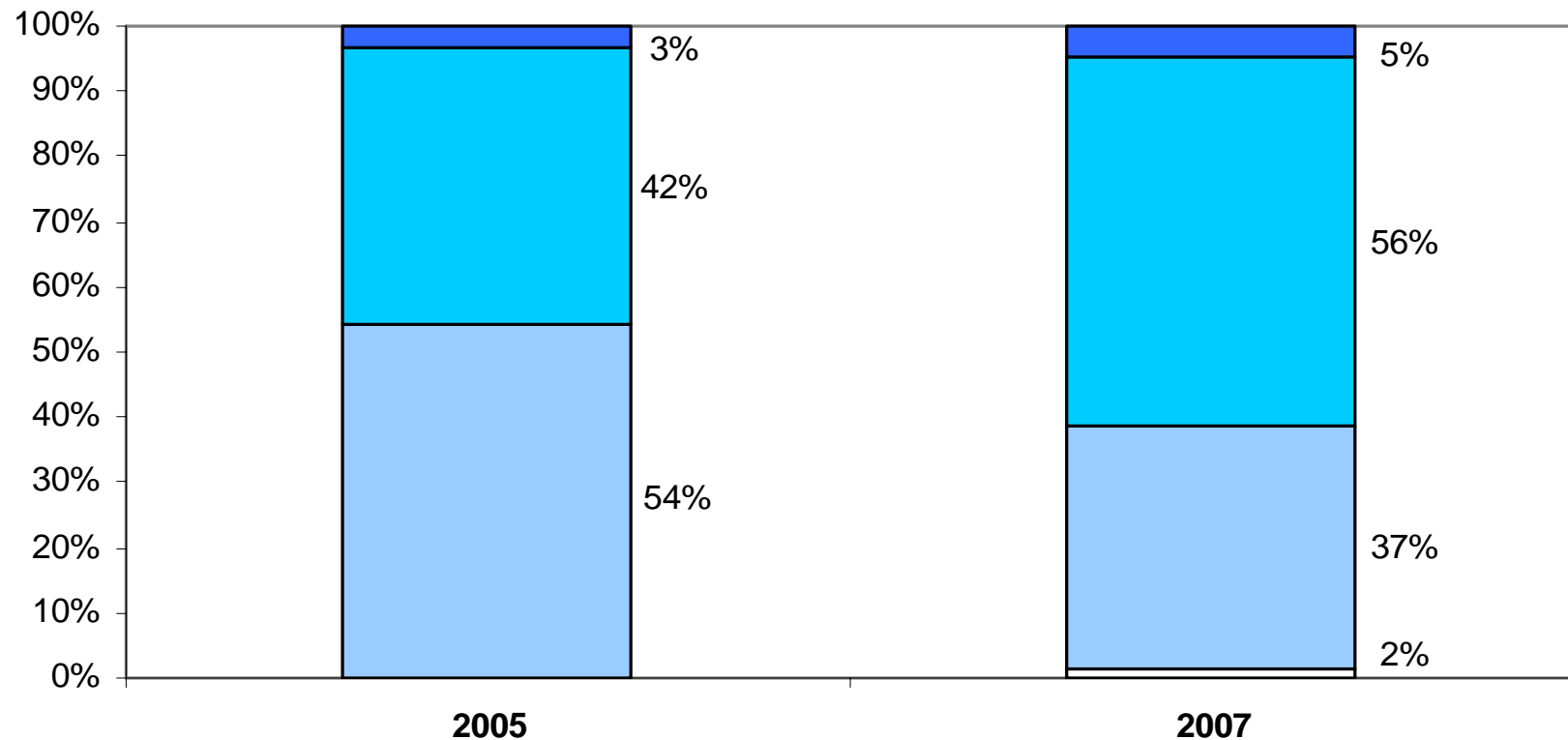
## How is it measured?

- **Assessment criteria**
  - Quality of development information
  - Stakeholder access to information
  - Coordinated country-level M&E
- **Assessment methodology**
  - Guidelines available at [www.oecd.org/dac/hlfsurvey/indicators](http://www.oecd.org/dac/hlfsurvey/indicators)



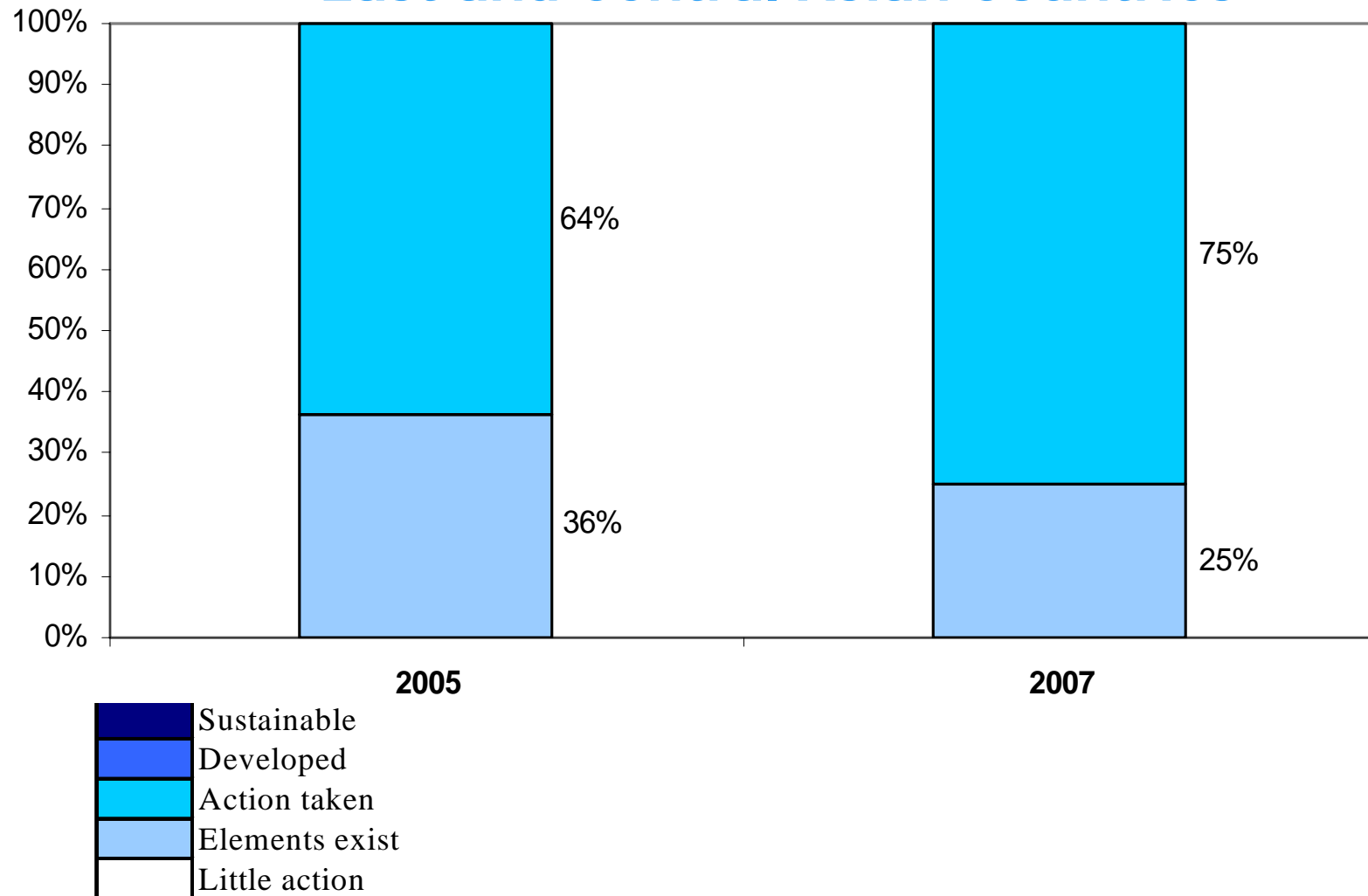
# Indicator 11

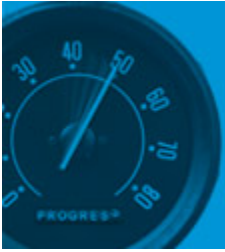
## Overview of LEADS scores All countries



# Indicator 11

## Overview of LEADS scores East and Central Asian Countries





# Overview of indicators

Indicator 1: Operational development strategies

Indicator 2a: Reliable PFM systems

Indicator 2b: Reliable procurement systems

Indicator 11: Results-oriented frameworks

**Indicator 12: Mutual accountability**





# Indicator 12

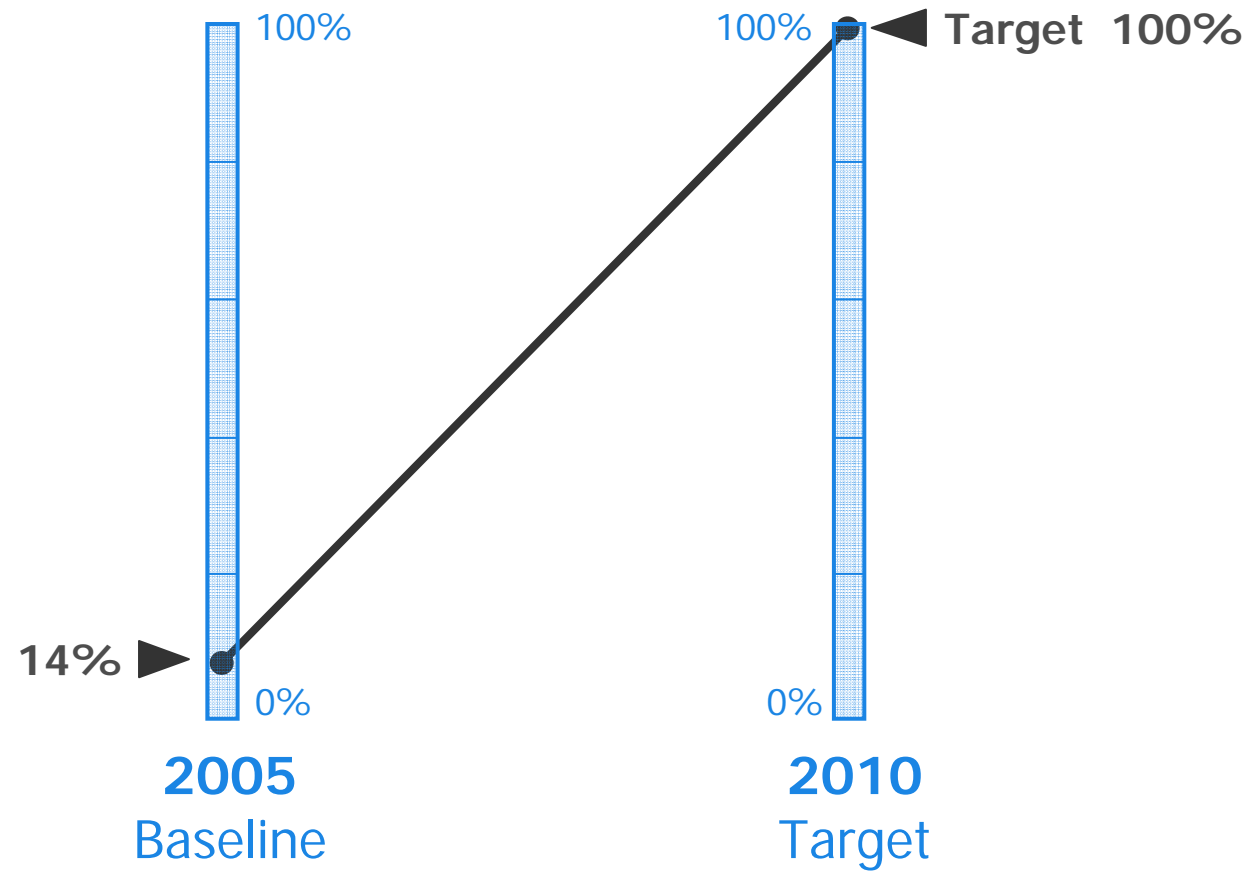
## What will it achieve?

- Increase the number of partner countries that undertake mutual assessments of progress in implementing agreed commitments on aid effectiveness to
  - Strengthen accountability of partner and donor countries
  - Facilitate progress toward Paris Indicators through country-tailored action monitored through an agreed set of indicators



# Indicator 12

## Target





# Indicator 12

## What is the monitoring tool?

- **2008 Survey**
  - Question 3 in the government questionnaire

## How is it measured?

- **Mechanisms in place to assess progress toward greater aid effectiveness**
  - Harmonization Action Plans
  - Aid policies with harmonization and alignment dimensions
  - Independent monitoring mechanisms





# Beyond the numbers

- **2008 Survey providing an opportunity for dialogue on Indicators 1 and 11**
  - Status
  - Identifying challenges, opportunities and synergies
  - Agreeing on actions to advance progress
- **Cross-country peer-to-peer learning can help make progress more sustainable**
  - Good practice examples can provide basis for country action plans and facilitate the emergence of champions



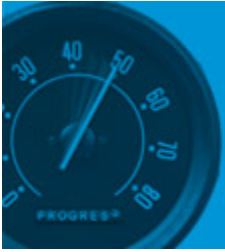


# Good practice examples

## What does it take to meet Indicator 1?

- **Vietnam—Strengthening a unified strategic framework**
  - Long-term vision informing constitutionally mandated five-year plan
  - PRS integrated into five-year plan to avoid parallel strategies
  - Establishing a comprehensive facility for Strengthening Provincial Planning Reforms to facilitate the integration of national strategic goals into local socio-economic planning





# Good practice examples

## What does it take to meet Indicator 1?

- **Cambodia—Improving prioritization**
  - Cambodia Millennium Development Goals (CMDGs)
  - Overall and specific targets for 2010 and 2015
  - Tailoring the MDGs to country needs
  - CMDGs informing priorities of the National Strategic Development Plan





# Good practice examples

## What does it take to meet Indicator 11?

- **Vietnam—Improving stakeholder access to development information**
  - Media coverage of the consultations for the preparation of the national development strategy
  - Communication activities in local languages undertaken in ethnic minority areas
  - Budget plans, final accounts and auditing results of the central and local budgets available on MoF website





# Good practice examples

## What does it take to meet Indicator 11?

- **Nepal—Establishing a country-level M&E system**
  - Poverty monitoring consolidated into a unified M&E system with links to existing M&E systems in line ministries
  - M&E system producing progress reports, including MDG reports, serving both government and external partners





**THANK YOU**

