



Development Cooperation Forum

Key findings of the 2010 mutual accountability survey

This brief summarizes the key findings of a survey to review status and progress in advancing mutual accountability mechanisms and aid transparency initiatives at country level. The survey was conducted in the spring of 2010 to inform the 2010 Development Cooperation Forum (DCF) and the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals in September 2010. Building on its lessons, a second survey will be conducted in the spring of 2011 to provide more in-depth information on the impact of mutual accountability on provider behaviour and development results and to promote better understanding and engagement with non-executive stakeholders, including parliamentarians and civil society.

The 2010 survey aimed at assessing the perspectives of national government, donor agencies, parliamentarians, civil society, and other relevant stakeholders regarding the state of mutual accountability (MA) in the country. The exercise brought together comprehensive responses from 70 countries worldwide, building on particularly strong engagement in Africa and the Asia-Pacific region. The survey benefitted from UN country offices' support in completing the survey and organizing meetings to agree on responses in some countries (see methodology below for details). The analytical report summarized in this brief led to a revision of the Indicator 12 question for the 2011 Paris Declaration Monitoring Survey.¹ It also strengthened the DCF's position as an independent global mutual accountability mechanism and a platform for frank discussion on the quality of aid.

The DCF and its work in mutual accountability

The 2005 United Nations World Summit outcome mandated the Economic and Social Council (ECOSOC) to convene a biennial high level Development Cooperation Forum (DCF) that would *review trends* in international development cooperation, including strategies, policies and financing and *promote greater coherence* among the development activities of different development partners.

The recommendations of the 2008 DCF and the Doha Review Conference as well as the DCF Symposium held in Vienna on 12 and 13 November 2009 to prepare for the 2010 DCF, have underscored the need to move towards more transparent and accountable development cooperation. They recommended that the 2010 DCF should play a key role in enhancing mutual accountability and aid transparency. At the Vienna Symposium DCF stakeholders expressed a strong sentiment that the forum should conduct regular comprehensive and accurate reviews of progress made in mutual accountability and aid transparency, at international and national level. Following the 2010 DCF, the forum instilled a sense of urgency on the importance of mutual accountability for effective development cooperation to reach the MDGs, which was reflected in the MDG Summit outcome document.

In close collaboration with UNDP/Bureau for Development Policy, the DCF Secretariat conducted the first survey at national level from February-April 2010 with the objective of preparing a review report that fed into the Secretary-General's Report for the 2010 DCF. To complement the analysis, a desk study on aid transparency and a survey of global transparency mechanisms has also been conducted.² The results are also published in the independent "International Development Cooperation Report".³

¹ The oversimplified question on the existence of a national mutual assessment framework was substituted by three questions on i) the existence of an aid policy; ii) the inclusion of aid effectiveness targets; and iii) regular assessment of providers and recipients against these targets.

² The entire analytical paper can be found at: http://www.un.org/en/ecosoc/newfunct/pdf/ma_study-status_and_progress.pdf. It also features ways to improve global and regional MA and international aid transparency.

The Secretary-General's report can be found at: <http://www.un.org/Docs/journal/asp/ws.asp?m=E/2010/93>

³ See: <http://www.un.org/ecosoc/dcf> for the full report.

Key recommendations to strengthen national mutual accountability

I. HOW CAN MUTUAL ACCOUNTABILITY MECHANISMS BE IMPROVED?

- 1. Draw up a recipient country aid policy as entry point:** The development of a comprehensive and clear national aid policy by the recipient country government in consultation with other stakeholders is an essential element of MA. Progress in developing such policies has been very limited so far (74% of surveyed countries are without such a policy).
- 2. Set annual performance targets for providers:** Aid policies primarily concentrate on the multiple frameworks assessing the performance of recipient governments. While this has led to considerable behavioural change at the receiving end, it often overburdens recipient governments and reflects the inherent imbalance in the accountability relationship. This can be reversed by setting monitorable annual targets for individual providers of development cooperation, building on Paris and Accra principles. In very few cases so far, recipient countries had the space to do so, mainly thanks to the leadership of like-minded donors. More needs to be learned about how to concretely introduce such nationally-driven standards, on which providers can be held accountable by recipient countries.
- 3. Facilitate regular monitoring and analysis of performance:** Progress in regularly monitoring provider and programme country performance on aid effectiveness is limited. Only 10% of surveyed countries show concrete evidence of regular monitoring of providers, with even less cases of independent and individual provider assessments. It is suspected that – despite its invaluable benefits – the Paris Declaration monitoring survey also prevented countries from developing home-grown and more regular processes, precisely because of its benefits and dominance in the MA.
- 4. Institutionalize formal discussion of mutual progress assessments:** A key challenge is to change forums for dialogue with providers into effective mechanisms of MA. Significant change is achieved in those recipient countries that have a government-led forum, bringing together providers and recipients at the highest level, to discuss aid policies and targets, review progress based on concrete monitoring and analysis, and agree on future approaches. 28 (40% of) countries reported high level meetings between providers and recipients. However, most provide little scrutiny of donors – in part due to lack of relevant evidence – and are far from delivering formal spaces for MA on aid.
- 5. Improve participation by parliamentarians, NGOs and local governments:** The survey suggests that wider stakeholder participation in MA processes is the element of MA for aid where there is the least progress. Non-executive stakeholders should routinely be included in the governance of MA mechanisms, and in formal discussions specifically. The survey showed that CSOs participated in around half the fora and were the best involved of stakeholder groups. Parliamentarians had very low participation. The level of independent analytical input was also generally low.
- 6. Better assess gender impact of aid:** MA mechanisms do not refer to gender-related targets, reflecting the limited focus of the aid effectiveness agenda on this issue.
- 7. Strengthen aid transparency initiatives with a view towards existing gaps:** Making a wide range of aid effectiveness information (disbursements, forecasts, progress on results, etc.) easily accessible and understandable to all actors is the most necessary tool to enact MA. Non-executive actors require training to use this information. A wider range of providers needs to be encouraged to submit more timely and detailed data at national level.

II. HOW CAN THE POLICY ENVIRONMENT BE MADE MORE CONDUCTIVE TO REAL ACCOUNTABILITY?

- 1. Clarify the concept of mutual accountability:** The definition of mutual accountability is biased towards holding recipients to account. For accountability to be mutual, more emphasis needs to be placed on regular and balanced assessment of individual providers as well as recipient government. This should be reflected in the next Paris Declaration monitoring survey.

2. **Ensure participation of non-DAC providers:** Existing mechanisms cover OECD-DAC providers far more effectively than non-DAC providers, global funds, NGOs and private foundations. Even the most advanced mechanisms are challenged to integrate the full range of providers in the discussions. These providers will need to be encouraged and helped to develop their own targets for improving the quality and reflecting the comparative advantages of their development assistance.
3. **Scale up capacity development efforts, especially in Sub-Saharan Africa and countries with special needs:** Strong programmes for capacity building and institutional strengthening support are critical to establish an enabling environment to assess performance of providers and recipient government in this region and country group.
4. **Make better use of regional or international mutual accountability mechanisms:** While the OECD-DAC-led Paris and Accra processes clearly had a strong influence on the most advanced mechanisms at national level, other international or regional mechanisms were hardly mentioned to support MA at country level, with the exception of mechanisms sponsored by the Capacity Development for Development Effectiveness (CDDE) facility in the Asia-Pacific region. This indicates that much more effort is needed to connect international and national processes.
5. **Assess progress at the global level and disseminate best practices:** To create pressure for stronger progress on national MA, it is vital to review national mechanisms, their characteristics and key challenges on a more regular basis. In collaboration with UNDP, the DCF is well-positioned to assess progress through a regular independent stock-taking exercise and in-depth discussions of individual mechanisms and best practice case studies, analyzing accountability and transparency of individual providers. It can also facilitate multi-stakeholder consultations on MA and aid transparency progress, in view of HLF4 preparations and the 2015 MDG deadline, and provide advisory input to any global or regional programmes established to build capacity on effective national MA.

III. OVERALL ANALYSIS OF 2010 SURVEY DATA:

High, medium and poor performers in mutual accountability

- ❖ **Recipient countries where MA is most advanced report much higher behaviour change by providers than middle or poor performers do.** Only when MA reaches an advanced stage (with provider targets and regular reviews) does it produce significant change in provider behaviour. In countries where MA is at an initial stage, with agreements and discussion fora only in the process of getting formalized, **impact is initially much stronger on recipient country behaviour than on providers**, especially if provider targets are missing.
- ❖ **High performers have seen change in behaviour of providers in more areas** – including putting aid on budget, using government systems and predictability – whereas in middle performers progress was limited to harmonisation among providers, and delegated partnerships. The main recipient changes reported focused on results monitoring and evaluation, improved national development strategies, leadership in reforming country Public Financial Management and procurement systems, and prioritization of spending needs. However (more particularly in middle performers) there was also better tracking of aid information, more consultation of CSOs, and improved management of resources.
- ❖ The most **considerable challenges around developing MA further are in sub-Saharan Africa and countries with special needs**, insofar as results hint towards weaker capacity and institutions. Sub-Saharan African countries and more aid-dependent countries are far more likely to have an aid policy and provider targets in place. Nevertheless, Sub-Saharan African countries perform worse than average on overall MA, while Asia and Pacific countries constitute the largest number in the best performing group on overall MA. Countries with special needs perform much worse than other countries on mutual accountability, but Least Developed Countries (LDCs) and Land-Locked Developing Countries (LLDCs) have average performance. The small sample of Small Island Developing Countries (SIDS) perform better on MA than average. Regional initiatives to promote MA and transparency in sub-Saharan Africa need to

be accelerated, and the international community should make greater efforts to enhance progress in countries with special needs.

- ❖ The analysis showed that only **8 countries** (Afghanistan, Cambodia, Laos, Malawi, Mozambique, Rwanda, Tanzania and Vietnam) **have made major progress on MA, and could respond “yes” to Paris Declaration indicator 12**. Most of these still lack significant MA elements such as clear policies, individual donor-specific targets, regular independent analysis and top-level discussion of MA. Yet, another 5 countries (Kenya, Senegal, Sri Lanka, Yemen and Zambia) responded that MA was in place, as **they were considering a wide variety of processes as MA mechanisms** (from the existence of a joint assistance strategy to a multi-donor budget support arrangement to even an annual programme country-provider meeting which discusses aid pledges in general terms). This lack of rigour indicates that there is still **much confusion about the concept of MA itself**, which needs to be addressed in the 2011 Paris Declaration monitoring survey. Lao PDR and Rwanda, for which the analysis indicates that MA is largely in place, responded negatively to the 2008 Paris Declaration survey question.
- ❖ Afghanistan, Mozambique and Vietnam, for which the DCF survey responses suggest MA is largely in place had a more negative assessment of their own progress in 2010 – replying “no” to the indicator 12 question in the DCF survey, when they had replied “yes” in 2008. This most likely reflects **programme country disappointment with provider behaviour change**, as well as the existence of active efforts to improve MA in the countries concerned.
- ❖ In another 22 countries (31%), some progress has been made on at least one element of MA (policies or review mechanisms). In 40 countries (57%) there seems to be little if any progress at all in developing MA in relation to aid. In around 30 countries, there are active steps under way to increase MA. However, these vary dramatically in scope and ambition. Very few aim for clear recipient policies and individual provider targets, implying that they may induce little behaviour change.
- ❖ When asked why there had been relatively little progress, 35% of respondents suggested this reflected **low programme country government capacity and leadership**, 17% **poor transparency by providers**, and 10% **inflexibility of provider policies and procedures**.
- ❖ **CSO respondents generally perceived a lower level of behaviour change than governments**. This probably reflects the fact that many of the key issues of concern to them were not being treated in the discussions, as well as a degree of frustration at their marginal participation in the processes and the lack of space for them to present independent analysis or their own views.

Progress on National-Level Transparency in recipient countries

- ❖ It was found that **aid information is still primarily used for budgeting and macro-economic planning purposes, and much less for monitoring and evaluation of results or MDG progress**. Many respondents – especially those from non-executive organisations – felt that **poor transparency is one of the main explanations for their inability to play a stronger role in national MA processes**. Yet, stronger MA systems also seem to create demand for data for independent analysis and monitoring.
- ❖ 32 countries (46%) indicated that they had an aid information system in place (20% Development Assistance Databases, 25% Aid Management Platforms and the rest were more country-specific). While 19 countries indicated that their system monitors provider and recipient progress on aid effectiveness targets, a closer examination of the capacities of these systems indicates that they tend to be only a narrow subset of the Paris Declaration indicators (such as tying and use of government systems).
- ❖ Major challenges in making information accessible and useable were reported, especially in low-performing countries and in particular for parliamentarians, local government and CSOs. **Transparency varies sharply across types of information**: While current and projected disbursement are frequently reported, off-budget aid, progress on projects/programs, commitments of future aid, funding gaps, progress on the MDGs and gender disaggregated data are frequently unavailable.
- ❖ In almost all countries, **non-DAC donors, global funds and NGOs do not supply data to aid data systems**. Challenges around transparency were most apparent in sub-Saharan Africa.

Methodology used for the 2010 Survey

The 2010 survey was addressed to aid practitioners at the country level as the primary target group of the DCF in this work stream, i.e.:

- Heads of aid coordination units in recipient countries;
- Representatives of donor agencies responsible for aid coordination and effectiveness issues;
- Experts in UNDP country offices or regional centres/platforms;
- Representatives of parliaments, local governments, and civil society organizations.

In view of capacity constraints, the survey was kept simple, clear in its objectives. It sought to minimize efforts for the respondents and promoted participation of the maximum number of DCF partners. All stakeholder groups were encouraged to take ownership of the dissemination and administration of this mapping for respective target groups.

Through a joint letter from UNDESA and UNDP countries were invited to respond to the survey and take the opportunity to organize a multi-stakeholder meeting. UNDP country focal points were briefed and asked to assist the process. Due to time constraints meetings between government, donors, civil society and other stakeholders were only organized in a small number of countries. Governments usually took the lead in the process, while in many cases the UN Country offices assisted in consolidating responses from different stakeholder groups.

The survey questions were developed based on the following criteria, which were the basis of Indicator 12 assessment in past Paris Declaration monitoring surveys: *broad-based dialogue* among ministries and relevant departments and providers; formal *country mechanism to regularly monitor progress* and make results available; *country targets* for improving aid effectiveness; and *high-level support* to transparent and country-led assessments. Further detailed in the actual survey, the following were the actual criteria, approved by a multi-stakeholder group of experts:⁴

Indicator 1: Quality of Aid Policy: Existence of a **national aid policy** drawn up by the recipient country (or joint policy agreed with providers) which contains:

- i) **clear and tailored annual progress targets** for individual providers and the recipient government with aid effectiveness targets (including gender-specific ones) based on national development strategies; and
- ii) **clear institutional structures** and responsibilities within the recipient government for aid management, negotiation, signature and parliamentary oversight.

Indicator 2: Quality of MA Fora: Existence of an aid quality and results monitoring framework and a dialogue structure to openly track and discuss provider and recipient progress against these targets, which are:

- i) locally-driven, i.e. chaired and with its secretariat in the recipient government;
- ii) inclusive, i.e. including all relevant national stakeholders such as parliaments and their committees, local governments, CSOs, private sector, trade unions and women's organisations in the definition and review of the policy;
- iii) comprehensive, i.e. including all relevant providers (Southern, CSOs and global funds as well as OECD providers);
- iv) independent, i.e. based on analytical inputs from the recipient government as well as parliaments, civil society, providers and independent monitoring groups.

Indicator 3: Quality of Aid Effectiveness Data: Existence of an information system for tracking the effectiveness of all aid activities, which is:

- i) fully accessible to providers, government agencies and other national stakeholders;
- ii) tracking all the effectiveness indicators in the aid policy, as well as amounts and allocations;
- iii) comprehensive in its coverage of providers and on-/off-budget flows; and
- iv) timely in terms of regular updating and dissemination.

Indicator 4: Strong Capacity-Building Support: Evidence of programmes which are in place to support government agencies (executive, parliaments and their committees as well as local governments) and CSOs in building capacity to monitor, analyze and negotiate more effective aid at national level as well as to facilitate networking within and across stakeholder groups.

⁴ The group consisted of representatives from UNDP, the OECD-DAC's Task Team on Mutual Accountability, IPU, and civil society organizations. Comments were also received by the Advisory Group of the DCF.