

Monitoring and review of development cooperation to support implementation of a post-2015 development agenda

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Global development cooperation commitments: what will they look like in a post-2015 setting?

International development cooperation, for the purpose of this policy brief, is understood as "international action intended to support development in developing countries". It goes beyond Official Development Assistance (ODA) to include other sources of financing, sometimes blended in various ways, and involves a range of different development cooperation actors. It includes technology facilitation and capacity development, as well as multi-stakeholder partnerships clustered around sectorial or thematic issues. It also includes normative guidance and policy advice to support implementation of agreed goals.

This definition of development cooperation reflects the much broader range of financing and other means of implementation (MOI) needed to realize an ambitious post-2015 development agenda, focused on multi-dimensional poverty eradication and sustainable development: financial transfers from public and private sources (and at a vastly increased volume) and other MOI, such as technology facilitation, capacity building, inclusive and equitable globalization and trade, regional integration and creating an enabling environment for all stakeholders.

ODA will remain the predominant external source of finance for those developing countries that have low domestic resources and are home to the poorest people. Contributing the equivalent of 0.7 per cent of gross national income (GNI) to developing countries as ODA, and 0.15-0.2 per cent of GNI to Least Developed Countries, is thus expected to remain a prominent development cooperation commitment. It features in target 17.2 in the Sustainable Development Goals (SDGs) proposed for the next 15 years. The quality and effectiveness of ODA, including its catalytic role, should also remain a central concern post-2015.

SDG17 also stipulates that "additional financial resources" must be mobilized "for developing countries from multiple sources" (17.3) and calls for assistance in attaining "long-term debt sustainability" (17.4). Other SDGs (e.g., poverty eradication, health or trade) have ambitious finance-related MOI attached; their implementation may require further streamlining and concretizing the relevant targets and indicators. Non-financial commitments under SDG17 – from technology to capacity building, policy and institutional coherence, and multistakeholder partnerships – are even more broadly formulated and may not be easily measured.

Importantly, such development cooperation commitments under discussion for a post-2015 development agenda are *global* commitments. Individual Member States and other partners may decide to have more (or less) ambitious and concrete commitments.

Preparing for post-2015 and 2016 DCF

This policy brief examines how governments and other stakeholders can work together to prepare for the monitoring and review of an increasingly complex set of global commitments on development cooperation. It provides an overview of the type of commitments that will need to be monitored and reviewed and the challenges associated with this. The findings provide a strong rationale for aligning better different global commitments, including those from the Monterrey and the Rio tracks on financing and other means of implementation (MOI).

While the brief focuses on monitoring and accountability of development cooperation, key findings may also be useful to address questions related to monitoring and review of the post-2015 development agenda as a whole.

This policy brief is based on a study on "Monitoring, review and accountability for development cooperation to support implementation of a post-2015 development agenda" by Angela Bester, independent consultant, commissioned by the United Nations Department of Economic and Social Affairs

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The study aims to generate ideas for the post-2015 discussions, particularly in advance of the Third International Conference on Financing for Development (FFD3) in Addis Ababa, Ethiopia in July 2015 and the High-level Meeting of the Development Cooperation Forum in New York in July 2016.



United Nations
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Monitoring and review of development cooperation: what is it?

Monitoring delivery and use of relevant financial and other development cooperation resources helps to track progress against commitments and to provide information for review processes and dialogue among governments, partners and other stakeholders. It identifies lessons and practices and provides the evidence base for improving development results. 'Naming and shaming' aside, effective monitoring thus engages different stakeholders in constructive ways. For example, participatory monitoring can empower stakeholders, giving them access to relevant information to engage with different development cooperation actors.

Reviewing progress against established targets on a regular basis provides an opportunity for learning what works and what does not, and making adjustments and improvements. By strengthening review systems and processes, particularly at country level, accountability — and, ultimately, sustainable development results — can be realized and enhanced.

Accountability, and the associated availability of development cooperation *information*, are important vehicles for improving the quality and effectiveness of development cooperation. When accountability is mutual, it creates conditions for sharing knowledge and expertise and for mutual learning. These, in turn, contribute to positive changes in the behavior of the different actors in development cooperation and improvements in development cooperation itself.

There is a clear need for coherent and simple, yet effective arrangements for monitoring and review of development cooperation post-2015, geared towards knowledge sharing and mutual learning.

A multi-layered framework is needed, one that: rationalizes the many existing mechanisms at national, regional and global levels; ensures that they have adequate legal authority; adjusts their focus as needed; addresses existing systemic gaps, identify complementarities; makes available timely and high quality information on progress against different targets; and strengthens coherence among mechanisms in creating a holistic framework for effective monitoring and review of development cooperation.

The national level must be the bedrock of such a framework, engaging all development cooperation

actors, including governments, parliaments, civil society, philanthropic organizations, the private sector, local and regional governments, and regional and international organizations. Such a framework would have to take into account different country contexts, as the proposed SDGs call for national and global targets.

The emerging post-2015 development agenda provides a unique opportunity to adapt and operationalize practices to monitor and review progress in development cooperation; to inject a sense of urgency to strengthen engagement, knowledge sharing and mutual learning at all levels; and to strengthen capacity for an integrated approach to the three dimensions of sustainable development, economic, social and environmental.

Why do practices need to change in a post-2015 setting?

The proposed SDGs are much broader in scope than the Millennium Development Goals that have provided a global framework for development cooperation for the past 15 years. New ways must be found to mobilize, allocate and unprecedented levels of domestic and international, public and private financial resources and other means of implementation (MOI) more effectively. MOI are proposed for each goal as well as in SDG17, on a renewed global partnership for sustainable development.

The large number of proposed targets, the interlinkages between different goals and the diversity of financial and non-financial resources mobilized from multiple sources and blended in various ways – all of this will make monitoring and review of development cooperation more challenging and more complex.

The following highlights some of the specific challenges with the proposed framework of substantive goals and targets and the implications for how existing monitoring and review practices could be adapted to help address them.

Financial development cooperation commitments in the proposed SDGs

 Several financial targets are formulated too broadly to measure. At the same time, member states are expected to set their own national targets for the SDGs, taking national circumstances into account.

- There may be a risk of double counting of financial flows, especially in countries with weak finance and budgeting systems.
- iii) The growing range of existing financial instruments, ranging from grants and non-concessional loans to new instruments (such as facilities to deal with sector-specific issues), each with their own characteristics and effects, will make it taxing to monitor delivery on financial commitments, especially since external resources need to be complementary to domestic resources.
- iv) Equally challenging will be the monitoring of financial commitments, if they are blended with other sources of finance or forms of financial support that do not involve a transfer of finance from point A to B, such as the use of guarantees to facilitate private finance.

These and other challenges can be addressed in effective sustainable development financing strategies that outline national targets and help to monitor and review financial development cooperation commitments, in both developed and developing countries.

One key enabler for effective monitoring and review of development cooperation is a well-integrated national development cooperation policy. Such policies have to be closely aligned with the broader sustainable development financing strategies and linked explicitly to broader domestic resource mobilisation strategies and budgetary processes.

Non-financial development cooperation commitments in the SDG proposal

- The suggested global targets are somewhat vague and there is some overlap, for example, with regard to technology facilitation and capacity building.
- ii) The goals speak to some issues, such as policy coherence, in a broader way than what can be achieved within the context of development cooperation, as do many targets under other SDGs.
- iii) Conceptual questions also arise on how to bring multi-stakeholder partnerships into monitoring and review efforts without undermining the flexibility that is critical to their success in mobilizing resources and

- bringing actors together, including from the private sector.
- iv) How to elaborate the role of the private sector in supporting the implementation of a post-2015 development agenda remains a challenge. The commitments related to technology also speak directly to the private sector.
- v) In the important area of engaging civil society organizations in monitoring and review of development cooperation, their identity as development actors in their own right, with multiple roles – from advocacy and oversight to service delivery and knowledge sharing on good practices – needs to be taken more fully into account.

The above challenges relate to both measuring progress and bringing relevant actors together to discuss progress or lack thereof, in a frank and meaningful manner.

Gender dimensions of development cooperation need to be considered from the outset in approaching monitoring and review of development cooperation post-2015, financial and non-financial. This includes, for example, setting measurable targets and adopting markers to track budget allocations and expenditure.

Sound technical expertise will be required across the board to define indicators that are measurable, and for which data collection is not too onerous. The process of defining indicators should be transparent and inclusive.

Driving more integration and coherence

Addressing the expected challenges in monitoring and review of development cooperation can help governments and other stakeholders to ensure structured follow-up to all development cooperation commitments, promote knowledge sharing and mutual learning, and spur cross-institutional collaboration, making the provision and use of development cooperation more effective and coherent.

Many questions remain, for example, with regards to the implications of universality on development cooperation. Nonetheless, many practical steps already can be identified for making monitoring and review of development cooperation an important catalyst and driver for more integrated policies and frameworks.

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