

**DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE**

Cancels & replaces the same document of 06 February 2006

Working Party on Aid Effectiveness and Donor Practices

Consultative Missions for the 2006 Survey on Monitoring the Paris Declaration

TERMS OF REFERENCE

The Joint Venture on Monitoring the Paris Declaration agreed that the methodology for the 2006 Survey on Monitoring the Paris Declaration would be validated in a representative number of pilot countries.

These terms of reference set out the objectives and process for undertaking these field-testing missions. They have been revised in the light of comments made at the meeting of the Joint Venture on Monitoring the Paris Declaration on 24 January 2006.

Contact: Mr Simon Mizrahi (Em: simon.mizrahi@oecd.org; Tel: +33-1 45 24 78 41)

JT00200660

CONSULTATIVE FIELD MISSIONS FOR THE 2006 SURVEY ON MONITORING THE PARIS DECLARATION

PURPOSE OF THIS PAPER

1. As part of the preparation for the *2006 Survey on Monitoring the Paris Declaration*, an OECD-DAC Joint Venture of donors and partner countries¹ is undertaking at the behest of six aid recipient countries, (Cambodia, Ghana, Nicaragua, Senegal, South Africa and Uganda), consultative missions in order to **validate the methodology and processes for implementing the 2006 Survey**. The present terms of reference set out the background, the objectives of the missions, processes and expected outcomes of the missions.

BACKGROUND

2. Following the Paris High-Level Forum on Aid Effectiveness (2 March 2005), the OECD-DAC Working Party on Aid Effectiveness was charged with taking the lead in “tracking and encouraging progress at the global level among the countries and agencies that have agreed to the Declaration”. To this end, it was agreed that progress would be measured at country level against 12 indicators included under Section III of the Declaration. These indicators provide a framework in which to make operational the responsibilities and accountabilities that are framed in the Paris Declaration. They also provide a benchmark against which individual donor agencies and partner countries can measure their performance.

3. In accordance with paragraph 11 of the Paris Declaration, the Working Party on Aid Effectiveness at its meeting on 19-20 October 2005, established a Joint Venture on Monitoring the Paris Declaration with a view to:

- Coordinating the first round of international monitoring of indicators for the first round of consultation to be undertaken in 2006 (The 2006 Survey on Monitoring the Paris Declaration).
- Reviewing international monitoring of commitments in the short term.
- Proposing options for monitoring the commitments and indicators in the medium to longer term.
- Enabling consistent aggregation of information on indicators across a range of countries to be summed up in periodic reports.

4. As part of its mandate, the Joint Venture is designing a questionnaire and technical guidance in order to establish an initial and comprehensive baseline against which to monitor progress, over time, on the 12 qualitative and quantitative Indicators agreed in Paris. In this connection the Joint Venture will also coordinate a first round of monitoring in 2006 (*The 2006 Survey on Monitoring the Paris Declaration*) which will be launched in May 2006. Responses to the questionnaire are expected by 15 August 2006 so that respondents will have three and a half months at country level to complete a lightweight questionnaire.

5. In order to promote broader in-country processes and dialogue between development partners, a letter was issued in January 2006 to all participants of the Paris High-Level Forum on Aid Effectiveness. This letter (See Annex A) invites partner countries to appoint a national coordinator at country level. It also suggests that countries can, if they wish, communicate a qualitative report reviewing progress and bottlenecks in implementing the Paris Declaration and its indicators.

¹ The Joint Venture on Monitoring the Paris Declaration is a subsidiary group of the OECD-DAC Working Party on Aid Effectiveness – A partnership of 23 donor agencies and 23 partner countries.

OBJECTIVES OF THE MISSIONS

6. Prior to launching the Survey in May 2006, the Joint Venture is working with a representative number of partner countries to assess and validate (i.e. field-test) the process, questionnaire and technical guidance, and information systems. This assessment of the overall design of the Survey will be undertaken through six consultative field-missions.

7. These missions have the following objectives:

- To test with a limited number of donor & partner organisations the feasibility of completing the questionnaires in a cost-effective manner. To this end, draft questionnaires will be made available by the OECD Secretariat ahead of the consultative missions.
- To discuss, together with government and in-country donors, the most appropriate processes for managing the 2006 Survey at country level.
- To elicit from both government and donors suggestions on how to best structure and clarify the questionnaire & technical guidance so as to capture effectively and consistently country level efforts in implementing the Paris Declaration. In doing so, it is recognised that the questionnaires and guidance note need also to ensure an appropriate degree of consistency across countries, while allowing enough flexibility to accommodate specific country level criteria.
- To document how donors and governments might respond to some of the key questions regarding the quantitative indicators included in the questionnaire and assess the responses against the desired objective of the question/questionnaire. This is expected to provide helpful practical guidance for respondents in other countries where the Survey will be undertaken.
- To establish how the methodology for assessing the qualitative indicators relates to country level processes for implementing the Paris Declaration.
- To provide an initial assessment on the possibility of establishing a country level process for monitoring, and following-up on the Paris Declaration indicators and targets. In doing so, the mission will also assess the feasibility and practicalities of establishing country level mechanisms for monitoring the Paris Declaration.
- To establish linkages between initiatives at the national level and the global level and to disseminate key lessons and findings to the Joint Venture on Monitoring the Paris Declaration, and provide a basis for further collaboration between the Working Party on Aid Effectiveness, the UN system and the International Financing Institutions.

8. As part of the consultative mission, the questionnaire and methodology will be tested with partner authorities and a representative set of donors. This, however, will be done on a limited scale and is not intended to replace the full-scale Survey to be undertaken later this year.

PROCEDURES FOR CONDUCTING MISSIONS

9. *Timing & choice of countries* – Pending final confirmation from national authorities, missions are planned from mid February through late April, 2006. Lead members will take responsibility for planning the missions and preparing meetings at country level. Following consultations, six partner countries have volunteered to undertake the pilot testing exercise in association with lead development partners. These countries are:

1. **Cambodia** (in association with UNDP).
2. **Ghana** (European Commission & UNDP).
3. **Nicaragua** (Spain & UNDP).
4. **Senegal** (France, United-States).

5. **South-Africa** (United States – to be confirmed)
6. **Uganda** (World Bank)

10. *Composition of mission teams* – The mission team will include the lead member(s), a senior government official (e.g. The national coordinator for the 2006 Survey), the OECD-DAC Secretariat and other members of the Joint Venture as deemed desirable. A member representing global initiatives (such as the Global Fund for HIV/AIDS, Tuberculosis and Malaria) may participate in one or two missions. The total number of members of the mission team will be limited to six so as facilitate dialogue and simplify local logistics.

11. *Country organisation of the missions* – The missions will be planned over a five-day period and its success will depend on the lead members' ability to secure good cooperation from both the donor community and the government. This is why, amongst other reasons, that it is important that the mission include a senior government official. In planning the mission the lead donor might want to pay special attention to the following issues:

- Mechanisms for dialogue and coordination between government and the donor community including coordination mechanisms for various aid modalities (budget support, sector support, project support).
- How are aid flows (commitments and disbursements) reported by donors to government and captured in the government's national accounts (annual budget, MTEF etc.)? How comprehensive is donor reporting in national budgets with regard to aid flows?
- How are mechanisms for developing human and institutional capacity coordinated at the country level? What use is made by donors of project implementation units?

12. In order to facilitate a constructive dialogue around these topics the national government coordinator and lead donor might consider assembling focal groups that include donors and government officials that have special interests in the above areas. This will also allow the mission to test the questionnaire and technical guidance and identify potential areas where they might be amended.

13. The OECD Secretariat will prepare a letter of introduction specific to the country exercise prior to the beginning of the consultative mission in each country.

EXPECTED OUTPUTS

14. The visiting team is responsible for producing a mission report for each of the country missions, outlining the common understanding reached after the missions (i.e. among donors, and between government and donors). In particular, the report will outline:

- Country specific criteria for all those definitions included in the methodology that require country specific criteria to be established. These include, in particular, definitions of the government sector, coordinated capacity development, parallel project implementation units, coordinated field missions & coordinated country analytic work.
- A process for managing the 2006 Survey at country level (including best practices and identified difficulties).
- A proposal for an outline of a report describing qualitative progress, and bottlenecks, in implementing the Paris Declaration and its indicators at country level (as referred to in the letter addressed to participants of the Paris HLF presented in Annex A).
- Identification of specific potential changes to be made to the questionnaire and technical guidance note.

15. The cost of the mission will be covered by members of the visiting team.

Appendix A: Letter sent to HLF Participants



Paris, 31 January 2006

Excellency,

Re: Paris Declaration: Message from the partnership of donors and partner countries hosted by the OECD-DAC (Para. 11).

We are writing to you and each of the heads of delegation of the countries and organisations represented at the **High Level-Forum on Aid Effectiveness** (28 February—2 March 2005) to follow-up on some important commitments that we made in the Paris Declaration.

First, we are delighted to share with you a version of the Paris Declaration that incorporates the targets that were agreed in mid-2005 and communicated to you in a letter by the Chairs of the DAC and the Working Party on Aid Effectiveness on 3 August 2005 and subsequently to the Vice-Chairs of the UN World Summit. This version is available on the OECD-DAC Website: www.oecd.org/dac/effectiveness/parisdeclaration which also provides information on how new countries can, if they wish, adhere to the Paris Declaration.

Second, you will recall that the Paris Declaration invited the Working Party on Aid Effectiveness to propose, by the end of 2005, arrangements for monitoring progress against the indicators and commitments agreed in Paris. We are pleased to report that we have a framework and that systems are being established to track and encourage progress at all levels. In this connection, we attach a message that provides more information on a survey that is to be launched in May 2006.

Third, the Paris Declaration also invited the Working Party on Aid Effectiveness to broaden partner country participation. In this connection, we are happy to inform you that the Working Party has increased partner country participation in its activities so as to ensure equal and full representation from partner and donor countries. This has been achieved not only in terms of membership — the Working Party now includes 23 partner countries, 23 bilateral donors and several multilateral institutions — but also in terms of working arrangements. Ghana, which will host the Third High-Level Forum in 2008, has become a Vice-Chair of the Working Party, together with the World Bank. Arrangements for equal representation have also been made at the level of the various Joint ventures that contribute to the work of the Working Party.

We look forward to working with you and assisting you as we work together in this important endeavor.

Michel Reveyrand
Chair
Working Party on Aid
Effectiveness

Helen Allotey
Vice Chair
Working Party on Aid
Effectiveness

Richard Manning
Chair
Development Assistance
Committee

Shoji Nishimoto
Assistant Administrator
UNDP

Jim Adams
Vice President
World Bank

Monitoring Progress against the Agreed Commitments and Indicators in the Paris Declaration **Message to the Partner Countries that endorsed the Paris Declaration²**

Knowing of your country's commitment to fulfilling the Paris Declaration on Aid Effectiveness and in keeping with the timetable set out therein, we wish to bring you up to date on progress and plans for developing a monitoring system to measure mutual progress against the agreed partnership commitments and indicators agreed in the declaration. We also wish to enlist your cooperation and support for carrying out the first round of survey work in order to establish a comprehensive baseline and methodology for tracking implementation progress through 2010. Early progress against the baseline will be measured in a second survey in 2008, ahead of the Third High Level Forum in Ghana.

This monitoring process is intended to complement and promote broader in-country processes and dialogue between development partners that were called upon in the Paris Declaration (paragraphs 9-10). It should also provide a basis for improved aid effectiveness through shared commitments and mutual accountability.

The Working Party on Aid Effectiveness has created a "**Joint Venture on Monitoring the Paris Declaration**" which is co-chaired by representatives from Vietnam and the UK and supported by Austria, Cambodia, Canada, European Commission, France, Germany, Ghana, Japan, Mali, Nicaragua, Norway, Senegal, Spain, South Africa, UNDP, United States and World Bank. Together they are developing technical guidance, survey instruments and a methodology for collecting and reporting on data relating to the agreed targets.³ Data collected at country level in the 2006 survey will be sent to the OECD-DAC for global aggregation and reporting purposes. It will also be shared in donor agency headquarters.

After field testing the survey instruments in six partner countries between February and April 2006, we plan to send out by **May 2006** technical instructions and two questionnaires, one to be filled out by government, one to be filled out by each of the donors present in the ODA eligible partner countries. We will invite countries taking part in the Survey to complete by **15 August 2006** the questionnaire along with a qualitative report reviewing progress and bottlenecks in implementing the Paris Declaration and its indicators. By communicating to you this timeline we are hoping to create opportunities to build the monitoring processes into national dialogue on aid effectiveness, for instance, through Consultative Group or Round Table mechanisms. In this connection, you might wish to share this message with development partners and important stakeholders in your country.

We would greatly appreciate cooperation of all partner countries in participating in this survey. To facilitate implementation of the Survey, we ask that you confirm to us in an email addressed to the OECD Secretariat (simon.mizrahi@oecd.org) **that your government is prepared to participate**; and, in so doing, appoint a national coordinator who will work with donors to complete the survey. Additional information will be provided to the designated national coordinator and will be available on the OECD-DAC Website: www.oecd.org/dac/effectiveness/monitoring prior to its launch in May 2006. The World Bank and UNDP stand ready to offer their assistance as well.

² A list of all countries is available on the OECD-DAC Website : www.oecd.org/dac/effectiveness/monitoring

³ The agreed targets are subject to reservations by one donor on (a) the methodology for assessing the quality of locally-managed procurement systems (relating to targets 2b and 5b) and (b) the acceptable quality of public financial management reform programmes (relating to target 5a.ii).