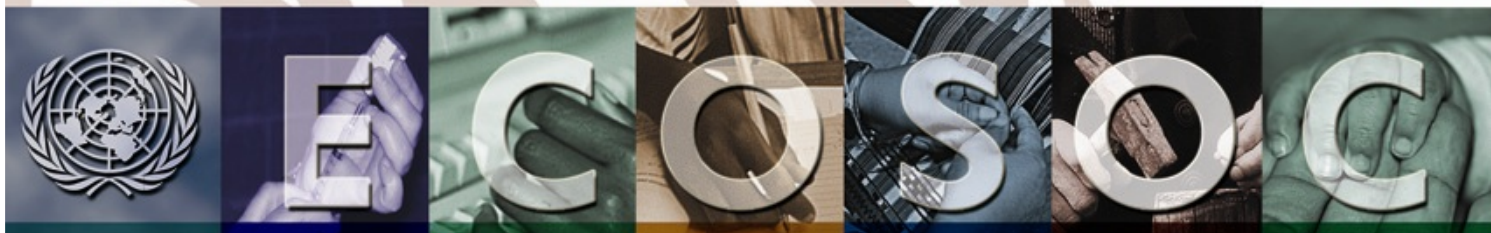


UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL



BACKGROUND STUDY

*FOR THE
DEVELOPMENT COOPERATION FORUM
High-Level Symposium*

*Enhancing Mutual Accountability and
Transparency in Development Cooperation*

November 2009

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EXECUTIVE SUMMARY

1. BACKGROUND AND INTRODUCTION

Within its overall assessment of trends in development cooperation, one key thematic focus area for the UN Development Cooperation Forum is reinforcing mutual accountability. This background study has been commissioned to address the following questions:

- What practical suggestions can be made to improve the functioning of global and regional mutual accountability mechanisms ?
- What constitute best practices in national mutual accountability mechanisms, and how might they be further improved and spread to a wider range of countries ?
- How can transparency on aid best facilitate mutual accountability ?
- What could be the role of the DCF in assisting such improvements ?

International agreements have defined mutual accountability as being of all parties for development results and the IADGs. However, to make the scope of this study and discussions in Vienna manageable, this study focuses on the forums and processes in which stakeholders hold one another mutually accountable for the quantity, quality or effectiveness of aid and the development results it achieves. It stresses the need for programme countries and other stakeholders to be accountable for development results and for their management of aid, but focusses in particular on how to make accountability more “mutual”, by making providers more accountable to programme country governments and other stakeholders, which is one of the major gaps identified in earlier analysis. Issues relating to domestic accountability, of executive branches of governments, are covered briefly, and will be enlarged on in future DCF papers and discussions. In this way, it identifies clear actions for the international community to take in order to improve mutual accountability and transparency, and the results aid produces. Specific actions for the DCF are covered in a final section.

2. GLOBAL AND REGIONAL MUTUAL ACCOUNTABILITY

A multiplicity of mechanisms, analyses and processes exist at the global level (but very few at the regional level) to promote mutual accountability on aid. However, very few are successful in promoting systematic change in behaviour by aid providers, because:

- Several key stakeholder groups (programme countries, Southern providers, parliaments, local governments, Southern civil society) do not have sufficient voice in them;
- The agenda for accountability is dominated by provider concerns and areas of consensus, and does not fully reflect key aspects of concern to other stakeholders;
- Most stakeholders lack sufficient analysis and information on practices and changes by individual providers at the national level;
- Behaviour change varies with the degrees to which stakeholder concerns are reflected;
- There are several good examples of successful regional MA mechanisms, but they do not cover all the global regions or sub-regions, do not engage with all stakeholders, and are not always sufficiently connected to global or national mechanisms.

Based on these findings, the study recommends that the international community should:

1. Establish an annual assessment of progress on global mutual accountability, judged by the degree to which: there is increased balance in the representation of programme country executives, parliaments and other stakeholders; mechanisms are being more closely coordinated or rationalised; independent spotlights are being integrated into official processes; global mechanisms are sufficiently practical to assist national level mechanisms, especially by providing evidence on the behaviour of individual providers; provider and programme country behaviour change is accelerating; and provider and programme country participation/formal commitment is increasing.
2. Identify progress in improving each global mechanism, judged on the basis of the quality of its evidence (especially on the behaviour of individual providers in specific programme countries); ownership and participation of the maximum proportion of its targeted shareholder groups; coordination with other mechanisms, and the factors listed above.

3. Identify 4-5 key mechanisms to target for funding and improvement, prioritising those which include systematic assessments by programme countries and independent sources of individual providers, and increase non-executive stakeholder voices.
4. Insist that official mechanisms such as the Working Party on Aid Effectiveness and the DCF discuss and take full account of the non-official independent spotlights and their views on aid effectiveness progress, including in the Secretary-General's report to the 2010 DCF.
5. Continue efforts to reinforce representative programme country, Southern provider, parliament and other stakeholder voices, as well as their agenda-setting role in designing frameworks and targets in the context of the DCF and the Working Party on Aid Effectiveness.
6. Identify as a priority how mutual accountability on development issues can become a key focus for discussions in the G20, with strong programme country membership and voice.
7. Encourage global, regional and sub-regional peer learning and networking initiatives for capacity development on aid and development effectiveness, especially among programme country governments, parliaments and civil society stakeholders.
8. Increase the "mutual" element of DAC peer reviews by including programme country governments, parliaments and non-government stakeholders in the review teams.
9. Increase funding for global, regional and national grassroots monitoring and accountability initiatives.
10. Establish mutual accountability frameworks between providers and regional organisations through which they channel funding, to hold the organisations and providers accountable.

3. NATIONAL MUTUAL ACCOUNTABILITY

The study defines national mutual accountability mechanisms as those in which, as well as being held accountable for development results and aid management, programme countries hold providers accountable for their aid. On this basis, it finds only 7 countries have fully functioning mutual accountability mechanisms, and change in provider behaviour remains patchy and slow. Even the best functioning mechanisms continue to have important gaps.

The key barriers to effective national-level accountability of providers include the lack of:

- information and data for programme countries on how providers are performing elsewhere, and capacity to draw on existing global sources of information and data;
- coherent programme country government aid policies, or of coordination to implement these policies effectively across all government agencies;
- capacity and mechanisms for programme countries to analyse provider performance
- transparency in sharing information among providers and programme countries.

The study also suggest that mutual accountability in individual providers' programmes could be reinforced through more systematic integration of aid effectiveness commitments into all country programmes and projects, as well as development of systematic processes through which individual providers can be held accountable by their programme country group.

Nevertheless, accountability of providers to programme country governments is much more advanced than accountability of providers and programme country governments to other stakeholders. Virtually no national-level mutual accountability mechanisms debate frank and independent performance information with parliaments, local government agencies or civil society, or achieve change in the performance of providers or programme country governments as a result. This reflects four main factors: the dominance of programme country accountability to providers; low willingness both of many providers and of many programme country governments to open another "front" of dialogue or consultation on aid issues; low capacity of other stakeholders to interpret and analyse information; poor transparency of information; and low willingness of stakeholders to engage.

Domestic accountability mechanisms in programme countries are often weak, largely due to low capacity and resourcing of non-executive stakeholders. On the other hand, domestic accountability in provider countries can be strong, but often takes little account of the global aid effectiveness agenda. Domestic accountability could powerfully reinforce mutual accountability, and requires more investigation in future DCF symposia.

Key components of mutual accountability mechanisms have proven successful in changing programme country and provider behaviour, and therefore provide a basis to assess future mechanisms. They are not a blueprint or a “one size fits all” recipe for promoting change in behaviour, but they can inform programme countries intending to establish or improve MA mechanisms about which steps are likely to be more effective. They include:

- the development of a national aid policy by the programme country government (where necessary as the basis for a Joint Assistance Strategy with providers);
- strong political leadership in programme country governments, and clear institutional structures and responsibilities for aid management, negotiation and signature;
- locally-driven aid quality and results monitoring frameworks, including specific annual performance targets for individual providers;
- comprehensive databases which cover aid quality and effectiveness issues and allow programme country governments to monitor and verify trends for themselves;
- independent analytical input from civil society and independent monitoring groups to identify and help resolve key problems;
- peer pressure among providers (especially in countries where there exists a critical mass of providers prepared to support mutual accountability); and
- large-scale investment through systematic programmes to build programme country government capacity to monitor, analyse and negotiate changes in behaviour.

Based on these findings, the study recommends:

1. assessing all national-level mechanisms annually for their progress in changing provider behaviour, and the presence and impact of the components listed above;
2. establishing a focal point to document best practice on mutual accountability and facilitate sharing of this best practice through global, regional and sub-regional communities of practice focussing on exchanging experiences among programme countries, and through online libraries of best practice notes and key country documents;
3. focussing on improving existing national MA mechanisms to provide more examples of best practice for providers and programme countries (and on peer learning on why the best-functioning national mechanisms have worked), as well as on establishing new mechanisms in countries where they are absent, with a particular focus on fragile states;
4. establishing global or regional programmes to provide systematic capacity-building support to programme country governments in building the components of effective national MA mechanisms, intended to assist at least 30 countries by the end of 2010;
5. establishing separate programmes to reinforce at global and national level the capacity of parliamentarians, local government agencies and civil society organisations on issues relating to development cooperation, and budget financing and expenditures;
6. scheduling further debate at the next DCF High-Level Symposium on how best to promote domestic accountability on aid and other budget revenue/expenditure issues, and on aid issues in Northern governments, and how to ensure synergies between them and national-level mutual accountability processes in programme countries.

4. TRANSPARENCY

The study assesses the key existing transparency initiatives. There have been longstanding efforts to improve aid recording, but the profile of transparency has risen dramatically since 2007, with global campaigns and multiple initiatives. Many of these are in their early stages, having been launched at or since the Accra High-Level Forum in 2008, so their achievements are hard to assess. They are highly ambitious and have raised high expectations among stakeholders. The key factors in their success will be the degree to which information is:

- aligned with programme country budgeting systems;
- collected from all providers (including developing countries, foundations and CSOs; and all of the main DAC providers);
- encouraging programme country governments to increase transparency on use of aid;
- collected also from programme country stakeholders (including parliamentary, audit office and grassroots impact monitoring) as cross-checks on official sources;

- building on national monitoring and evaluation frameworks so that results of aid can be easily compared with national development goals;
- accessible and widely disseminated to stakeholders;
- going beyond data to include documents on conditionalities, policies and procedures;
- used to analyse provider agency and programme country government behaviour, and thereby to provoke debate on mutual accountability.

Based on these findings, the study recommends:

- comprehensive and continuing monitoring of the degree to which these principles are being applied, multi-stakeholder expectations are being fulfilled, and provider (and programme country) behaviour on transparency and effectiveness are changing;
- a sharp increase in capacity-building support for analysis by programme country governments, Northern and Southern parliaments, audit offices, local government representatives and CSOs, to ensure transparency promotes accountability;
- greater networking and peer learning among transparency initiatives to avoid duplication, learn from best practice, and respond adequately to multi-stakeholder needs.

5. CROSS-CUTTING ISSUES

Finally, the study raises two cross-cutting issues:

- All mutual accountability and transparency initiatives will be more problematic to achieve in fragile states and aid orphans. These countries should therefore be a particular focus.
- There has been no systematic focus placed on gender issues at the global, regional or national levels of mutual accountability, in assuring either the participation of women's organisations, or the degree to which aid is having a specific gender impact. More focus could be placed on gender aspects in all future MA and transparency initiatives.

6. ROLE OF THE DCF

There is already a multiplicity of actors involved in mutual accountability issues at both global and national levels. Therefore the DCF needs to work closely with these actors rather than duplicating their programmes. The most immediate role of the DCF is to provide a forum in the forthcoming High-level Symposium for multi-stakeholder consultations on mutual accountability and transparency. Annex 4 refers to the key questions to be posed to participants in those consultations, as outlined in the Aide Memoire. Thereafter, the key roles the DCF could play are to:

- Conduct an annual assessment of progress on global mutual accountability (both overall and of individual mechanisms), national mutual accountability and transparency, based on the criteria and elements discussed in sections 2, 3 and 4 above. This would include monitoring the degree to which initiatives are assisting and reflecting the voices of least developed countries, fragile states and "aid orphans", and responding to gender issues.
- Continue to facilitate and, where necessary, improve multi-stakeholder consultations on mutual accountability and transparency progress in future DCF processes
- Ensure that programme country governments, non-DAC providers and other stakeholders have their views fully reflected in DCF outputs, and disseminate these outputs widely.
- Undertake to ensure that independent and non-official assessments of aid effectiveness, mutual accountability and transparency are fully reflected in the Secretary-General's Report to the 2010 DCF.

As regards the individual issue areas analysed, the DCF could also:

- Work with the Working Party Task team on MA to identify key independent **global and regional mutual accountability** mechanisms to promote for funding and improvement;
- Assist UNDP and communities of practice to document and disseminate to programme countries best practice in **national mutual accountability**, and provide advisory input to any global or regional programmes established to build capacity on effective national MA;
- Advocate a dramatic increase in capacity-building support to potential analysts of information on development cooperation so that **transparency** promotes accountability.

1. INTRODUCTION

1.1 Background

In 2005, the World Summit mandated the UN Economic and Social Council (ECOSOC) to establish the DCF as the focal point within the UN system for consideration of global development cooperation issues. During its first (2007-08) cycle the DCF established a strong reputation for independent analysis and for promoting balanced debate among multiple stakeholder groups on development cooperation issues. Some of the key messages of the first ministerial-level DCF in 2008, as well as the DCF's role in the international debate on development cooperation, were reflected in the outcome documents of the Doha Review Conference on Financing for Development and of the Accra High-level Forum on Aid effectiveness.¹

Based on these achievements, the strategy for phase II of the DCF (2009-2010) has the overall goal of producing agreement on best practice standards and priority issues for practical action to promote enhanced effectiveness of development cooperation in supporting the internationally-agreed development goals. The DCF will continue to review overall trends in development cooperation, but will focus in particular on three thematic areas: (i) mutual accountability and aid transparency; (ii) South-South Cooperation; and (iii) policy coherence.

Mutual accountability is a key component of both the Paris Declaration and the Accra Agenda for Action on Aid Effectiveness. Nevertheless, there has been so little progress towards it that it has been described as “the orphan of aid effectiveness” (OECD 2008c). Reinforcing mutual accountability and transparency on development cooperation will require targeting three mutually reinforcing results:

- Improved global and regional mutual accountability mechanisms;
- Improved national-level mutual accountability mechanisms;
- Improved transparency on development cooperation to facilitate mutual accountability.

The first High-Level Symposium preparing the 2010 UN Development Cooperation Forum is to be held in Vienna on November 12-13 and will focus on mutual accountability. For this symposium, a background study has been commissioned to address the following questions²:

- What practical suggestions can be made to improve the functioning of global and regional mutual accountability mechanisms ?
- What constitute best practices in national mutual accountability mechanisms, and how might they be further improved and spread to wider range of countries ?
- How can transparency on aid best facilitate mutual accountability ?
- What could be the role of the DCF in assisting such improvements ?

This study is organised as follows:

- The remainder of this chapter defines mutual accountability and transparency and how they will be discussed in the study;
- Chapter 2 focuses on global and regional mutual accountability mechanisms;
- Chapter 3 discusses national-level mutual accountability mechanisms;
- Chapter 4 analyses aid transparency initiatives;
- Chapter 5 defines possible actions by the DCF to promote mutual accountability and transparency during and beyond its second phase.

¹ The Doha Outcome document welcomes the DCF's efforts to improve aid quality and invites the Secretary-General to provide a report on systematic and universal ways to follow quantity, quality and effectiveness of aid flows for consideration by the DCF, giving due regard to existing schemes and mechanisms (A/Conf.212/L.1/REV1*). The Accra Agenda for Action welcomed “the contribution that the ECOSOC Development Co-operation Forum is making to the international dialogue and to mutual accountability on aid issues.” (OECD 2008, para 39).

² This study was prepared by Matthew Martin, senior advisor to the UN DCF and Director of Development Finance International. Opinions expressed are those of the author and do not necessarily reflect the official views of the United Nations.

The study builds on earlier work by the DCF, especially the Secretary-General's 2008 report to the DCF and the sessions on mutual accountability held in the first High-Level Symposium in Vienna in 2007. It also draws extensively on work conducted by other initiatives and institutions, notably studies conducted for the Joint Venture on Managing for Development Results of the DAC Working Party on Aid Effectiveness (now replaced by the Task Team on Mutual Accountability); background studies for the IATI and Publish What You Fund initiatives; and studies conducted for AWEPA and the Inter-Parliamentary Union on the role of parliamentarians in aid effectiveness, and for the Commonwealth Secretariat on the interaction between provider-programme country and domestic accountability. It also draws extensively on inputs from programme country officials on the functioning of various global and national mutual accountability initiatives, obtained as a result of the work conducted by Development Finance International with 35 Heavily Indebted Poor Countries through the HIPC Capacity-Building Programme, and during the period when the author was advisor to programme country negotiators of the Accra Agenda for Action. In addition, the author has consulted several provider agency and CSO experts, including members of the Working Party on Aid Effectiveness Task Team on Mutual Accountability. The author is most grateful for all of these inputs.

The recommendations of the revised study are to be discussed in the High-Level Symposium in Vienna with a view to defining criteria for mutual accountability and transparency mechanisms, and the role of the DCF in moving them forward in preparation of the 2010 DCF and beyond.

1.2 Definition of Mutual Accountability and Transparency

The Working Party on Aid Effectiveness recently clearly defined mutual accountability in both an Issues Brief and a Best Practice Note (OECD 2009b and c):

“What is mutual accountability?

Mutual accountability is a process by which two (or multiple) partners agree to be held responsible for the commitments that they have voluntarily made to each other. Progress in mutual accountability is all the more important because the relationship between providers and programme countries is inherently uneven. But since Paris and Accra, both are accountable for the use of development resources as well as for development results, including achievements with respect to governance, gender, environment and human rights.” (OECD 2009c).

This all sounds straightforward. Nevertheless, as suggested by the report on the Evaluation of Implementation of the Paris Declaration, mutual accountability remains the least understood element of the aid effectiveness agenda. The phrase “mutual accountability” continues to cause confusion among development cooperation stakeholders, around three questions:

1. **Who is holding who accountable ?** Stakeholders tend to see accountability largely from their own viewpoints. Therefore providers want to hold the recipients of aid (whether national or sub-national governments, multilateral organisations, CSOs or the private sector) accountable for the use to which it is put as well as the policies which accompany it; recipients want to hold providers accountable for the effectiveness with which they provide it; and other stakeholders such as (both Northern and Southern) national parliaments or civil society organisations want to hold providers and recipients accountable. Within each stakeholder group, members also want to hold one another accountable and exert peer pressure to live up to commitments. Within this web of accountability relationships, opinions differ on which are the most important.
2. **What is the locus of accountability ?** There are four fundamental levels of accountability – global, regional, national and domestic.

- **Global** involves holding participants accountable at the global level for their overall progress worldwide (however, while this sometimes tries to cover all aid providers and recipients, it is more frequently only a subset and therefore not really global);
 - **Regional** can mean region-to-region accountability for regional goals (eg between Europe and Africa); or regional efforts to track progress in implementing global initiatives or national initiatives;
 - **National** tends to mean accountability between aid providers (governments, multilateral organisations, or others) and national programme country governments (but is sometimes used interchangeably with domestic)
 - **Domestic** means accountability of provider and programme country governments to their domestic stakeholders such as parliamentarians and auditor-generals. Though most of the focus has been placed on domestic accountability of programme country national governments, it should also ideally cover accountability of provider governments (and the multilateral organisations, CSOs and private sector organisations through which they channel aid), and accountability of parliaments and local governments.
3. **What are participants being held accountable for ?** International agreements have been reached to hold all partners in the development process accountable for development results, notably the internationally-agreed development goals. However, within this broad agenda, there is a tendency by different stakeholders to see their concerns as being the key focus for accountability.

The variety of definitions for “mutual accountability” means that it can include almost any meeting or analysis undertaken at global, regional or national level, which involves development-related issues, and includes as participants two or more stakeholder groups involved in development cooperation processes. Each sponsor of a particular forum, dialogue or analysis tends to regard it as being a crucial aspect of mutual accountability.

This is in spite of the fact that the Paris Declaration and Accra Agenda for Action have tried to narrow down the definition to focus on processes where providers are held responsible for the effectiveness of their aid in producing development results, and programme countries for the development results they produce using the aid and other resources, as well as for their aid management. The Paris Declaration in particular focussed on the fact that

“Partner countries and providers commit to jointly assess through existing and increasingly objective country-level mechanisms mutual progress in implementing agreed commitments on aid effectiveness.” (see OECD 2009b)

In order to make the focus of analysis and discussion manageable enough to produce useful recommendations, this paper takes a narrow definition of mutual accountability, in two respects: First, it assesses only those forums, mechanisms or processes which focus on the **quantity, quality and/or effectiveness of aid** and the development results it achieves, rather than wider development policy issues such as governance or attainment of the IADGs. Second, it stresses the need for programme countries and other stakeholders to be accountable for development results and for their management of aid. However, given that earlier independent analysis has repeatedly assessed that existing processes are far more effective at holding programme countries accountable, this analysis focusses in particular on how to make accountability more “mutual”, by making providers more accountable to programme country governments and other stakeholders such as parliaments, local governments and civil society, and (secondarily) programme country and provider governments’ accountability to parliament and other domestic stakeholders.³ These are two of the major gaps in “mutual accountability” identified in earlier analysis. By narrowing the focus in this way, it is possible to identify clear priority actions which can improve mutual accountability and transparency on aid, and therefore development results produced by aid.

³ However, domestic accountability is not a main focus of this study because other work is being conducted on this by the Working Party on Aid Effectiveness and the Commonwealth Secretariat, among others, and it has been agreed that the issue of domestic accountability will be discussed at a later High-Level Symposium.

2. GLOBAL AND REGIONAL MUTUAL ACCOUNTABILITY

2.1 Analysis of Current Global and Regional Mutual Accountability Mechanisms

Even narrowing the focus of this study to mechanisms which focus on aid, there is a multiplicity of global and regional mechanisms aiming to promote mutual accountability.⁴ Annex 1 provides a list and assessment of these mechanisms, which were comprehensively analysed by a 2008 study for the Working Party on Aid Effectiveness (OPM 2008b). This study divided the mechanisms into three types:

- “spotlights” - independent non-official assessments of performance. Good examples of this are the Concord EU Aid Watch report, compiled by European NGOs to monitor the performance of EU member governments, and the ONE/DATA campaign report, which assesses G8 progress on targets including aid effectiveness
- “mirrors” – peer review mechanisms of one another among provider or programme countries. These include DAC bilateral peer reviews of one another’s aid programmes, and the EU Annual Report on Financing for Development.⁵
- “two-way mirrors” – official mechanisms for providers, programme countries and other stakeholders to oversee one another’s performance. These include the Working Party on Aid Effectiveness’ survey on the implementation of the Paris Declaration, and the DCF.

The study reviewed each mechanism on the basis of four factors:

- The quality, independence and transparency of its performance information or **evidence**
- **Ownership** of the mechanism by all stakeholders, and its capacity to build ownership
- The degree to which the mechanism provokes **debate** and explanation of performance
- The extent to which the mechanism causes **behaviour change**

It found that in general, spotlights have a strong record of providing transparent, independent ‘evidence’ but, to some degree precisely because they are independent, lack the ‘ownership’ by stakeholders to result in behaviour change. On the other hand, mirrors and two-way mirrors have high ownership, but do not always provide high quality evidence, especially on individual providers in specific programme countries, and therefore can also be weak in promoting behaviour changes.

The key recommendations of the study were to: promote improved evidence, ownership and debate in the best mechanisms, especially those which reflect the voices and views of programme countries and other stakeholders; rationalise mechanisms by cutting back on those which are least effective; increase coordination and complementarity among mechanisms; strengthen programme country voice in all mechanisms; strengthen peer review processes and formal review processes in regional donor groupings and the multilateral development banks; and integrate non-official “spotlights” results into official processes. It also recommended supporting the DCF as a forum for mutual accountability on aid, notably including non-DAC providers, and by increasing the independence and authority of its report.

The Working Party study and the analysis in the Secretary General’s report to the DCF in 2008, agreed that very few of the existing mechanisms are successful in promoting systematic change in behaviour by aid providers. The Paris Declaration and Accra Agenda for Action should provide an opportunity for major progress given that many providers have agreed to clear goals. Indeed, compared to what predated their processes, commitments by providers have increased markedly, and programme country and other stakeholder voices have been integrated into the Working Party process more effectively in recent years.

However, the Paris Declaration survey and evaluation strike a note of very limited progress in implementing commitments (though considerably greater progress by programme countries,

⁴ This section is based in considerable part on the excellent 2008 study conducted for the Working Party on Aid Effectiveness which provides a detailed analysis of many global and regional mutual accountability mechanisms.

⁵ There is no current peer review among programme countries of their aid management and effectiveness progress, though peer learning mechanisms exist as discussed elsewhere in this report. There are many mechanisms, such as the African Peer Review Mechanism, designed to review commitments on wider policy aspects such as governance.

perhaps reflecting the higher degree to which they are individually held accountable by global processes), as do similar reports by other mechanisms which themselves try to track change in provider behaviour. The Working Party study provides detailed suggestions for how to reinforce each well-functioning mechanism, which are not repeated here – but stresses that efforts should be focussed on key forums such as the DCF, Working Party on Aid Effectiveness, and other mechanisms which have strong input in their design and implementation from programme country governments and other Southern stakeholders.

The analysis in the Secretary-General's report and other background papers prepared for the DCF (Martin 2007; Manning 2008), as well as inputs from programme governments and other stakeholders, go further than the Working Party study by stressing the following systemic gaps in the global mutual accountability framework as the key reasons for slow progress in promoting behaviour change:

- Programme country governments are woefully under-represented in most global mechanisms. Even where they have stronger voices or membership (for example in the DCF and the post-Accra Working Party) it is not clear how these voices are made representative of other countries or supported with technical inputs to ensure that they advocate best practices and achieve changes in their own aid management and that of providers.
- It is not only programme country governments which have insufficient voice in these mechanisms. Other key stakeholder groups – notably Southern providers, provider and programme country parliaments, local government representatives, and civil society representatives, do not have sufficient voice in many of the key global or regional level mechanisms. Most of the independent “spotlights” are generated by Northern-based organisations – though some do mobilise programme country government or Southern civil society assessments as the basis for their work. Though the Working Party on Aid Effectiveness has made considerable efforts to integrate these stakeholders more systematically into its discussions since 2008, it is still some way from balanced representation of all stakeholders and strong technical support for programme country governments and other stakeholder groups, or from adequately funded representative consultations of each of the multiple stakeholder group members.
- The agenda for debate in the mechanisms varies considerably, but in general is dominated by the concerns of providers and the issues on which consensus has been able to be reached among providers in negotiating global compacts such as the Paris Declaration. Some key aspects of aid which would be high on other stakeholders' agendas (such as conditionality, measuring the impact of technical assistance on building national capacity, value for money of aid, anti-corruption procedures, gender focus etc), though mentioned extensively in the Accra Agenda for Action, are not systematically assessed by most of the mechanisms.
- If global mechanisms are to be most helpful in affecting change in provider behaviour, they need to promote this at two levels: global changes in policy and practice due in part to advocacy by programme country governments, parliaments and other stakeholders; and national-level change negotiated with programme country governments, parliaments and other stakeholders. Yet most non-provider stakeholders lack sufficient analysis and information on provider aid practices, including policies and procedures, partly because much analysis is not presented in a way designed to identify how to improve each individual provider's programmes (and analysis which does so – such as that produced by the One Campaign, OXFAM, Action Aid, or the Guide to Donors and the HIPC CBP - is limited in its dissemination and use). In addition, there are no strong mechanisms demanding such regular inputs at global, regional or national level in order to hold providers accountable. This severely limits the prospects for change at global and national level.
- There is also relatively little scope for dialogue between provider and programme country institutions, beyond the executive branch of government. As discussed in Section 3.2,

provider parliaments often have a powerful influence on the behaviour of their governments, and they value the opinions of colleagues in programme countries when it comes to assessing past impact and future priorities for development cooperation. It is therefore essential to enhance dialogue between provider and programme country parliamentarians on aid effectiveness, through both global and regional networks. Similarly, CSOs including trade unions, NGOs and private sector organisations would benefit from more global and regional exchange on aid effectiveness issues, especially with voices from programme countries informing counterparts from provider countries of realities on the ground.

- Behaviour change by providers varies dramatically. At one end of the spectrum are a few providers which have shown genuine commitment to improving performance, as evidenced by detailed global and country-level implementation plans which go even beyond the Paris Declaration commitments (being either broader in scope or more ambitious in their goals). In order to be effective, the best of these plans are enforced by regular self-monitoring and have the targets incorporated in the negotiation of each new aid programme or project. Many other providers (mostly OECD members and multilateral organisations) have made commitments (such as signing the Paris Declaration) but have not produced sufficiently detailed implementation plans to make future progress credible. It is crucial that global frameworks contain clear targets for individual providers, and demand from them detailed implementation plans to ensure these will be reached.
- A large number of other providers (especially CSOs and developing countries) have made no formal commitments to global accountability targets (though some have signed the Paris Declaration and/or the Accra Agenda for Action). In most cases this reflects a view that their development cooperation is different from that of DAC or G8 providers (so that mutual accountability is less necessary or appropriate), as well as a feeling that they have not been sufficiently consulted in the design of any global or regional frameworks of mutual accountability. As a result, even the most “global” frameworks cover only around 80% of ODA. A great deal more work is needed to ensure that these other providers are fully involved in defining future agendas (if necessary built around their own separate frameworks) so that mutual accountability can become genuinely global.

2.2 Detailed Analysis of Regional Mutual Accountability Mechanisms

Regional mechanisms are much less prevalent than global ones. In addition, they are located mostly in Africa, and are virtually absent in Latin America and most of Asia. Many are largely ignored in global and national discussions, so that their findings do not have maximum impact. Importantly, many of the increasing numbers of regional aid programmes and donor conferences such as with ECOWAS, SADC or UEMOA in Africa do not contain effective mutual accountability frameworks which hold providers accountable. Four examples of mechanisms which are taken seriously are:

- the Mutual Review of Development Effectiveness between Africa and the donor community, co-sponsored by the UN Economic Commission for Africa and the OECD Africa Partnership Forum. This is somewhat influential to the degree that it links specifically through the Africa Partnership into the G8, and provides an authoritative assessment of progress on African aid targets, especially the targets set at the Gleneagles G8 summit of 2005 for increasing aid to Africa, as well as a specific initiative launched since that time. However, other more independent assessments by (for example) the ONE campaign have been more successful in advocating that G8 leaders live up to their 2005 promises. It is an open and urgent question how these mechanisms for bringing development cooperation issues to the top of the global summit agenda will work in future as global economic governance is transformed by the replacement of G8 with G20 summits – though the UK and US governments have made clear their commitment to setting tough new targets for the 2010-15 period.
- the South East Asia Joint Initiative on Mutual Accountability (see CDDE 2009 and OECD 2008 HLF Roundtable Summaries). This has an important peer learning function in a

neutral space beyond the country-level constraints, through which programme countries have understood the workings of national mutual accountability mechanisms and the performance of providers in neighbouring countries; the key elements of effective mutual assessments. This has been regarded as successful and is being continued as part of a wider initiative on capacity development for development effectiveness (CDDE). It is also beginning to be replicated in other regions such as East Africa where Mozambique, Rwanda and Tanzania have been exchanging information on the progress of their mutual accountability mechanisms on a more ad hoc basis. Initiatives are also under way to promote wider peer learning and capacity development in Africa, as well as to promote Peer and Partner review processes in this area (see UNDP 2009).

- The DAC Peer Review Mechanisms, whereby DAC providers review one another's aid programmes. These are strictly speaking a peer review rather than a mutual accountability mechanism, in the sense that other stakeholders do not conduct the review (though they are consulted by the review team). Over the years they have had considerable impact on provider programmes and policies, and since 2008 they have begun to include aid effectiveness aspects systematically. Under the Accra Agenda for Action agreement, it was intended that programme countries governments, and parliaments should begin to participate in the reviews, which would introduce a small element of mutuality into them.⁶
- The African Monitor, which is an independent African civil society body monitoring development financing commitments, delivery and the grassroots. It has the major comparative strength of assessing the focus of all development resources on producing gains for grassroots communities, and has produced a Development Support Monitor assessing delivery on overall commitments to the continent by Africa's donors, and by African governments. It has also produced a practical capacity-building toolkit for grassroots monitoring of expenditures and is designing a Grassroots Focus Index for development support.
- The parliamentary platform on ODA, an informal coordination mechanism for parliamentary participation in international discussions on aid effectiveness, facilitated by AWEPA, brings together parliamentarians from European provider countries, African regional mutual accountability participants (PAP, EALA, SADC-PF), African parliamentary networks on NEPAD (NCGAP, APFN) and African regional women's parliamentary caucuses (PAP-WC, SADC-RWPC, RFPAC). So far, the platform has increased parliamentary awareness on the Paris Declaration and AAA, implemented capacity building, amplified parliamentary voice in WP-EFF Cluster debates, and produced a practical information guide for parliamentarians.

2.3 Proposals for Improving Global and Regional Mutual Accountability

Based on these findings, the study recommends that the international community should:

1. Establish an annual assessment of progress on global mutual accountability, judged by the degree to which: there is increased balance in the representation of programme country executives, parliaments and other stakeholders; mechanisms are being more closely coordinated or rationalised; independent spotlights are being integrated into official processes; global mechanisms are sufficiently practical to assist national level mechanisms, especially by providing evidence on the behaviour of individual providers; provider and programme country behaviour change is accelerating; and provider and programme country participation/formal commitment is increasing.
2. Identify progress in improving each global mechanism, judged on the basis of the quality of its evidence (especially on the behaviour of individual providers in specific programme countries); ownership and participation of the maximum proportion of its targeted shareholder groups; coordination with other mechanisms, and the factors listed above.

⁶ Other processes such as the EU Donor Guide and other EU processes through which donors mutually review their performance in meeting EU commitments, or the African Peer Review Mechanism (APRM) through which African countries review progress especially on governance issues are not dealt with in this report as they are purely peer review and not mutual accountability mechanisms (though APRM results are considered in the MRDE process).

3. Identify 4-5 key mechanisms to target for funding and improvement, prioritising those which include systematic assessments by programme countries and independent sources of individual providers, and increase non-executive stakeholder voices.
4. Insist that official mechanisms such as the Working Party on Aid Effectiveness and the DCF discuss and take full account of the non-official independent spotlights and their views on aid effectiveness progress, including in the Secretary-General's report to the 2010 DCF.
5. Continue efforts to reinforce representative programme country, Southern provider, parliament and other stakeholder voices, as well as their agenda-setting role in designing frameworks and targets in the context of the DCF and the Working Party on Aid Effectiveness.
6. Identify as a priority how mutual accountability on development issues can become a key focus for discussions in the G20, with strong programme country membership and voice.
7. Encourage global, regional and sub-regional peer learning and networking initiatives for capacity development on aid and development effectiveness, especially among programme country governments, parliaments and civil society stakeholders.
8. Increase the "mutual" element of DAC peer reviews by including programme country governments, parliaments and non-government stakeholders in the review teams.
9. Increase funding for global, regional and national grassroots monitoring and accountability initiatives such as the African Monitor.
10. Establish mutual accountability frameworks between providers and regional organisations through which they channel funding, to hold the organisations and providers accountable.

3. NATIONAL MUTUAL ACCOUNTABILITY

3.1 National Mutual Accountability Between Providers and Programme country Governments

As already discussed in section 1.2, this study defines national mutual accountability mechanisms as those in which, as well as being held accountable for development results and their aid management, programme countries hold providers accountable for their aid.

There are of course a multiplicity of forums at the national level in most developing countries for provider-programme country dialogue on issues related to development and the funding needs of the national development programme. As the evaluation of progress in the Paris Declaration indicated, there is no shortage of platforms for discussion: the challenge is making them into effective mechanisms of mutual accountability.

In addition, every programme country has multiple performance frameworks established by providers (either in groups or individually) which hold it to account for a very large number of targets. Analysis of the small sample of countries which have provider performance frameworks indicates that there are between 2 and 6 times as many targets for the programme country in just the overall multi-donor budget support agreement as there are for providers in the provider performance framework. These programme country performance frameworks have produced massive behavioural change in most programme country governments over the last decade. The accountability of programme countries to providers is therefore very strong and is not analysed here – though separate analysis could be conducted on how to improve programme country accountability by rationalising the number of separate agreements and targets in programme country frameworks.

National mutual accountability – in which programme countries and providers are both accountable – is a key target in the Paris Declaration. This is defined in a rather broad way as the “number of programme countries that undertake mutual assessments of progress in implementing agreed commitments on aid effectiveness including those in the Paris Declaration”, with the target being to have “mutual assessment reviews” in place in all participating programme countries by 2010. Nevertheless, the 2008 survey on the implementation of the Paris Declaration concluded that (only) 26% of the programme countries (ie “around a dozen” countries) already had such mechanisms, and that only 1-2 countries had established such a mechanism since the previous survey in 2005. In addition, it strongly questioned the validity of the number of countries reporting that mechanisms existed: “Often, dialogue arrangements of a more directly operational sort, such as sector reviews, PRS reviews and consultative group meetings, are the only ones cited.” (p.64)

A closer look at the mechanisms described in the individual country reports accompanying the survey indicated that as of 2008, the majority did not constitute up to date aid effectiveness MA mechanisms. Of the 14 countries cited, 4-5 had no aid effectiveness plan or even overall targets for providers, and a further 2-3 had old plans which dated from before the Paris Declaration. Only 6 had overall targets for providers related to the Paris Declaration included in aid effectiveness plans agreed with providers (as did Rwanda and Yemen which surprisingly reported to the Paris survey that they did not have a mutual assessment review in place). This total of 8 countries would have constituted around 15% of the 55 countries surveyed.

According to information collected for this study, since the survey, there has been some progress in Albania, Burkina Faso, Ghana, Indonesia, Moldova, Nicaragua, Niger and Zambia, with the agreement or updating of overall plans for aid effectiveness agreed with providers. This would mean that there is some process for mutual review in place in around 30% of the countries surveyed for the Paris Declaration in 2008.

However, the existence of an overall plan does not constitute an effectively functioning mutual accountability mechanism. For providers to be held effectively accountable, there is a need to establish annual targets for individual providers, annual independent or programme country-

led monitoring of provider progress towards those targets, and a forum in which such a provider performance framework can be fully discussed. Many countries which have plans for aid effectiveness and a basic mutual review process in place, do not have targets for individual providers, monitoring systems to track provider progress, or a forum for debating the progress of providers to such targets. Only 7 countries (13-15% of the PD survey sample) have these elements in place as of October 2009. It is important to remember also that the countries surveyed in relation to the Paris Declaration in 2008 represent less than 60% of the number of programme countries signing the Paris Declaration, so only 7-8% of programme country signatories to the Paris Declaration have effectively functioning MA mechanisms. Annex 2 provides the analysis to support these conclusions.

Evidence on whether these mechanisms are managing to achieve change in provider behaviour is more difficult to come by. Judging by consultations conducted for this study, policymakers from Afghanistan, Cambodia, Mozambique, Tanzania, Rwanda, Yemen and Vietnam are able to cite quite significant changes over time in aid effectiveness for their countries. Others with less advanced mechanisms (such as Senegal) are able to cite considerable changes in one area – for example towards budget and sector programme support – but less progress in others. There is fairly strong widely-shared opinion that countries with strong national MA mechanisms have seen greater change in provider behaviour over time, and received more effective aid from over time. However, it is difficult to ascribe causality to MA mechanisms – not least because the existence of an effective MA mechanism is often due to the presence of a strong group of providers committed to implementing aid effectiveness agreements – which in turn makes them more likely to respond (and able to exert peer pressure on others to respond) to the national MA process by changing behaviour; and the scale of behaviour change should not be exaggerated because, as pointed out by the PD survey and evaluation and many other sources, overall progress in changing provider behaviour is patchy and slow. On the other hand, the PD survey and evaluation also indicate that the combination of global and national mutual accountability mechanisms with strong programmes to assess progress and provide capacity-building support to programme countries, has resulted in faster progress on the detailed targets for public financial management and procurement set for programme countries. In other words, national MA mechanisms often tend to reflect the power imbalance between providers and programme country governments, as well as the varying willingness of providers to change behaviour.

Virtually every mechanism has gaps. Some are limited to a subset of providers such as those which provide budget support (or even cover only a particular type of aid such as budget support or sector support); others are based on Joint Assistance Strategies which, depending on the negotiating capacity of the programme country government and the views of providers, often represent a considerable watering down of what the programme country government would have set as preferred targets, and often do not include targets for individual providers; and very few go beyond Paris Declaration targets to include targets for individual providers on aspects such as conditionality which programme countries consider vital.

In addition, it is striking that very few global or regional mutual accountability mechanisms, apart from the Paris Declaration which is de rigueur in an aid effectiveness plan (though some providers still resist having individual PD-related targets set for them at national level) are used at national level to promote change in provider behaviour. This is because other mechanisms do not have the official stamp of an international agreement to give them authority at national level – or do not set targets in ways which could be applied at national level. The growing use of peer learning in sub-regions such as Southeast Asia or East Africa, and of information on best practices of individual providers provided by the DFI/ODI Guide to Donors, are processes which have the potential to influence national MA more effectively.

The key barriers to effective national-level accountability of providers include the lack of:

- information and data for programme countries on how providers are performing elsewhere, and capacity to draw on existing global sources of information and data;
- coherent programme country government leadership through definition of aid policies, or of coordination to implement these policies effectively across all government agencies;

- capacity and mechanisms for programme country government executives, parliaments and non-government stakeholders to monitor and analyse provider performance;
- proper feedback mechanisms from programme country stakeholders (parliamentarians, civil society) to their provider country equivalents on national-level provider performance;
- transparency in sharing information among providers and programme countries, which is in some countries being overcome by measures to improve national Aid Information Management Systems and put more aid on budget (see section 4 below).

Two other types of mutual accountability processes might also be considered for further analysis and actions:

- **bilaterally concerted aid strategies** or programmes between individual providers and programme countries. These have joint monitoring and accountability mechanisms (such as review meetings and evaluations). Best practice is that they should systematically incorporate Paris Declaration/AAA targets and any other targets the programme country government considers to be important in its aid policy or Joint Assistance Strategy; and that they should be informed by the views of multi-stakeholders including parliaments and civil society. However, this is developing only slowly. Future analysis and discussion could look at the degree to which providers are undertaking such systematic integration, and best practice in achieving this, as well as what additional aspects are added to mutual accountability by these processes.
- **Mutual accountability between individual provider agencies or governments and all of their programme countries as a group.** There are many structures in which programme country governments are held accountable by providers as a group, but none which achieve the reverse. Systematic top-level annual processes for accountability of an individual provider to its key programme countries, as well as integration of systematic accountability processes into replenishment discussions for multilateral organisations (as well as the assessments such as MOPAN which providers conduct of multilateral organisations) would be highly desirable.

3.2 National-Level and Domestic Accountability to Other Stakeholders

In spite of the slow progress described above, accountability of providers to programme country governments is much more advanced than accountability of providers and programme country governments to other stakeholders, as follows:

- virtually no **national-level mutual accountability mechanisms** in programme country countries debate frank and independent performance information with parliaments, local government agencies, civil society or the media, or achieve change in the performance of providers or programme country governments as a result. There are a few notable exceptions – such as the Cambodian mutual accountability process in which civil society organisations play a key role in defining meeting agendas and subjects for review; or independent analyses of aid conducted by CSOs in Afghanistan which have had a major impact on the aid dialogue. However, the general lack of accountability of providers and programme countries to other stakeholders through the national-level MA mechanisms reflects five main factors: the dominance of the need for programme country governments to account to providers in more aid-dependent countries; low willingness both of many providers and of many programme country governments to open another “front” of dialogue or consultation on aid issues; low capacity of other stakeholders to interpret and analyse information; poor transparency of information; and low stakeholder interest in participating given that they can see little potential value-added in increasing their influence on development results.
- **domestic accountability mechanisms in programme countries** are often relatively weak, especially in those programme countries where power is concentrated in the hands of the executive. Again there are some notable exceptions such as parliamentary public accounts committees in Ghana and Uganda, independent auditing institutions in several countries, budget monitoring processes by CSOs in several Eastern and Southern African countries, and audits/monitoring of specific aid flows such as

emergency aid in Nicaragua or infrastructure projects in the Philippines. But generally, low domestic accountability reflects low capacity and resourcing of parliaments, auditor-generals, local governments and stakeholder institutions (see also AfDB 2009 for why domestic accountability is vital to producing results from aid).

- On the other hand, **domestic accountability to stakeholders in provider countries** can be quite strong, especially in countries such as Finland where stakeholder groups are systematically represented in the governance of aid policy. However, such representation often takes relatively little account of the aid effectiveness agenda and may be dominated by concerns such as tying aid to exports; earmarking to particular sectors or initiatives; visibility of results for national aid programmes; or establishing parallel procurement and financial management systems. In addition, parliaments often have important influence over ODA budget levels, geographic allocation, the emphasis on key types and sectors of aid, and conditionalities. Provider country domestic accountability can therefore sometimes be a powerful force reducing space for provider agencies to take account of programme country government demands for mutual accountability.
- There is a strong risk (as seen earlier in accountability processes on national development strategies and Poverty Reduction Strategy Papers) that the demands of holding the programme country's executive branch of government accountable to aid providers can undermine domestic accountability, especially to parliaments. ODI (2009) indicates that there can be positive synergies between domestic and mutual accountability, whereby the workings of one may generate information, stimulate dialogue and shape behaviours in ways that strengthen the other, and provides some positive examples from Malawi, Mali, Nicaragua, the Philippines and Uganda.
- Within domestic accountability, parliaments in provider and programme countries should play a key role in oversight of aid. In programme countries in particular, "parliaments are not just another domestic stakeholder in aid management" (AWEPA 2009 p.31). Box 1 provides more detail on the current and potential roles of parliaments in aid oversight.
- Work on domestic accountability issues is continuing in various forums including the Working Party work through GOVNET, work by global and regional parliamentary and trade union organisations, and by the Commonwealth, and will form the basis for more detailed discussion of these issues at a future DCF High-Level Symposium.

BOX 1 PARLIAMENTS AND DEVELOPMENT COOPERATION⁷

Parliaments in provider and programme countries have a constitutional mandate to hold their executives accountable for development expenditures. Nevertheless, executive use of aid funds can dilute parliaments' ability to hold it to account for the commitments made to citizens in budgets and development plans, unless positive steps are taken to ensure its spending is also overseen by parliaments. Oversight can make aid more transparent by ensuring it is included in the budget, and better used to produce results without excessive borrowing. As a result, the Paris Declaration, AAA and 2008 DCF all urged a strengthening of the role of parliaments in overseeing development cooperation, with the AAA stating that programme and provider country governments would be "accountable to our respective parliaments" and providers would "support efforts to increase the capacity of parliaments to take an active role in dialogue on the role of aid in contributing to countries' development."

However, oversight in many provider countries is often relatively weak, especially for aid channelled via multilateral organisations, and oversight in most programme countries is minimal. Recent case-studies carried out by the Inter-Parliamentary Union (IPU 2009) in Zambia and Tanzania indicate that parliaments are not sufficiently involved in the planning

⁷ This box is based in considerable part on AWEPA 2009; IPU 2009; Mokoro 2008; and ODI 2009

and oversight of development aid. Parliaments are not systematically included in the provider–executive dialogue structures and they are not involved at the relevant (especially early) stages of the planning and budget process. Budget calendars do not allow enough time for analysis of budget proposals before approving them and parliaments have limited capacity to investigate budgetary issues.

In some programme countries, the marginalisation of parliaments reflects a legal framework which does not require all forms of aid to be overseen by parliament; in others it reflects a marginalisation of parliament from the entire development process. However, in almost all it can also be ascribed to the fact that they lack the independence, knowledge and resources to perform mutual accountability functions, even in countries where the executive and providers are open to much closer parliamentary involvement.

Accountability could be greatly enhanced by including parliaments in the decision-making and dialogue structures that exist between providers and the executive in most aid receiving countries throughout the entire planning process, including the long term visions, the national plans, the MTEF and the annual budgets. Budget documentation and implementation reports also need to include comprehensive, consistent, accurate and meaningful information on aid flows (implying especially that aid needs to be “on budget”; and programme country parliaments need to review all major executive branch documents on aid (national strategies, policies, mutual accountability reports). Ideally detailed analysis of external financing should be included in the revenue and financing estimates approved by parliament; aid disbursement and results should be overseen by Public Accounts Committees of parliament; and aid should be one of the areas audited by national audit institutions to reinforce parliament’s oversight.

Programme country parliaments have major capacity-building needs, some of which can be fulfilled by sharing best practices and experiences with parliamentarians in other programme and provider countries, but most of which need serious financial resources at national level, including for research support, commissioning independent analytical studies, training on analysis of aid data and documents, budget documents and audit reports.

In addition, in spite of recent efforts, notably by AWEPA and the IPU, there is also still insufficient provider-programme country parliamentary dialogue on aid effectiveness. Southern parliamentarians could play a strong role in convincing their Northern counterparts of the case for more effective aid, for example for budget support rather than fragmented projects, in order to increase parliamentary ownership and control of expenditures: this could be done through joint provider/programme country reviews of aid programmes.

Finally, there is also a strong need to increase resources available to enhance parliamentarians’ accountability to citizens and CSOs, so that they represent the views of these stakeholder groups rather than narrow constituency interests.

3.3 Recommendations for Increasing National-Level Mutual Accountability

Analysis of the MA mechanisms which have worked allows identification of key components of mutual accountability mechanisms which have proven successful in changing provider behaviour, and which should therefore provide the basis for defining criteria to assess national mutual accountability mechanisms. These components are not intended to form a blueprint or a “one size fits all” recipe for promoting change in provider behaviour, but they can inform programme countries intending to establish or improve MA mechanisms about which steps are likely to be more effective in holding providers accountable. They include:

- the development of a national aid policy by the programme country government (where necessary as the basis for a Joint Assistance Strategy with providers);
- strong programme country government and parliamentary political leadership, and clear institutional structures and responsibilities for aid management, negotiation and signature;
- locally-driven aid quality and results monitoring frameworks, including specific annual performance targets for individual providers;

- comprehensive databases which cover aid quality and effectiveness issues and allow programme country governments to monitor and verify trends for themselves;
- independent analytical input from parliament, civil society and independent monitoring groups to identify and help resolve key problems;
- peer pressure among providers (especially in countries where there exists a critical mass of providers prepared to support mutual accountability); and
- large-scale investment through systematic programmes to build programme country government capacity to monitor and analyse providers, and to negotiate with them changes in behaviour.

Based on these findings, the study recommends:

1. assessing all national-level mechanisms annually for their progress in changing provider behaviour, and the presence and impact of the components listed above.
2. establishing a focal point to document best practice on mutual accountability and facilitate sharing of this best practice through global, regional and sub-regional communities of practice focussing on exchanging experiences among programme countries, and through online libraries of best practice notes and key country documents
3. focussing on improving existing national MA mechanisms to provide more examples of best practice for providers and programme countries (and on peer learning on why the best-functioning national mechanisms have worked), as well as on establishing new mechanisms in countries where they are absent, with a particular focus on fragile states;
4. establishing global or regional programmes to provide systematic capacity-building support to programme country governments in building the components of effective national MA mechanisms, intended to assist at least 30 countries by the end of 2010.
5. establishing separate programmes to reinforce at global and national level the capacity of parliamentarians, local government agencies and civil society organisations on issues relating to development cooperation, and budget financing and expenditures.
6. scheduling further debate at the next DCF High-Level Symposium on how best to promote domestic accountability on aid and other budget revenue/expenditure issues, and on aid issues in Northern governments, and how to ensure synergies between them and national-level mutual accountability processes in programme countries.

4. IMPROVING TRANSPARENCY OF DEVELOPMENT COOPERATION

4.1 Current Initiatives to Improve Transparency⁸

Interest in collecting better information on aid has been growing slowly over the past 20 years. This has led to multiple sources of information on aid which include an improved DAC Creditor Reporting System (CRS), the Accessible Information on Development Activities (AIDA) system, the UNOCHA financial tracking system for humanitarian assistance, around 50 Aid Information Management Systems (AIMS) in programme countries, including 27 Development Assistance Databases (DADs) and 10 Aid Management Platforms (AMPs), and many provider and programme country websites.

Nevertheless, many of these systems are difficult for various stakeholders to access in order to find comprehensive or clear data which is sufficiently detailed, timely or forward-looking to facilitate mutual accountability, or allows assessment of conditionalities, potential social or environmental impacts, or intended outcomes and results.

As a result, enhancing transparency in development cooperation has become an even higher priority for many stakeholders during the last decade, and especially in 2007-08. This is reflected, for example, in the CSO-led global campaign for increased transparency on aid, known as Publish What You Fund. Strong demand for transparency and information beyond provider and programme country governments is also confirmed by statements and studies by stakeholder groups such as African Monitor, the Better Aid network of CSOs, and AWEPA/IPU.

In recent years, multiple initiatives have been launched to increase transparency. These initiatives include the International Aid Transparency Initiative (IATI), initiatives by the DAC, AIDA, the Project Level Aid Information Database (PLAID), Transparent Aid (TR-AID), Grantsfire, and the DCF's own efforts to improve voluntary reporting of data on South-South development cooperation (for more on this see Johnson 2009). For more details of these initiatives and the types of information they are providing, see Annex 3.

Many of these initiatives are in their early stages, having been launched at or since the Accra High-Level Forum in 2008. It is therefore hard to assess their achievements, especially as more recent initiatives are leading to a major re-evaluation and redesign of some existing data-related initiatives. Many are facing considerable funding and capacity constraints, which are particularly important in the light of the risk that some of them are duplicating one another with only marginal value-added compared to other sources.

In spite of recent initiatives, many stakeholders want access to better information about aid. Programme country governments need information for budgeting, effective service delivery and macroeconomic management. In line with the Paris Declaration principles of national ownership and mutual accountability, they also need this information to hold providers to account for the quality and volume of their assistance. Providers and non-government organisations (NGOs) need information about each others' current and planned activities. Parliaments, civil society organisations (CSOs) and the media need information to hold governments and providers to account. Community groups and citizens need information about aid to provide feedback about whether services meet their needs and to increase accountability of government and CSOs.

Though different stakeholders have different information needs, there is commonality in the type of information that will meet their needs, notably information that is: **detailed** about where, when, how, and on what aid is spent; **timely**; **comparable** across providers; reliable in forecasting **future aid flows**; includes information on **conditions** attached to aid and the **terms** of concessional loans; is useful for assessing **output and outcome indicators**; is **relevant for analysis** economic and environmental appraisals; is a mechanism to **trace aid** through the system from provider to intended beneficiary; is **classified to match local**

⁸ This section is to a considerable degree based on the scoping study for the IATI initiative (IATI 2009), supplemented by interviews and consultations with key stakeholder groups and executing agencies of initiatives.

budgets as well as international classifications; in a **common data format** to be integrated electronically easily into local and other systems; from the **widest possible range of providers**, including non-DAC, foundations and private charities; and **easy to access** for all stakeholders, especially those in programme countries.

The major challenges relating to the various initiatives are:

- avoiding duplication and overlap among them;
- matching reporting periods and definitions used in different systems (such as the CRS and provider and programme country information systems), in order to make different data sets compatible and more authoritative
- dramatically increasing the amount of information published, especially on forward-spending plans and expected outputs and outcomes, and on conditionalities (as specified in the AAA)
- increasing information from NGOs, multilaterals, foundations, and non-DAC providers.
- above all, mobilising the political will and cultural change to change internal processes, including time, commitment and training of provider and programme country staff, and investments in systems and technology.

The most important of the new initiatives, in that it takes a strategic view of how to improve overall aid transparency, is the International Aid Transparency Initiative (IATI). It intends to focus on:

- **collecting and reporting information which is not currently available** (such as conditions and expected outputs);
- **improving detail** (of sectors, geographic locations, exact disbursement dates), **timeliness, forecasts of future aid flows;**
- **making information comparable** (available in a standardised way), **more accessible** (in a common electronic format and accessible to a wide range of users); and
- **tracing aid from provider to intended beneficiary.**

These principles and intentions of initiatives (notably the IATI) are laudable and, according to representatives of various stakeholder groups, the process for designing IATI has been highly participatory. Indeed the guidelines for IATI are currently being finalised through global and regional consultations as this report is being finalised, so the DCF meeting in Vienna will provide an opportunity for an update on progress and stakeholder views.

They are complemented by a strong international civil society-led campaign in Publish What You Fund, designed to ensure the application of these principles as well as a universal right to request and receive information about aid, and proactive promotion of knowledge about this right as well as ability/capacity of different stakeholders to access the information and, where necessary, to file requests for additional information.

4.2 Recommendations for Further Improvements

However, the key factors in the success of existing systems, and of recent initiatives to improve or supplement them, will be the degree to which information will be:

- aligned with programme country budgeting systems (rather than individual providers' systems) in terms of periods and classifications;
- collected from all providers (including developing countries, foundations and CSOs; and all of the main DAC providers and multilateral organisations – for example as of October 2009 only around 50% of DAC ODA was covered by IATI signatories);
- encouraging programme country governments to increase their transparency on the use of aid, through greater public access to their Aid Information Management Systems, as well as greater transparency of aid-related documentation especially to parliaments, and more comprehensive coverage of aid flows in budget documents and data;
- collected also from programme country stakeholders (including for example parliamentary, audit office and grassroots impact monitoring) in a participatory way, so

as to provide cross-checks on what providers and programme country governments are reporting;

- building on programme country governments' national monitoring and evaluation frameworks (rather than individual frameworks used by providers) so that the results of aid can be easily compared by stakeholders with the national development goals;
- accessible – by this legally accessible (ie that stakeholders have a legal right to access the data), technically easy to understand (ie with minimum aid jargon) and find (with minimum IT and statistical skills) and widely disseminated to stakeholders, but with supporting documents explaining how data can be used to promote accountability and guiding users to find relevant information within a huge amount of published data;
- going beyond data to include documents on conditionalities, policies and procedures
- used to analyse provider agency and programme country government behaviour, and thereby to provoke debate on both provider-programme country mutual accountability and domestic accountability of both provider agencies and programme country governments, in order to ensure transparency promotes greater mutual accountability.

The agenda of recent initiatives (especially IATI) is highly ambitious and has raised high expectations among stakeholders. One main recommendation of this section of the study is therefore that there should be comprehensive and continuing monitoring of the degree to which these principles are being applied, multi-stakeholder expectations of transparency are being fulfilled, and provider (and programme country) behaviour on aid transparency and effectiveness are changing as a result. The DCF can provide a continuing platform for exchange among stakeholders on whether their information needs are being fulfilled in accessible ways.

Ultimately, transparency and information are not themselves ends - but means to improving accountability. As currently designed, most existing databases and recent initiatives require a considerable degree of aid terminology knowledge, as well as language, IT and statistical skills, if the user is to make any headway in finding information relevant for accountability. Therefore, unless there is a dramatic increase in capacity-building support to programme country executive branches of government, parliaments, audit offices, local government representatives and civil society organisations, a huge amount of additional information will be produced by transparency efforts, but will continue to be used only by those few organisations and individuals who have time to analyse it. This was the strongest message emerging from the session on transparency held at the civil society Parallel Forum on Aid Effectiveness held just before the Accra High-Level Forum in 2008, and also emerges strongly from recent IPU case studies on mutual accountability, as well as the recent global and regional consultations on IATI. The second recommendation is therefore that programmes be put in place now to enhance the analytical capacity of all such stakeholders.

There are also three strong dangers for existing and new initiatives: of duplication and failure to coordinate; of failure to learn from best practice and experience; and of failure to respond adequately to multiple stakeholder needs for transparency which provides data and documents in ways which are useful for accountability purposes. It is essential that the various initiatives coordinate effectively. The establishment in 2009 of a network among the executing agencies and funders of the various initiatives is a positive step, but this is largely an information-sharing forum on progress of various initiatives. There is also a strong need for greater information-sharing and peer learning among developing countries on how their Aid Information Management Systems can be made more transparent, user-friendly and public, as well as more closely linked to tracking effectiveness and results indicators which are useful for mutual accountability, building on initiatives already undertaken at the global, regional and country level by the UN system and the Working Party on Aid Effectiveness among others. The third recommendation is therefore for greater networking and peer learning on transparency, to ensure that the needs of stakeholders are fulfilled.

5. CROSS-CUTTING ISSUES

The terms of reference of this study underline the need to look at two cross cutting issues:

- the degree to which current mutual accountability and transparency initiatives, and the recommendations of this study, can be implemented in Least Developed Countries, aid orphans and fragile states; and
- the extent to which mutual accountability and transparency initiatives take gender issues into account in their design and implementation

5.1. Implementation in Different Country Circumstances

The initial hypothesis of this study was that all of these mutual accountability and transparency initiatives will be more problematic to achieve in Least Developed Countries, aid orphans and fragile states – because they might generally be thought to have less aid management leadership and technical capacity, or experience of providers applying aid effectiveness best practices.

Country Group	Degree of Progress		
	With MA mechanisms	Surveyed but no MA mechanism	Not Surveyed
LDCs*	7	22	20
Fragile States**	2	10	17
Aid Orphans			

* - based on current UN list of Least Developed Countries

** - based on 2008 IRAI scores, available at www.worldbank.org

However, as shown in the table above, an examination of the correlation between progress on mutual accountability and these categories of countries does not entirely support this hypothesis:

- There is no correlation between least developed country status and progress on mutual accountability. Indeed seven of the eight countries with effective national MA mechanisms are least developed states.
- On the other hand, there is high correlation between state fragility and lack of progress on mutual accountability. This is not surprising given the high likelihood of low capacity to manage aid and establish MA mechanisms in fragile states, as well as the somewhat different attitude of some providers which suggests that aid effectiveness is less of a priority in fragile states because they have less capacity.
- There is no generally agreed definition of “aid orphans” at the global level, because the view of whether a country is an orphan depends on the criteria used to judge how much aid it should receive, on which there is considerable dispute (see Anderson 2008). However, none of the countries with effective MA mechanisms appear in the various lists of aid orphans which have recently been produced by the OECD, World Bank or independent authors. This is not surprising given that countries with a large amount of aid and a larger community of providers tend to be those where MA efforts are concentrated.

There is also strong evidence from the Paris Declaration survey report and HIPC CBP country evaluations of provider performance that fragile states tend to receive much less effective aid. As a result, fragile states should be a particular focus of any MA initiatives, in order to avoid accentuating the growing bifurcation between a few programme countries where initiatives are already working to some degree, and the large majority which have made no progress.

5.2. Incorporation of Gender Issues

There has been no systematic focus placed on gender issues at the global, regional or national levels of mutual accountability on aid.

- A consultation of documents and websites relating to those countries with the most advanced national MA mechanisms shows no systematic attention to monitoring and assuring the participation of women's parliamentary caucuses and civil society organisations or monitoring the degree to which aid has a specific gender impact. None of the targets set for providers as a group or individually in regional and national MA mechanisms are gender-related, though there is often a lot of monitoring at project level of compliance with national gender policies.
- A similar consultation of documents and websites relating to the global and regional initiatives finds scant mention of gender issues. As stressed for example in the latest Mutual Review of Development Effectiveness in Africa (which appears to be the non-national mechanism which pays most attention to this issue), "Development partners have also made a series of commitments to support African efforts to promote gender equality and women's empowerment, though these have tended to be broad statements of support rather than specific, time-bound and quantifiable commitments." (UNECA/OECD 2009, page 15).
- Existing and new transparency initiatives also make relatively little mention of gender markers, except in classifying projects under gender-related sector codes, and terms of reference to intended project results for the gender-related IADGs or other provider or programme country goals. It is exceedingly difficult to find gender-disaggregated data on development cooperation, and current initiatives look unlikely to change this.

More focus could also be placed on gender issues in all mutual accountability mechanisms. For ideas on how this might be done, a good starting point is the Women's Forum Statement produced before the Accra HLF, which urges much greater resource allocation to women's empowerment and rights, balanced participation of women's organisations in all mutual accountability and monitoring and evaluation initiatives, and setting a target for 10% of ODA to be provided for gender equality and women's empowerment by 2010, in line with the recommendation of the UN Commission on the Status of Women in Oslo in September 2007. Others have suggested that gender budgeting and gender auditing would provide useful tools for setting targets for providers and programme country governments (see DAC 2008c). There are already highly regarded global, regional and national organisations of women, among parliamentarians and CSOs, which could receive more support in facilitating closer analysis of gender focus and impact. A more detailed discussion of gender related issues in mutual accountability will be presented by specialists at the lunchtime session of the Vienna High-Level Symposium, so no more detailed recommendations are made on this issue.

6. THE ROLE OF THE DCF

There is already a multiplicity of actors involved in mutual accountability issues at both global and national levels. Therefore the DCF needs to work closely with these actors rather than duplicating their programmes.

The most immediate role of the DCF is to provide a forum in the forthcoming HLS for multi-stakeholder consultations on all aspects of mutual accountability and transparency. Annex 4 of this study therefore defines key questions to be posed to participants in those consultations. Thereafter, the key roles the DCF could play are to:

- Conduct an annual assessment of progress on global mutual accountability (both overall and of individual mechanisms), national mutual accountability and transparency, based on the criteria and elements discussed in sections 2, 3 and 4 above. This would include monitoring the degree to which initiatives are assisting and reflecting the voices of least developed countries, fragile states and “aid orphans”, and responding to gender issues.
- Continue to facilitate multi-stakeholder consultations on mutual accountability and transparency progress (where necessary improved based on feedback from stakeholders) in future DCF processes
- Ensure that programme country governments, non-DAC providers and other stakeholders have their views fully reflected in DCF outputs, and disseminate these outputs widely.
- Undertake to ensure that independent and non-official assessments of aid effectiveness, mutual accountability and transparency are fully reflected in the DCF report of 2010.

As regards the individual issue areas analysed, the DCF could also:

- Work with the Working Party Task team on MA to identify key independent **global and regional mutual accountability** mechanisms to promote for funding and improvement
- Assist UNDP and communities of practice to document and disseminate to programme countries best practice in **national mutual accountability**, and provide advisory input to any global or regional programmes established to build capacity on effective national MA.
- Advocate a dramatic increase in capacity-building support to potential analysts of information on development cooperation so that **transparency** promotes accountability.

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**ANNEX 1
ASSESSMENT OF GLOBAL MUTUAL ACCOUNTABILITY MECHANISMS**

<i>Initiative Title</i>	<i>Executing Agency</i>	<i>Scope/Objectives</i>	<i>Assessment⁹</i>
Independent “Spotlights”			
African Monitor Development Support Monitor	African Monitor	Independent grassroots network monitoring provider/African governments	Annual, only DAC and programme country performance, only in Africa, and only quantity disaggregated by provider. Ownership by Southern stakeholders but not providers. Limited dissemination, debate or behaviour change.
Africa Progress Panel Report	APP members	Independent panel reporting to G8 on G8/African progress in Africa commitments	Only aggregate assessments of G8 on some aspects of aid, and only Africa. Multiple stakeholders but ownership and representativeness not clear. Provokes considerable debate and some potential for behaviour change
Commitment to Development Index	Centre for Global Development	Independent research institution monitoring OECD countries	Only 21 OECD countries. Broader than aid (but detailed aid assessment intended). Limited provider ownership, no programme country or multi-stakeholder engagement. High profile/debate may provoke behaviour change.
EU Aid Watch	Concord/European CSOs	Consortium of European CSOs monitoring EU government aid performance	Limited to EU. Covers aid quantity and some aspects of effectiveness (tying, poverty focus, transparency). Limited provider ownership, strong involvement of EU CSOs. Strong dissemination/debate could bring behaviour change.
HIPC CBP Donor Evaluations/ Guide to Donors	Development Finance International and regional partner organisations	Independent capacity- building organization assisting 35 countries to evaluate providers	High-quality comprehensive evidence on 48 individual donors and ownership by programme countries and CSOs, but not sufficiently disseminated, debated or used to change behaviour except in programme country aid policies
ONE/DATA report	ONE/DATA campaign	Advocacy CSO monitoring implementation of G8 commitments to Africa	Limited to G8 and Africa. Covers quantity and some effectiveness, including programme country concerns. High-quality evidence (incl HIPC CBP). Limited ownership but strong dissemination/debate provoke behaviour change.
Reality of Aid Report	RoA Network	Coalition of global CSOs monitoring aid trends	Biennial, covers most 17 DAC providers and EC. Quantitative evidence on amounts and allocation. High ownership by global CSOs, otherwise limited. Limited debate and behaviour change by donors.

⁹ These assessments are based on those in OPM 2008, except for the DCF where the OPM report was delivered before the first DCF meeting took place.

Mirrors – Peer Reviews			
Africa Peer Review Mechanism	APRM Secretariat	African governments peer reviewing one another in implementing National Programmes of Action	Not really aid – covers governance, economic management and socioeconomic development. Only Africa. Largely qualitative. Strong African government but limited non-state ownership. Strong debate, some behaviour change
Multilateral Development Bank's Common Performance Assessment System (COMPAS)	MDB staff	MDBs peer review one another around results orientation	Only covers 5 donors. Some aid effectiveness but mostly internal systems and coordination. Some quantitative indicators. Strong MDB ownership but little outside. Dissemination via GMR but limited debate/change
EU Report on Financing for Development and Donor Atlas	European Commission	EC reviews member states performance on aid quantity and effectiveness	Annual, covers only EU members. Includes all quantity and PD effectiveness commitments. Strong EU government ownership, limited CSO and no Southern. Strong debate among EU members, and considerable impact on policy.
OECD DAC Peer Reviews	OECD DAC Secretariat	OECD DAC members (23) reviewing one another on aid programmes	Covers each DAC member on revolving basis, every 4 years. Mostly qualitative though includes Paris Declaration indicators. Strong DAC agency ownership, but limited CSO or Southern. Considerable debate but limited change.
Two-Way Mirrors – Mutual Assessments			
Africa Partnership Forum	APF Secretariat	African and OECD countries reviewing mutual commitments on actions needed to reach MDGs	Covers only Africa and OECD countries. High-quality analysis but much (especially aid) is not disaggregated into individual provider and programme countries. Reasonable ownership by OECD (esp G8) and African members, reasonable debate but limited behaviour change
ECOSOC Development Cooperation Forum (DCF)	UN Office of ECOSOC Support and Coordination	Multiple stakeholders reviewing the contribution of development cooperation to reaching the IADGs	Covers all major providers including non-DAC and programme countries. High quality analysis, including of aid effectiveness beyond Paris Declaration, but dependent on HIPC CBP input for this, and limited disaggregation on individual countries. High legitimacy and reasonable ownership by all stakeholders, but limited dissemination and debate hinders impact on behaviour change.
Global Monitoring Report	IMF/World Bank	IMF and World Bank reviewing progress	Covers mainly DAC providers but all programme countries. High quality analysis but disaggregated only

		towards the MDGs	for MDGs among providers. Limited ownership, especially by programme countries and non-executive stakeholders. High profile but limited debate or behaviour change.
Mutual Review of Development Effectiveness (MRDE)	UNECA/OECD	Review of AU programmes and OECD commitments for MDGs	Covers only OECD and Africa. Analysis much wider than aid but sections on quantity, effectiveness and coherence. Limited analysis of disaggregated performance by providers and African countries. Strong ownership by OECD and state actors, but limited profile, debate or behaviour change
Strategic Partnership for Africa (SPA)	SPA secretariat at World Bank	Monitors aid levels and effectiveness (esp of budget and sector support) with annual survey	Only OECD/multilateral providers and Africa. Mainly on quantity and budget support. High-quality data and analysis but no analysis of disaggregated performance by providers. Strong ownership by provider and African members, very limited ownership and no debate beyond them, but considerable behaviour change by “committed” providers
Working Party on Aid Effectiveness (WP-EFF)	Multiple stakeholders with DAC secretariat support	Monitors aid effectiveness commitments of Paris Declaration, plus analysis and review of many other aspects	Triennial survey, covers 60 providers in 55 partner countries (2008), limited to Paris Declaration targets. High quality data though much provider self-reporting. Disaggregated data but no analysis of individual providers. Strong ownership among signatories (esp providers), growing ownership by other stakeholders as more included in process. High profile/debate, some behaviour change.

**ANNEX 2
ASSESSMENT OF NATIONAL MUTUAL ACCOUNTABILITY MECHANISMS¹⁰**

Country	Mechanism	Assessment
Afghanistan	Reconstruction Trust Fund Performance Assessment Matrix and Afghanistan Compact.	Annual review of performance on Compact, including targets for Afghanistan and overall for providers, which are also applied to individual providers. Local umbrella NGO ACBAR also conducted an independent review of donor performance and aid effectiveness. Some behaviour change by providers
Cambodia	Cambodia Development Cooperation Forum	Annual review of Harmonisation, Alignment and Results Action Plan, tracking Cambodian and individual and aggregate provider progress. Some behaviour change by providers. Also CSO Forum on Aid conducts reviews.
Mozambique	Budget Support Group	Annual review by independent monitor of Mozambique and provider progress on Performance Assessment Framework (PAF). Limited to providers which supply budget support, but being extended to others by Code of Conduct. Considerable behaviour change by providers. Aid Policy being developed.
Tanzania	Joint Assistance Strategy	Usually annual review of progress by Tanzania and providers on Joint Assistance Strategy (agreed between Tanzania and providers, based on earlier Tanzanian strategy) by Independent Monitoring Group (though not in 2009), including of progress by individual providers. Targets limited largely to Paris Declaration, but considerable behaviour change by providers.
Rwanda		National Aid Policy formed basis for targets for Government of Rwanda and for individual providers. First review of individual provider performance discussed recently and already producing considerable behaviour change.
Yemen	Development Partners Compact	Annual review of implementation of jointly developed compact including targets for individual providers. Some behaviour change by providers.
Viet Nam	Hanoi Core Statement and Paris Declaration Reviews	Annual mechanism with independent report and programme country government monitoring of progress on Hanoi Core Statement designed by government and then agreed with providers. Contains targets for government and providers which go beyond Paris Declaration and apply to individual providers. Considerable behaviour change by providers.

¹⁰ This annex is based on information from programme country government and development partners' websites, correspondence and interviews with aid managers from the countries, and information from the Paris Declaration survey and evaluation, as well as a recent mapping exercise conducted by the WP-EFF Task Team on Mutual Accountability. This assessment is limited to those countries which meet the criteria described in section 3.1 of the report.

**ANNEX 3:
ASSESSMENT OF AID TRANSPARENCY INITIATIVES¹¹**

<i>Initiative Title</i>	<i>Executing Institution</i>	<i>Scope/Objectives</i>	<i>Assessment (as of Q2 2009)</i>
1) Aggregate Datasets			
Accessible Information on Development Activities (AIDA)	Development Gateway	Project Registry (largely DAC and Foundations) – not detailed data, mainly documents	Recently implemented new user interface, trying further to expand provider coverage
Grantsfire	Grantsfire	Real-time basic information on grants from foundations	Foundations directly to publish information to Grantsfire website. Real-time advantage but coverage limited
OECD Creditor Reporting System (CRS)	OECD DCD	Comprehensive data on aid outflow from DAC member states plus aggregate data from multilaterals	Recently introduced new QWIDS interface, expanding data coverage to World Bank and some foundations. Data only
Project Level Aid Information Database (PLAID)	William and Mary/Brigham Young Universities	Data from DAC and non-DAC sources, also includes non-ODA. Adding more detailed descriptions, cofinancing, sector codes, impact assessments	New interface being finalized, to be made public in 2010
TR-AID	EC Joint Research Centre	Coordinated development and humanitarian aid data from DAC, EC, FTS in one place	Database being established. Will cover only data
UN Development Cooperation Forum South-South Cooperation Data	UN OESC	Aggregate information on country allocations, types, sectors and concessionality for 20 non-DAC providers	Provider coverage limited, need to increase data quality and standardization
UNOCHA Financial Tracking System (FTS)	UNOCHA	Humanitarian Assistance Projects and Programmes Data	Useful but only for data and for humanitarian spending

¹¹ This annex is based largely on the IATI scoping study. For more details see IATI 2009.

2) Partner Country Aid Information Management Systems (AIMS)			
Aid Management Platform (AMP)	Development Gateway with multiple funders	Cover wider range of donors – generally all official providers (and in some cases NGOs). Enable partner country governments to manage and report on aid programmes and projects – in at least 46 countries including 27 DADs and 10 AMPs	Only around 10 publicly accessible. Very detailed data and useful for country analysis, but formats and coverage (especially of non-DAC, NGOs and Foundations) vary
Development Assistance Databases (DAD)	Principally funded by UNDP		
Other Databases	Multiple designers		
3) Donor Information Systems			
Details of Projects funded	Multiple donors	Intended to demonstrate individual providers' transparency and facilitate monitoring by non-executive agencies and stakeholders.	Useful for individual donor and project analysis, but presented in donor-friendly and variable formats. Several donors increasing detail or coverage
Project Documents and Contracts	More limited number of donors – eg World Bank and US on documents, World Bank and EC on awarded contracts	Cover only individual providers though wide range of programme countries.	Useful for individual donor and project analysis but complex to extract useful information. Very limited coverage currently.

ANNEX 4: KEY QUESTIONS FOR DISCUSSION

Mutual accountability mechanisms at the global and regional level

- 1) Is there a need for regular assessment of progress in mutual accountability and in improving each mechanism at the global and regional level as suggested in the background study (section 2.3)? If so, are the proposed criteria for this assessment sufficient? What else is needed to evolve towards a comprehensive system of global and regional mutual accountability?
- 2) How can the results of independent non government mutual accountability mechanisms be best integrated into the deliberations of official inter-governmental mechanisms such as the DCF or the OECD-DAC Working Party on Aid Effectiveness?
- 3) What more can be done to further strengthen the voices of recipient countries and multiple stakeholders in all global and regional mechanisms, including in setting the agenda for debate?
- 4) What can be done to support independent analysis of progress in ensuring that aid produces greater results for each provider of development cooperation?
- 5) What should be the role of regional forums, especially in peer learning on national mutual accountability frameworks?
- 6) What should be the role of the DCF and the OECD-DAC Working Party on Aid Effectiveness in promoting more comprehensive mutual accountability reviews at global and regional level?

Mutual accountability reviews at the country level

- 1) What are some pragmatic ways to promote sharing of analysis and information on good practices and weakness in national mutual accountability mechanisms?
- 2) How can countries build the capacity of parliamentarians, local government agencies and civil society on mutual accountability and ensure their participation in national mutual accountability mechanisms?
- 3) Do participants agree with the components listed as key elements of success in national mutual accountability mechanisms in the background study (section 3.3)? Do they have others to add?
- 4) Would it be useful to assess annually whether national-level mechanisms have progressed in changing donors' behaviour? How can this be initiated and what would be the role of the DCF?
- 5) How can progress in promoting national level mutual accountability mechanisms be drastically accelerated?

Strengthening international aid transparency and information-sharing

- 1) Are the principles underlying the current transparency initiatives sufficient to enhance and ensure transparency? Can they be improved and how?
- 2) Were current initiatives established in a participatory manner? How can this be further enhanced?
- 3) Which principles of these initiatives will be most difficult to achieve? What can be done to ease the process?
- 4) Should there be comprehensive and continuing monitoring of transparency initiatives to ensure they apply their principles, fulfill expectations and change behaviour? What role can the DCF play in supporting such monitoring?
- 5) In order for transparency to have a positive effect on accountability, the analytical capacity of multiple stakeholders will need to be reinforced. How can this be done?

Gender equality and gender perspectives on mutual accountability

- 1) To what extent are gender-sensitive indicators identified and applied to monitor aid allocation and its impact in global, regional and national mutual accountability and transparency mechanisms?
- 2) Based on existing evidence, what are the best ways to institutionalize gender-responsive monitoring and evaluation (M&E) mechanisms in the context of mutual accountability efforts?
- 3) How can better gender disaggregated data and improved gender analysis be made available in the context of global, regional and national MA and transparency mechanisms?
- 4) What is the experience in making information on gender-sensitive aid allocation and disbursement more accessible to the public?
- 5) What approaches have proven effective to ensure effective participation by women's organizations, National Women Machineries (NWMs), parliamentarians and other relevant groups in global, regional and national mutual accountability mechanisms?