UNDP

Empowered lives.
Resilient nations.

United Nations Development Programme

UNDP's Response to the 2011 Survey on Monitoring the Paris Declaration

IMPLEMENTING THE PARIS DECLARATION ON AID EFFECTIVENESS

Copyright 2011, UNDP.

EXECUTIVE SUMMARY

The 2000 Millennium Declaration and the 2002 Monterrey Consensus, along with related commitments, are underpinned by the recognition that a global partnership and the quality and effectiveness of development cooperation are critical to achieving internationally agreed development goals, including the Millennium Development Goals (MDGs). The United Nations welcomes efforts and initiatives to enhance the quality of aid and increase its impact, such as Paris Declaration (PD) on Aid Effectiveness. The key principle of the Paris Declaration – national ownership and leadership of a country's development, including the coordination of all types of external assistance – has always guided the United Nations system's operational activities for development.

Working on the ground in 176 countries and territories, UNDP maintains the most extensive field-based operational platform in the multilateral system to deliver on the MDGs and other internationally agreed development goals as well as to share development best practices and solutions among countries globally. At programme country level, UNDP plays a dual role, both as a development partner and as manager of the Resident Coordinator (RC) system, as mandated by the UN General Assembly.

The United Nations participated jointly in the 2006, 2008 and indeed the 2011 PD Surveys, the last of which was carried out in a record 78 countries. Seventy-seven United Nations Country Teams (UNCTs) participated in the 2011 PD Survey, 34 of which had already participated in the 2006 Baseline Survey. For each survey, UN agencies at country level provided their responses to UNCT focal points who submitted aggregated UN responses to the national survey coordinators and the donor focal point. This was done to enable the OECD to prepare a consolidated UN PD Survey response by aggregating the UNCT reports from each country. In 2011, UNCT focal points have additionally submitted all individual agencies' responses to the UN Development Operations Coordination Office (DOCO) to enable the disaggregation of global figures by agency.

FIGURE 1: AT A GLANCE – UNDP'S PERFORMANCE AGAINST PARIS DECLARATION INDICATORS AND TARGETS, 2010

Baseline Countries
All Countries
2010 Target

Notes: Of the 74 UNDP country offices that participated in the 2011 Survey, and for which disaggregated figures are available, 50 participated in the 2008 Survey and 30 participated in the 2006 Survey (see annex 1). There are no targets for indicators 5, 6, and 7, for which targets are relative to the baseline, because disaggreegated data on UNDP is only available for 2010. Data on untied aid is only available for DAC members reporting status on untying aid.
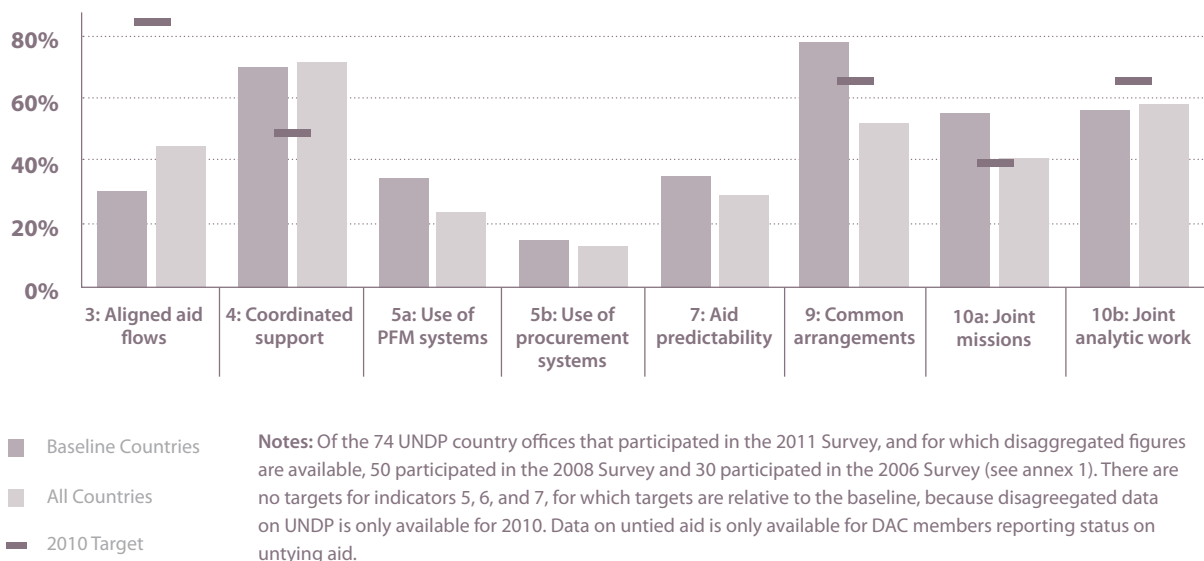
Photo Credits: Giacomo Pirozzi/UNPD Burkina

The UNDG has prepared one joint United Nations Paris Declaration Survey response, which allows continuity with previous years and is consistent with the spirit of the United Nations reform agenda and system-wide coherence. In 2011, in addition to a complementary UNDG report on implementing the Paris Declaration, UNDP and several other UNDG members have also been preparing individual agency reports, which globally consolidate the 2010 results reported by agencies at country level. Given that no disaggregated data is available on UNDP performance in 2005 or 2007, there is no baseline on the basis of which UNDP could establish relative targets. While it is therefore not possible to measure progress between 2005 and 2010, the existing disaggregated figures on UNDP's performance nevertheless provide a useful indication of how UNDP is faring in 2010.

With the exception of using country systems where further progress is needed, UNDP is faring well overall in reaching the 2010 Paris Declaration targets on effective aid. Slow progress on UNDP's use of country systems mirrors the slow progress of most donors in increasing the use of country systems. Equally, UNDP's implementation of a number of Paris Declaration principles, like use of country systems and direct budget support, hinges on the decisions of its Executive Board, particularly those relating to internal rules and procedures, transparency and disclosure policy. On the other hand, UNDP has made great strides toward aligning aid flows with national priorities and improving the predictability of its assistance. While further efforts on harmonizing its support are needed, ongoing improvements to United Nations and UNDP programming and system-wide coherence are apparently already facilitating improvements in this area.

INTRODUCTION

In the spirit of the United Nations system's current effort to become more coherent,[1] the United Nations Country Teams (UNCTs) have participated jointly in all three PD monitoring surveys. The United Nations Development Group (UNDG) also agreed on an action plan for the implementation of the Paris Declaration in 2005 and conducted a joint evaluation of the UNDG contribution to the Paris Declaration on Aid Effectiveness in 2008.[2] The present paper provides that analysis and offers full transparency and accountability on UNDP's performance globally. The figures provide a summary overview of UNDP's performance in 2010 in meeting the targets agreed in Paris in 2005. It illustrates UNDP's results for each of the eight indicators that measure donor performance (PD indicators 3 to 10) – with the exceptions of indicator 8 on untied aid, which does not apply to UNDP, and indicator 6 on parallel implementation structures, which uses absolute figures and will therefore be discussed in further detail later on.

UNDP's engagement on capacity development and strengthening ownership

UNDP's involvement in the Paris Declaration process is two-pronged: 1) to engage on development cooperation issues, specifically the quality of aid, within the context of the achievement of the MDGs and other internationally agreed goals important for and related to the overall positions and activities of UNDP and the United Nations; and 2) to support developing countries' implementation of the aid effectiveness commitments and to facilitate their participation in global fora, such as the OECD DAC Working Party on Aid Effectiveness and the OECD DAC International Dialogue on Peacebuilding and Statebuilding.[3]

In over 80 countries and territories, UNDP is strongly supporting programme countries to strengthen their capacities to effectively coordinate and evaluate the impact of external development assistance in line with national development plans and priorities.[4] Based on the principle that national governments hold primary responsibility for their countries' development and for coordinating all types of external assistance, UNDP's support to programme countries is geared towards strengthening their capacities to do so effectively and efficiently and to assume ownership and leadership over this process. UNDP's contribution to human development rests on its cross-cutting development mandate and on its role as an impartial multilateral partner offering universal presence. It contributes in the country, regional, and global arenas, drawing on both the breadth and the depth of its presence and knowledge to offer policy and programmatic options that are tailored to reflect the needs and priorities of partners.

While external assistance can have a catalytic effect on development outcomes, UNDP believes that official development assistance (ODA) is just one element of national public finance. For UNDP and the UNDG, aid effectiveness is part of a larger concept of development effectiveness. Other issues beyond aid – such as trade relations, migration, foreign direct investment, climate change, conflict and fragility, and technology, which are the core of the policy coherence agenda – play an important role in shaping a country's development trajectory. UNDP, and indeed the UNDG, emphasizes the importance of coherent and harmonized development assistance that espouses the benefits to development from aid, trade, debt relief, foreign direct investment,

---

1   See the 2009 and 2008 General Assembly resolutions on System-wide Coherence (A/RES/63/311 and A/RES/62/277).

2   See UNDG Action Plan on Implementing the Paris Declaration and the Joint Evaluation of the UNDG Contribution to the Paris Declaration on Aid Effectiveness.

3   The UNDP Strategic Plan, 2008-2013 highlights that "UNDP is committed to supporting programme countries in enhancing effective aid management [. . .], in the context of national and regional initiatives, such as the Paris Declaration on Aid Effectiveness, to strengthen development cooperation" (para. 65-66).

4   UNDP Annual Report 2010 of the Global Project on Capacity Development for Aid Effectiveness (2009-2011).

peacekeeping and security sector support, as well as innovative sources of funding and instruments, such as remittances.[5] UNDP works closely with security sector actors and peacekeepers in joint programmes in post-conflict situations.

UNDP is supporting developing countries to engage more effectively with issues 'beyond aid' not only by putting in place appropriate policies and institutions that are specific to their particular development trajectories and national contexts, but also by focusing on internal capacities to implement their development priorities. Indeed, capacity development is at the heart of what UNDP does. UNDP provides specialized support to partner countries to build resilient and stable institutions, strengthen country systems and promote the catalytic use of ODA to enable the highest return on development aid across sectors and thematic areas. In this way, UNDP's national capacity development support enriches and maximizes the impact of all partners' development activities at country level.

In order to improve coherence within the United Nations system and to improve overall effectiveness of assessment and programming in line with national priorities, UNDP has introduced numerous changes to its programme and operations policies and procedures in the past few years. They include improvements in procurement and human resources processes, as well as streamlined and optimized structures and processes aimed at removing duplication and aligning responsibilities across units for more effective delivery and responsiveness to partner counties. Fast-track procedures are available to national governments as needed, especially when responding to emergencies and ongoing crises, thereby allowing UNDP to accelerate delivery in challenging circumstances. In addition, an internal programme and project management task force is currently working to overhaul UNDP's systems, tools and procedures by the end of 2011 to enable a more forward-looking and flexible programme and project management approach at country level.

UNDP's support to the Resident Coordinator (RC) system

UNDP chairs the UN Development Group (UNDG) and leads the United Nations at country level through the Resident Coordinator (RC) system. In all countries, the UNDP Resident Representative is also the UN RC and often also the Humanitarian Coordinator and is funded from UNDP's regular (core) resources. In many countries, especially in post-conflict settings, the UN RC is called upon to assume a lead role in coordination fora between the government and its development partners. Through administering most of the United Nations multi-donor trust funds, UNDP also provides a one-stop service to the donor community for UN system-wide contributions and engagements. These functions have a direct role in driving the effectiveness of the UN system at country level. UNDP is the only agency applying its regular resources to this vital function.

UNDP has been a key motor to enable progress in the UN development system's efforts to achieve greater coherence and effectiveness. This has been most visible through the eight 'Delivering as One' country pilots that were launched by governments, with the UN, in January 2007,[6] as well as in several countries that voluntarily adopted the 'Delivering as One' model at a later stage (referred to as 'One UN self-starter' countries). The mid-term review of UNDP coordination commitments reveals some essential lessons and key results. Of these, the role UNDP has played in modelling and promoting behavioural and cultural change towards 'One UN' at country and regional levels stands out.

---

5   See UNDG Key Messages for the Third High Level Forum on Aid Effectiveness, Accra, Ghana, 2-4 September 2008; and Joint Statement of the United Nations Development Group for the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, Doha, 29 November-2 December 2008.

6   Albania, Cape Verde, Mozambique, Pakistan, Rwanda, Tanzania, Uruguay and Viet Nam.

The UN Country Teams have been working closely with government and development partners in the pilot countries to strengthen the UN's contribution towards national development agendas, including aid effectiveness. UNDP is supporting countries to achieve development gains that require integrated and coordinated responses among many partners. The draft country programmes presented to the Executive Board in 2011 demonstrate how UNDP is leading and participating in integrated United Nations responses to nationally defined priorities. UNDP, as chair of the UNDG, is also leading efforts to revise and roll out the guidelines for developing and implementing a United Nations Development Assistance Framework (UNDAF), the strategic programme framework that describes the collective response of the UN system to national development priorities.

UNDP is an observer at the OECD DAC and participates in the Working Party on Aid Effectiveness, where it also represents the UNDG, and is leading the UNDG's preparations for the Fourth High Level Forum on Aid Effectiveness. UNDP also co-chairs the OECD DAC International Network on Conflict and Fragility (INCAF) and supports governments in the roll-out of the fragile states principles and survey. UNDP has been an important partner in the shaping of the Paris and Accra outcomes and has consistently brought the voice of developing countries into the debate, including by managing two global multi-donor basket funds that facilitate developing country participation in meetings related to the OECD DAC Working Party on Aid Effectiveness and the International Dialogue on Peacebuilding and Statebuilding.

UNDP has also supported the organization of the consultative, national, sub regional and regional processes for developing countries that preceded the Third High Level Forum on Aid Effectiveness in Accra and continues to do so in the preparations for the High Level Forum in Busan. In several instances, such support has led to the creation of regional development effectiveness platforms, such as the Capacity Development for Development Effectiveness (CDDE) Facility in the Asia-Pacific region and African Platform for Development Effectiveness.[7] In the run-up to the 2011 Survey on Monitoring the Paris Declaration, UNDP and the OECD have organized a series of regional workshops that aimed to ensure that key actors involved in the management of the PD monitoring survey and other related processes – including the 2011 Fragile States Survey and the UNDP/UN DESA Development Cooperation Forum Survey on Mutual Accountability – are briefed on the objectives, process and technical aspects of the 2011 surveys.[8]

Furthermore, UNDP has led the partner country outreach efforts within the voluntary International Aid Transparency Initiative (IATI), which was established in 2008 in Accra to improve the quality, timeliness and comparability of aid information available to partner countries, civil society organizations, citizens and other stakeholders. UNDP organized regional consultations in 2009 on IATI with the participation of more than 72 countries and has since facilitated the engagement of partner countries in the development and, as of 2011, implementation of the standard. UNDP is a member of the IATI Secretariat, along with DFID and Development Initiatives Poverty Research, and is planning to implement the aid transparency standard in a phased and cost-effective manner with the publication of an initial dataset in time for HLF 4.

---

7   With support from UNDP, the African Development Bank, the NEPAD Secretariat and a number of African countries have established the African Platform for Development Effectiveness. The Capacity Development for Development Effectiveness (CDDE) Facility, for which the Asian Development Bank and UNDP's Asia-Pacific Regional Centre serve as the Secretariat, is a partnership between ADB, the Governments of Japan and the Republic of Korea, and UNDP. The initiative is governed by a Steering Committee that includes partner country government, civil society and parliamentary representatives, as well as donors.

8   The workshops brought together government and donor focal points from partner countries, as well as civil society representatives and several parliamentarians. Besides offering technical training on the PD Survey methodology, the workshops also aimed at strengthening regional communities of practice, providing a platform for exchange of experience and best practices around the Paris Declaration process and collecting partner country views and concerns to take to the Fourth High Level Forum on Aid Effectiveness.

Photo Credits: Riham Mustafa/UNDP
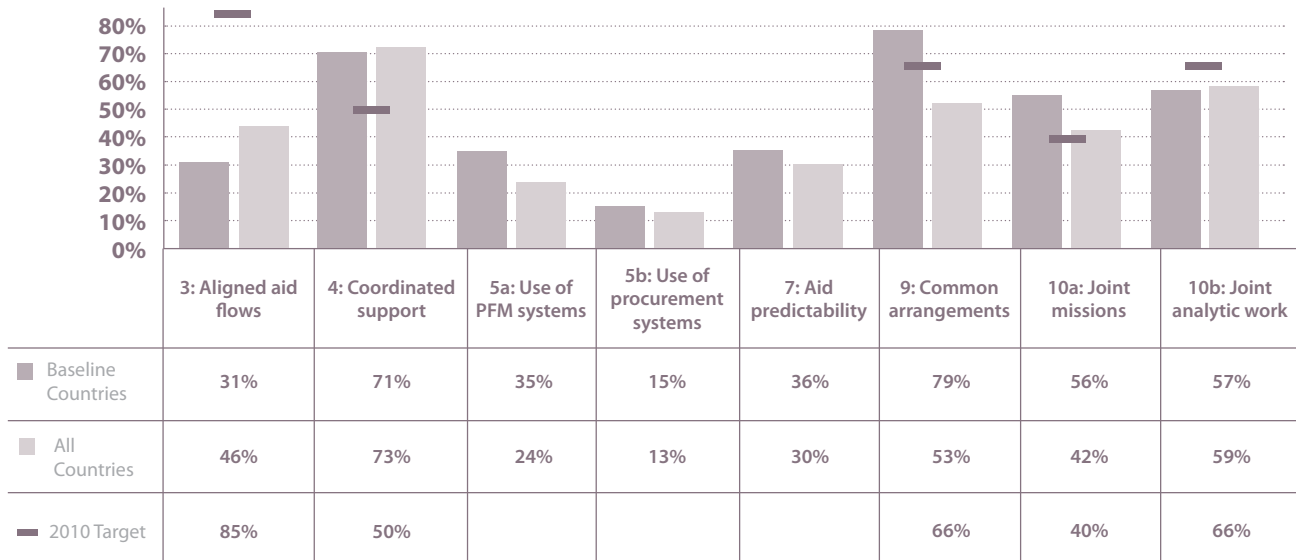
GLOBAL RESULTS

The UNDG unanimously encouraged joint UNCT participation in the 2006, 2008 and indeed the 2011 PD Surveys, the last of which was carried out in a record 78 countries. In 2006, 34 United Nations Country Teams (UNCTs) jointly participated in the first PD Survey that established a baseline in participating countries. In 2008, 55 UNCTs participated in the second PD Survey. For each survey, UN agencies at country level have provided their responses to UNCT focal points who have submitted aggregated UN responses to the national survey coordinators and the donor focal point. This was done to enable the OECD to prepare a consolidated UN PD Survey response by aggregating the UNCT reports from each country. In 2011, UNCT focal points have additionally submitted all individual agencies' responses to the UN Development Operations Coordination Office (DOCO) to enable the disaggregation of global figures by agency.

The UNDG is preparing one joint UNDG Paris Declaration Survey response, which allows continuity with the earlier years and is consistent with the spirit of the United Nations reform agenda and system-wide coherence. In 2011, in addition to a complementary UNDG report on implementing the Paris Declaration, UNDP and several other UNDG members are also preparing individual agency reports, which globally consolidate the results reported by agency at country level.

The present paper provides that analysis and offers full transparency and accountability on UNDP's performance globally. The figure below provides a summary overview of UNDP's performance in 2010 in meeting the targets agreed in Paris in 2005. It illustrates UNDP's results for each of the eight indicators that measure donor performance (PD indicators 3 to 10) - with the exceptions of indicator 8 on untied aid, which does not apply to UNDP, and indicator 6 on parallel implementation structures, which uses absolute figures and will therefore be discussed in further detail later on. Given that no disaggregated data is available on UNDP performance in 2005 or 2007, there is no baseline on the basis of which UNDP could establish relative targets. While it is therefore not possible to measure progress between 2005 and 2010, the existing disaggregated figures on UNDP's performance nevertheless provide a useful indication of how UNDP is faring in 2010. The following sections provide a more detailed analysis of UNDP's performance vis-à-vis all 12 indicators, including the country indicators that are not included in the PD survey donor questionnaire.

FIGURE 2: UNDP'S PERFORMANCE AGAINST PARIS DECLARATION INDICATORS AND TARGETS, 2010

	3: Aligned aid flows	4: Coordinated support	5a: Use of PFM systems	5b: Use of procurement systems	7: Aid predictability	9: Common arrangements	10a: Joint missions	10b: Joint analytic work
▪ Baseline Countries	31%	71%	35%	15%	36%	79%	56%	57%
▫ All Countries	46%	73%	24%	13%	30%	53%	42%	59%
— 2010 Target	85%	50%				66%	40%	66%

Notes: Of the 74 UNDP country offices that participated in the 2011 Survey, and for which disaggregated figures are available, 50 participated in the 2008 Survey and 30 participated in the 2006 Survey (see Annex 1). There are no targets for indicators 5, 6, and 7, for which targets are relative to the baseline, because disagreegated data on UNDP is only available for 2010. Data on untied aid is only available for DAC members reporting status on untying aid.

Ownership

UNDP's engagement at country level rests on a very inclusive concept of ownership, mandated by the General Assembly of the United Nations. Its programming instruments are guided by the notion that ownership is relevant not only at the strategic level of development planning, but also at each stage of planning, implementation, monitoring and evaluation. All of UNDP's programming instruments – from the UNDAF to UNDP's Country Programme Documents to Country Programme Action Plans to individual project documents and annual work plans – require the active participation of multiple stakeholders, most importantly national counterparts, and are flexible to align with national planning cycles. Regular project board meetings under the leadership of the respective national counterpart are mandatory and require the presence of the principal beneficiary in all major decisions. From this perspective, the PD indicators do not fully capture the key elements of promoting inclusive ownership and leadership for development cooperation.

The PD Survey's **indicator 1 on operational development strategies** does not evaluate who have been the key partners to support governments in developing such strategies. UNDP is playing a critical role in assisting developing countries to expand their options for designing national development plans and policies to advance their human development, strengthen their human and institutional capacities for implementing such plans and policies, and mobilize new and additional sources of development finance, including domestic resource mobilization.

UNDP is a major development partner working with the centre of government to support national develop-
ment plans and development strategy formulation in countries such as Ethiopia, Rwanda, and Viet Nam, among
many others. Several evaluations affirm that, through capacity development support and advisory services in
planning ministries, UNDP has helped to transform national development strategies and poverty reduction
strategy papers from 'vision' documents into actual strategies with clear targets and indicators, clearly identi-
fied priorities and sectoral strategies, and robust links to macroeconomic frameworks.[9] By means of the MDG
Acceleration Framework, UNDP is also supporting an increasing number of governments in devising nationally
owned, multi-partner action plans for improving their rate of progress on off-track MDGs within the context of
their existing planning cycles and processes.[10] These efforts have addressed three frequent weaknesses in the
planning process: they have strengthened inter-ministerial coordination, improved linkages between budgetary
outlays and sector investment requirements, and enabled more targeted monitoring of national development
and poverty reduction strategies. This support is also acknowledged in UNDP's 2009 Partners Survey, where
more than 80 percent of partners globally rated UNDP as a critical partner in effectively contributing to achiev-
ing international development goals, including the MDGs.[11]

Alignment

UNDP has been a strong advocate for the use of national systems and transition away from parallel project
implementation units (PIUs) towards a more integrated and sustainable approach. With capacity development
as its core mandate, UNDP has facilitated the increased use of country systems in many countries, helping to
improve **indicator 2 on reliable country systems**. UNDP has, for example, supported governments in orga-
nizing joint diagnostic exercises of their public financial management and procurement systems, such as the
Public Expenditure and Financial Accountability (PEFA) assessments.[12] UNDP has also played a pivotal role in
elaborating the Methodology for Assessment of National Procurement Systems, which has emerged from
the work of the OECD-DAC Joint Venture on Procurement since 2005 and has been piloted in 22 countries.[13]
A dedicated team within UNDP is devoted to strengthening the capacity of country systems in procurement,
project management, human resource management and financial management. UNDP hosts the United Nations
Procurement Capacity Development Centre, a unique web platform designed to strengthen country systems
used by national stakeholders and development partners.[14]

Since the United Nations participates jointly at country level, governments have not systematically reported
budget estimates of individual agencies' aid flows. These figures are necessary to calculate the PD **indicator
3 on aligning aid flows** with national priorities. Information on disaggregated aid on budget for UNDP has
only been made available in 13 countries.[15] The resulting average country ratio is 46 percent (see Annex 3 on
indicator 3), against a 2010 target of 85 percent. While there is room for improvement for UNDP's performance,
some developing countries have rightly pointed out that PD indicator 3 is flawed as a measure of alignment
(see example in Box 1). It is difficult to draw global conclusions from a compilation of quantitative indicators

---

9   UNDP, Mid-term review of the UNDP strategic plan and annual report for 2010, DP/2011/22.

10   UNDG, MDG Acceleration Framework, February 2011. See also the UNDP Report on the MAF roll-out: Unlocking Progress: MDG Acceleration on the Road to 2015.

11   UNDP Partners Survey 2009.

12   For more info on the Public Expenditure and Financial Accountability (PEFA) Program, see www.pefa.org.

13   Its assessment methodology provides a standard set of indicators for measuring procurement legislation, institutional capacity, performance and accountability.

14   See the United Nations Procurement Capacity Development Centre at www.unpcdc.org.

15   The partner countries that participated in the PD were asked only to provide such information on the United Nations, not individual agencies. Countries that
     provided UNDP-specific information on a voluntary basis were: Armenia, Botswana, Cambodia, Chad, Comoros, Indonesia, Kenya, Lao PDR, Nepal, Niger, Rwanda,
     Sudan and Tanzania.

(especially indicators 3 and 7) when partner country budgeting practices differ and in quite a few cases do not correspond to the assumptions made by the OECD survey – i.e., that developing countries want all off-treasury aid to government to be recorded on budget.

> **Box 1: The national budget in Nepal**
>
> Indicator 3 on the alignment of aid flows is based on the assumption that aid is only aligned with national priorities if it is reflected in the budget. In Nepal, the government does not put technical assistance on budget, even when it is aligned and properly reported by donors. Technical assistance is reflected in a separate document (blue book). Consequently, donors with large volumes of technical assistance will score low on indicator 3. Nepal's budget practice also affects donor scores on indicator 7, since total donor estimates for the government sector including technical assistance are compared with actual disbursements recorded by the government, which in Nepal do not include technical assistance.

Where expanded technical assistance is required, UNDP has moved away from direct technical assistance to coaching and mentoring, investments in leadership development and comprehensive capacity development facilities to provide longer-term capacity development, using locally available resources or resources of a South-South nature. The results of the 2010 PD Survey for **indicator 4 on coordinated technical cooperation** show that 73 percent of UNDP technical cooperation is coordinated (see Annex 3 on indicator 4), surpassing the global 2010 target of 50 percent of technical cooperation being coordinated for capacity development.

If measured according to the OECD DAC definitions for **indicator 5a on using country public financial management systems**, 24 percent of UNDP's assistance for government sectors used country public financial management systems in 2010 (see Annex 3 on indicator 5a). Figure 3 also shows that there are differences between the use of different components of public financial management systems. While these results reflect the aggregate figures of validated data at country level, they should be interpreted cautiously. Differences across countries may be attributable to different understandings of OECD DAC definitions with regard to public financial management procedures. Bound by UNDP Financial Regulations and Rules approved by its Executive Board, UNDP usually does not disburse directly to the treasury of the country in question and requires financial reporting and auditing on the basis of UNDP's chart of accounts.[16] The only exception is UNDP's direct sector budget support, which has been approved for piloting by the Executive Board in 2008.[17] Prior to this decision, UNDP Financial Regulations and Rules did not allow for financial contributions to direct budget support and pooled funds. The 2008 Executive Board decisions enable UNDP in exceptional circumstances to provide a limited financial contribution to a sector budget support fund if so requested by the programme government. When reviewing proposed changes to the financial regulations and rules, the members of UNDP's Executive Board have always been very concerned about ensuring acceptable levels of controls, as well as separation of duties. These controls limit UNDP's ability to fully conform to OECD DAC criteria for using country public financial management systems.

---

16 See UNDP Financial Regulations and Rules, 1 March 2005 (as per Executive Board decision 2005/1). A comprehensive revision of the UNDP financial regulations was carried out during 2004 (Revision of UNDP financial regulations (DP/2005/3) and related decision (2005/1).

17 In its June 2008 session, the Executive Board endorsed the necessary amendments to the Financial Regulations to enable financial contributions to sector budget support and pooled funds (DP/2008/36 and DP/2008/53).

UNDP also falls short of the 2010 target for **indicator 5b on using country procurement systems**. While only 13 percent of UNDP's assistance for government sectors uses country procurement systems (see Annex 3 on indicator 5b), which might seem surprisingly low, UNDP's rules and regulations do not prevent the use of country procurement systems. Indeed, UNDP's corporate Guidance and Procedures for National Implementation of UNDP-supported Projects are intended to strengthen national capacities, making government institutions, as implementing partners, responsible for the technical and administrative implementation of a development cooperation project with UNDP.[18] Government regulations, rules and procedures therefore apply to project implementation only if they do not contravene the principles of the Financial Regulations and Rules of UNDP. The compliance with the principles of the Financial Regulations and Rules approved by UNDP's Executive Board is assessed during the evaluation of the implementing partner's capacity. However, governments often request UNDP's procurement support services, even when a government institution's capacity for project implementation, including procurement, is deemed sufficient.

FIGURE 3: UNDP'S USE OF PFM SYSTEMS (74 COUNTRIES)
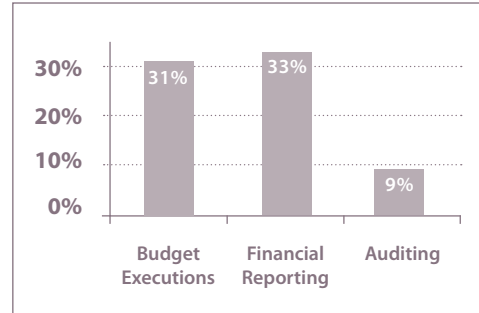
Beyond its corporate guidance and procedures for national implementation of UNDP-supported projects, UNDP was instrumental in developing and applying the Harmonized Approach to Cash Transfers (HACT) in coordination with the other UN agencies, which provides standardized approaches to manage the risks of working with national governments with the aim of increasing national implementation of UN projects and to ensure that funds are used as efficiently as possible.[19] UNDP has further developed guidelines on how to assess risks and select the programme implementation modality that best suits the risks of working with national government partners.[20] The guidance clarifies the respective accountabilities of national governments and UNDP, applies a risk-based framework to establish the programme, and provides for assurance activities based upon risk, including independent external audits. By instituting these reforms, UNDP has made its own interventions more efficient and effective while respecting the limitations imposed by conscientious risk management as required by its Executive Board.

UNDP's performance vis-à-vis **indicator 6 on avoiding parallel project implementation units** is difficult to evaluate because the indicator measures absolute figures and there are no baselines available for UNDP's performance in 2005. In 2010, there were 261 parallel UNDP PIUs, with an average country ratio of 4 parallel PIUs (see Annex 2 and Annex 3 on indicator 6). While these figures might appear high, the number of parallel PIUs of the United Nations, and UNDP in particular, cannot be compared with that of bilateral donors. UNDP plays a crucial and necessary role in managing donor funds on behalf of governments in situations of conflict and fragility, where bilateral donors frequently solicit UNDP to establish parallel PIUs to reduce fiduciary risk during transition periods. Bilateral partners often have concerns that public financial management in crisis and post-crisis situations does not correspond to their fiduciary requirements. UNDP, being neutral and multilateral, is then called upon to manage funds on behalf and in close collaboration with key national counterparts

---

18   UNDP 2011, National Implementation by the Government of UNDP Supported Projects: Guidelines and Procedures.

19   The UNDG website provides more information on the Harmonized Approach to Cash Transfers.

20   See UNDP Risk Management Guidelines.

in accordance with the highest fiduciary standards. UNDP's role as principal recipient to manage grants of the Global Fund to Fight AIDS, Tuberculosis and Malaria in some high-risk, low-capacity countries is a case in point.[21] UNDP's comprehensive corporate system of accountability provides a robust and transparent framework that aligns organizational activities to the delivery of value for money by helping UNDP and implementing partners to be accountable for their activities, to manage risks, and to ensure that adequate controls exist to achieve results.

Harmonization

The UN Resident Coordinator and UNDP's convening capacity at country level – exercised through round table mechanisms, like-minded donor groups, sector and thematic working groups and other mechanisms – provides a trusted and neutral platform for the harmonization of donor practices. In over 80 countries, UNDP has been supporting governments to customize and operationalize aid coordination mechanisms. In 37 of 41 African countries, UNDP provides the lead support from development partners to government for the national aid coordination mechanism. In countries like Liberia and Indonesia, UNDP has supported the government in formulating national capacity development strategies that serve as umbrella intervention frameworks for the intervention of development partners.

According to the 2010 results of the PD Survey for **indicator 9 on the use of common arrangements and procedures**, 53 percent of UNDP's support is programme-based, slightly short of the 66 percent target for coordinated mechanisms for aid delivery. This fairly positive result is due to the coordinated aid delivery in several of its largest country offices, such as Afghanistan and DR Congo, where much of UNDP's total programming resources is spent. The average country ratio for coordinated mechanisms of aid delivery is 30 percent only (see Annex 2 and Annex 3 on indicator 9). Nevertheless, beyond its own performance, UNDP actually facilitates common arrangements and procedures for donors and other stakeholders by setting up multi-donor trust funds or other joint funding arrangements to coordinate support to a national programme or sector.[22] The Executive Board decision on UNDP engagement in sector budget support and pooled funding has also improved its internal operating guidelines to further enable it to be a custodian of pooled funding arrangements in support of programme-based approaches.

UNDP is committed to coordinating joint missions and country analytic work to alleviate the administrative burden of its national counterparts. Much progress has been made to better coordinate analytic work, missions and programming within the United Nations Country Team, as reflected in the revised UNDG guidelines for United Nations Development Assistance Frameworks. With regard to the Paris Declaration **indicator 10 on joint missions and country analytic work**, the 2010 results show that UNDP has surpassed the 2010 target for joint missions, with 42 percent of its missions coordinated. On joint analytic works, UNDP comes close to reaching the 2010 target, with 59 percent (as against a target of 66 percent) of its analytic work being coordinated. This target will foreseeably be surpassed soon, given the new UNDAF guidelines that are being rolled out to country level.

---

21 Global Fund to Fight AIDS, Tuberculosis and Malaria, Results with Integrity: The Global Fund's Response to Fraud, April 2011.

22   More information on UNDP-administered multi-donor trust funds and joint programmes can be found on the website of the MDTF Gateway.

Transparency and predictability

As one of the founding members of the International Aid Transparency Initiative (IATI), UNDP is committed to the transparency agenda and improving the quality and timeliness of information about ongoing and future external flows, which partner countries and other stakeholders can use for better national development planning, budgeting, aid management and accountability. As mentioned earlier, UNDP is a member of IATI's Steering Committee and leads the Secretariat's work on partner country outreach.[23] As part of its development and implementation, UNDP is organizing regular consultations among partner countries, which serve as fora for peer learning and exchange in the areas of aid information management, transparency, budget alignment and mutual accountability.

UNDP has a long-standing commitment to transparency, with UNDP Country Offices publishing financial, procurement, programme and project level information on respective websites for more than four years. UNDP has developed and published an Information Disclosure Policy that makes clear its commitment to making information about its programmes and operations available to the public. The organization is also devoting considerable resources to adopting the International Public Sector Accounting Standards (IPSAS) by 2012, which will be a significant step towards further enhancing UNDP's transparency and accountability. UNDP plans to implement the transparency standard adopted by IATI in a phased and cost-effective approach to provide better information about its development work to partners and the public. The organization is committed to publishing an initial IATI data set in time for the High-Level Forum on Aid Effectiveness in Busan. The organization has set aside the necessary resources for expanding the scope of information published and improving its timeliness during the period 2012-2013.

UNDP has also been a key actor in supporting the establishment and utilization of aid information management systems in over 40 countries as a means to promote transparency, systematize data collection and use, and aid management by governments and national stakeholders. Such aid information management systems have proven pivotal to improving aid information at country level, including within different branches of the executive; to promoting transparency to non-executive stakeholders in some cases; and to providing a basis for an informed and constructive dialogue among donors and national counterparts. Particularly in post-conflict countries, aid information management systems have been critical tools for increasing the timeliness and availability of information on external flows and supporting the relaunching of national development planning and budgeting (e.g., Iraq, DR Congo, Burundi, Sierra Leone, Liberia, Afghanistan, Pakistan). Some countries (e.g., Rwanda) are using their aid information management systems to track the performance of development partners. With the implementation of the IATI standard by donors and other organizations, partner countries will have better access to information on aid flows and will be better able to supplement it with the relevant local classifications (budget and national development plan).

With regard to the PD **indicator 7 on predictable aid**, disaggregated figures for UNDP on budget aid have been made available in only eleven countries.[24] Of those, the average country ratio is 30 percent (see Annex 3 on indicator 7). UNDP has calculated this value using the OECD DAC's approach: in cases where UNDP disbursed

---

23 By May 2011, 20 developing countries had endorsed IATI, with the engagement of UNDP at HQ and country level. Pilots were organized in five partner counties (Burkina Faso, Colombia, DR Congo, Malawi and Rwanda) in 2010 to test the common data exchange format developed by IATI, and more implementation tests are planned in 2011 using information provided by the early implementers of the transparency standard.

24 As with indicator 3, partner countries that participated in the PD were asked to provide such information only on the United Nations, not on individual agencies. Countries that provided UNDP-specific information for indicator 7 on a voluntary basis were: Armenia, Botswana, Cambodia, Indonesia, Kenya, Lao PDR, Nepal, Niger, Rwanda, Sudan and Tanzania.

more than scheduled, the ratio used in indicator 7 is inverted so as to avoid the cancelling-out caused by over- and under-disbursements. The OECD DAC has adopted this approach to calculating indicator 7 to recognise that over-disbursement (donors disbursing more than scheduled) can be as challenging for a developing country government as under-disbursement (a donor disbursing less than the amount scheduled) as it hinders effective planning, budgeting and execution. Without inverting the ratio used in indicator 7, UNDP's average country ratio is 110 percent for the eleven countries where data is available – in other words, UNDP has been disbursing more than scheduled. This result is indicative of UNDP's difficulties in improving the predictability of its assistance to developing countries, given that UNDP itself is largely funded by voluntary contributions of bilateral and other multilateral donors.[25] The predictability of UNDP's contributions to developing countries is therefore dependent on the predictability of funding from its own donors. As long as the predictability of voluntary contributions to UNDP is limited, it will remain difficult for UNDP to provide predictable financial figures to its programme countries.

The term 'tied aid' refers to aid that donors give with the condition that the sourcing of goods and services of aid-funded activities be purchased from suppliers in the donor country. Hence, the PD **indicator 8 on untied aid** does not apply to the United Nations with its 193 member states, which has an open procurement policy.

Results and mutual accountability

Supporting the improvement of results-based development management and mutual accountability mechanisms at country level is one of the cornerstones of UNDP's engagement with developing countries. Since 2006, UNDP has worked to improve mutual accountability mechanisms in numerous countries – including by supporting developing aid policies and strategies, country-level reviews of aid effectiveness indicators, assessments towards these targets, and capacity development for aid information management.[26] UNDP's support to aid information management and the establishment of aid information management systems has enabled governments to hold donors accountable to their financial commitments and to improve transparency of and mutual accountability for development results.

UNDP has also been supporting the Development Cooperation Forum of the United Nations Economic and Social Council to focus on mutual accountability within the framework of its regular high-level symposia as well as during the Forum itself.[27] UNDP partnered with UN DESA in 2010 and 2011 to conduct a 'Review of Progress in International and National Mutual Accountability and Transparency in Development Cooperation' in over 50 countries. In 2010, the analysis of this evidence formed the basis of the United Nations' 2010 Development Cooperation Report.[28] In partnership with Ghana, Tanzania, Ireland, Switzerland and UN DESA, UNDP is using this evidence to inform and strengthen the cluster work of OECD DAC Working Party on Aid Effectiveness' on ownership and mutual accountability and to provide guidance on international and national mutual accountability. UNDP also facilitated the organization of two subregional workshops on mutual accountability in Africa in early 2011 and developed a targeted support package in the lead-up to HLF 4 to improve mutual accountability mechanisms in several pilot countries. Most recently, UNDP facilitated a peer-learning mission from African lusophone countries, Togo and Madagascar to Mozambique to learn from Mozambique's experience in

---

25   Voluntary contributions to UNDP's regular (core) resources reached US$1.01 billion in 2009. Combined earmarked (non-core) contributions to UNDP in 2009 reached US$3.67 billion. Earmarked resources represent an important complement to the regular, non-earmarked resource base of UNDP. However, the ratio of earmarked to non-earmarked regular resources remained imbalanced in 2009. Contributions to UNDP's resources remain hard to project and the impact of the global economic and financial crisis makes projections harder than ever. See UNDP Annual Report.

26   See UNDP Annual Report 2010, Global Project on Capacity Development for Aid Effectiveness.

27   UN DCF also organized jointly with UNDP a side event on transparency and mutual accountability during the MDG Summit in New York in 2010.

28   United Nations 2010, Trends and progress in international development cooperation, Report of the Secretary-General, E/2010/93.

mutual accountability. The mission resulted in these countries developing their national strategies and plans to promote mutual accountability between a host country and donors. UNDP will continue to support this peer learning and South-South process.

As with indicators 1 and 2 of the PD Survey, **indicator 11 on results-oriented frameworks** does not evaluate key partners' support to governments and national stakeholders in establishing, implementing, monitoring and evaluating results-oriented frameworks for development management. Developing countries rely on UNDP for a range of support services to design results-oriented national development strategies that seek to accelerate progress towards the MDGs. From 2008 to 2010, UNDP worked on poverty reduction and MDG achievement in 138 country offices. Indeed, 13 percent of all UNDP expenditures in 2010 related directly to support for MDG-based development strategies and for planning, monitoring, and evaluating MDG progress.[29]

Box 2: The Jakarta Commitments

The Jakarta Commitments (JC) were signed in 2009 by the Government of Indonesia and 21 development partners. They are a compact between the Government and its donor partners to implement the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, adapting the principles to the context of Indonesia as a newly emerged middle-income country. At the launch, Indonesia's Minister of Finance called the Jakarta Commitments the start of a new era of donor relations in Indonesia.

The UNDP-facilitated Capacity Development for Development Effectiveness (CDDE) Facility has worked to bring experience from other countries in the region to bear on the implementation of the JC. The Government has been able to establish an aid effectiveness secretariat and a multi-donor programme of support drawing on experiences in Cambodia. It is now implementing a capacity assessment and response exercise based on a methodology piloted in Nepal. Importantly, the CDDE Facility will also provide opportunities for the Government of Indonesia to share lessons and perspectives from its experience of implementing a ground-breaking MIC aid policy, which is already receiving interest from within the region and further afield such as in El Salvador.

Similarly, UNDP would have liked to see partners' support to improving mutual accountability mechanisms reflected in indicator 12 on mutual accountability. Developing countries' nominations of donor focal points for the 2011 PD Survey are a revealing illustration of UNDP's support in this area. Governments have nominated UNDP as the donor focal point or co-focal point in 73 of the 88 surveyed countries (83 percent). This figure indicates the governments' appreciation of UNDP's facilitator role for aid coordination and donor-recipient relationships, as well as the amount of trust that governments have in UNDP's support to improve mutual accountability around aid effectiveness.

UNDP's key role in supporting governments and national counterparts to anchor the aid effectiveness principles at country level has contributed to improving mutual accountability on implementing the Paris principles at country level (see Box 2). In the Asia-Pacific region, UNDP and the Asian Development Bank have been instrumental in establishing the Capacity Development for Development Effectiveness (CDDE) Facility, which has specifically focused on supporting countries in strengthening their mutual accountability mechanisms and development results.

29 UNDP 2011, Mid-Term Review of the UNDP Strategic Plan.

COUNTRIES AFFECTED BY CONFLICT OR FRAGILITY

While support to aid effectiveness is important in any kind of context, UNDP plays an essential role in situations of conflict and special development. International support in such complex and rapidly evolving situations is often a high-risk undertaking and fundamentally political. Within the international community, the United Nations plays a critical and significant role in peace-building efforts. At the same time, the United Nations system is only one of several actors working to support post-conflict countries, and the coherence of this broader international effort is key to helping countries to succeed in their efforts to construct a viable peace. Partnerships and coordination among the main regional and international actors are essential.

In 2009 and 2010, 87 UNDP Country Offices supported national governments in crisis prevention and post-crisis contexts, ranging from direct technical and financial support to policy leadership and to the coordination of international agencies to ensure effective and timely response to crisis. Within the United Nations family, UNDP works for long-term peace-building and state-building, with a focus on laying the foundations for sustainable development. UNDP's support to post-conflict partnerships and coordination efforts is therefore geared towards strengthening the capacities of national stakeholders for aid coordination and management, with a view to improving mutual accountability and towards supporting the establishment of transition compacts between development partners and national stakeholders. Partnership with the World Bank plays a particularly important role.

UNDP's mandate and role to strengthen national capacities and ownership in transition

It is challenging to strengthen government capacity for aid coordination and management in post-conflict settings. Legitimate, established and competent state institutions are often lacking. International partners are faced with a double challenge of obtaining adequate information on aid inflows for coordination and information-sharing purposes, while aiming to strengthen the government's capacity to manage and coordinate assistance. External partners often need to prioritize immediate results to strengthen confidence and to focus on the donor community's need for coordination and information sharing, but should not neglect investing the time and energy to build or rebuild government capacity.

UNDP acts collaboratively with the United Nations development system and partners to support countries in transition through needs assessments, coordination efforts, and mobilization of both humanitarian response and transition funding. UNDP's work on disaster recovery, such as UNDP interventions after the Indian Ocean tsunami or the earthquake in Haiti, has helped countries speed the transition from the humanitarian phase to recovery and development. In the past few years, the United Nations system has invested considerable resources, both internally and with partners such as the World Bank, to develop methodologies that can serve as valid building blocks for strengthening country ownership and leadership of transition processes and for improving mutual accountability compacts between transition countries and external partners.

UNDP has been collaborating closely with the OECD DAC to prepare transition countries for the 2011 Survey of the Fragile States Principles.[30] UNDP has trained developing country representatives on the survey methodology as part of the regional preparations for the 2011 PD Survey. UNDP is also supporting participating governments at country level to administer and complete the survey. In 12 of 14 countries participating in the Fragile States Survey 2011, UNDP and the United Nations are functioning as the international focal point.

---

30 See the Principles for Good International Engagement in Fragile States and Situations.

UNDP is also collaborating very closely with the OECD DAC to facilitate partner country participation in the International Dialogue on Peacebuilding and Statebuilding, in preparation for HLF 4.

UNDP's support to the RC system on transition financing

As the custodian of the Resident Coordinator system of the United Nations, UNDP also provides support to the Resident Coordinator's office to play a lead role in mobilizing transition financing, in close coordination with national counterparts. In many instances, UNDP establishes common funding arrangements for donors and other stakeholders to coordinate support to a national programme or sector. Particularly in post-crisis settings, UNDP-administered multi-donor trust funds and other joint funding arrangements have enabled donors to provide large amounts of resources for transition financing, when doubts in the capacity of public financial management systems prevent donors from providing support directly to government.

As part of the United Nations' efforts to enhance United Nations system-wide coherence, UNDP expanded the number and diversity of multi-donor trust funds (MDTFs) it administers. The United Nations MDTF mechanism is a financial instrument with an agreed Administrative Agent (AA) to receive funds from multiple donors and report on their use – transfer of funds to multiple UN participating organizations. A MDTFs steering committee is normally chaired by the RC and Government, typically including all UN participating organizations, together with government line ministries and donors. Such UNDP-administered MDTFs, UN joint programmes and other joint funding modalities are providing a means for the United Nations, donors and other stakeholders to strengthen national leadership for transition and to harmonize and coordinate support.

Box 3: UN Multi-Donor Trust Funds

MDTFs provide more flexible, coordinated and predictable funding to support the achievement of nationally owned and determined priorities. By channeling donor contributions through a pooled mechanism, MDTFs aim to facilitate and streamline donor contributions, and align donor reporting in order to reduce transaction costs. By improving coordination among all stakeholders, MDTFs can also provide a forum for policy dialogue and programmatic coordination and harmonization.

UNDG Guidance Note on Establishing Multi-Donor Trust Funds, March 2010 – provisional

CONCLUSIONS AND RECOMMENDATIONS

With the exception of using country systems where further progress is needed, UNDP is faring well overall in reaching the 2010 Paris Declaration targets on effective aid. Slow progress on UNDP's use of country systems mirrors the slow progress of most donors in increasing the use of country systems.[31] Equally, UNDP's implementation of a number of Paris Declaration principles, like the use of country systems and direct budget support, hinges on the decisions of its Executive Board, particularly those relating to internal rules and procedures, transparency and disclosure policy. On the other hand, UNDP has made great strides toward aligning aid flows with national priorities and improving the predictability of its assistance. While further efforts on harmonizing its support are needed, ongoing improvements to United Nations and UNDP programming and system-wide coherence are already expected to improve this.

UNDP is committed to continuing its two-pronged engagement in the Paris Declaration process: to engage on development cooperation issues with partners and stakeholders globally and regionally and to support developing countries in implementing aid effectiveness commitments and in participating in global development cooperation fora. UNDP supports a global aid effectiveness agenda that focuses on achieving the Paris and Accra commitments, as well as on the evolving development cooperation architecture and on reaching a political agreement on the post-Busan aid and development effectiveness agenda and partnerships, including with non-DAC donors. Such an agenda should address different typologies of countries (least-developed countries, conflict-affected countries, middle-income countries), with special emphasis on countries affected by conflict and fragility, as well as the potential of scaling up South-South cooperation. Addressing development assistance for global public goods, such as climate change financing and management, should also get important expression at Busan, with linkages to work underway at the United Nations and globally.

UNDP strongly supports the need for broad political consultations on aid and its effective use for development. To address broad multi-stakeholder dialogue on the quality of aid and policy coherence around development financing, the United Nations ECOSOC has established the United Nations Development Cooperation Forum. At the global level, the UN multi-stakeholder biennial Development Cooperation Forum has played a major role in advancing the debate on aid quantity and quality, policy coherence, mutual accountability and aid transparency. Post Busan, it can be used as the principal global multi-stakeholder forum, where developed and developing countries hold each other to account on international development commitments.

This global work would be complemented by the United Nations acting as a coordinator at the country level to support partner country governments in setting up and assuming leadership of policy dialogue and mutual accountability mechanisms on development cooperation. UNDP has a particular role to play as coordinator of the UN system and facilitator on the ground.

The PD implementation report highlights the need for UNDP, in partnership with others actors, to strengthen its focus on fostering inclusive national ownership and country-specific donor/government partnership frameworks, based on the 'unfinished business' from the Paris process, mutual accountability and results. This conceptual framework will guide UNDP country activities to build country-level partnerships for development results.

---

31   Reference to overall 2011 PD Survey results.

Photo Credits: Dennis Yeandle/UNDP

The United Nations is best placed to bridge the challenges posed by transition from crisis to recovery, from humanitarian action to development and from peace-keeping to peace-building – activities that can assist countries to move along a sustainable development path. The International Dialogue on Peacebuilding and Statebuilding has created a new forum where donors and conflict-affected states come together to discuss practical ways to deal with this challenge. The five new global Peacebuilding and Statebuilding Objectives, as agreed upon by the International Dialogue, can help to prioritize and demonstrate progress and create the conditions for MDG achievement in countries affected by conflict or fragility. UNDP will seek to prioritize aid in countries affected by conflict and fragility and demonstrate development progress by fostering inclusive political settlements and conflict resolution; establishing and strengthening people's security; addressing injustices and increasing people's access to justice; generating employment and improve livelihoods; managing revenues; and building capacity for accountable and fair social service delivery.

ANNEXES

- The following tables provide data for UNDP for all indicators that are based on donor data drawn from the 2011 Survey on Monitoring the Paris Declaration (indicators 3 to 10b, but excluding indicator 8, which is based on OECD DAC data on untied aid).

- More detailed information on methodology and definition of the Paris Declaration indicators can be found in the OECD DAC Survey Guidance for the 2011 Survey.

- As part of the United Nations, UNDP has participated in all three Surveys on Monitoring the Paris Declaration. However, disaggregated data on UNDP is only available for the 2011 Survey on Monitoring the Paris Declaration.

- Data is presented for the 74 UNDP country offices that have taken part in the 2011 Survey on Monitoring the Paris Declaration (referred to as "UNDP in 74 countries"), as detailed in Annex 1. For comparative purposes, 2011 survey figures are also provided for the set of 50 UNDP country offices that also participated in the 2008 Survey ("UNDP in 50 countries") and for the set of 30 UNDP country offices that already took part in the 2006 Baseline Survey ("UNDP in 30 countries").

ANNEXES

Annex 1: UNDP country office participation in all three surveys

NO.	UNDP COUNTRY OFFICE	2011	2008	2006
	Bolivia*	X	X	X
	Cape Verde*	X	X	X
1	South Africa	X		X
2	Afghanistan	X	X	X
3	Albania	X	X	X
4	Bangladesh	X	X	X
5	Benin	X	X	X
6	Burkina Faso	X	X	X
7	Burundi	X	X	X
8	Cambodia	X	X	X
9	Congo, Democratic Republic	X	X	X
10	Dominican Republic	X	X	X
11	Egypt	X	X	X
12	Ethiopia	X	X	X
13	Ghana	X	X	X
14	Honduras	X	X	X
15	Kenya	X	X	X
16	Kyrgyzstan	X	X	X
17	Malawi	X	X	X
18	Mali	X	X	X
19	Mauritania	X	X	X

NO.	UNDP COUNTRY OFFICE	2011	2008	2006
20	Moldova	X	X	X
21	Mongolia	X	X	X
22	Mozambique	X	X	X
23	Niger	X	X	X
24	Peru	X	X	X
25	Rwanda	X	X	X
26	Senegal	X	X	X
27	Tanzania	X	X	X
28	Uganda	X	X	X
29	Viet Nam	X	X	X
30	Zambia	X	X	X
31	Cameroon	X	X	
32	Central African Republic	X	X	
33	Chad	X	X	
34	Colombia	X	X	
35	Gabon	X	X	
36	Haiti	X	X	
37	Indonesia	X	X	
38	Jordan	X	X	
39	PISG Kosovo	X	X	
40	Lao PDR	X	X	

NO.	UNDP COUNTRY OFFICE	2011	2008	2006
41	Liberia	X	X	
42	Madagascar	X	X	
43	Morocco	X	X	
44	Nepal	X	X	
45	Nigeria	X	X	
46	Papua New Guinea	X	X	
47	Philippines	X	X	
48	Sierra Leone	X	X	
49	Sudan	X	X	
50	Togo	X	X	
51	Ukraine	X	X	
52	Armenia	X		
53	Bosnia and Herzegovina	X		
54	Botswana	X		
55	Comoros	X		
56	Ecuador	X		
57	El Salvador	X		
58	Fiji	X		
59	Gambia	X		

NO.	UNDP COUNTRY OFFICE	2011	2008	2006
60	Guatemala	X		
61	Guinea-Bissau	X		
62	Jamaica	X		
63	Lesotho	X		
64	Namibia	X		
65	Occupied Palestinian Territories	X		
66	Pakistan	X		
67	Samoa	X		
68	Sao Tome and Principe	X		
69	Solomon Islands	X		
70	St. Vincent and the Grenadines	X		
71	Swaziland	X		
72	Tajikistan	X		
73	Timor-Leste	X		
74	Vanuatu	X		
	Tonga*	X		
	Cote d'Ivoire		X	
	Nicaragua		X	X
	Yemen		X	X

* The UNDP Country Office participated in the 2011 Survey, but disaggregated data on UNDP is not available.

Annex 2: UNDP survey data – overview

	Indicators	Definitions	Response	Indicator Values		Average country ratio (for reference)	
				2010		**2010**	
			2010	**Baseline countries**	**All (74) countries**	**Baseline countries**	**All (74) countries**
3	Aid flows are aligned on national priorities	Aid for government sector in budget (USD m)	253	31%	46%	--	--
		Aid disbursed for government sector (USD m)	431				
4	Strengthen capacity for coordinated support	Coordinated technical cooperation (USD m)	941	71%	73%	71%	73%
		Technical cooperation (USD m)	1,295				
5a	Use of country public financial management systems	Use of PFM systems (USD m)	561	35%	24%	22%	18%
		Aid disbursed for government sector (USD m)	2,297				
5b	Use of country procurement systems	Use of procurement systems (USD m)	306	15%	13%	21%	16%
		Aid disbursed for government sector (USD m)	2,297				
6	Avoid parallel implementation structures	Number of parallel PIUs (number)	261	91	261	3	4
		Number of countries (number)	74				

7	Aid is more predictable	Aid recorded as disbursed (USD m)	234	36%	30%	--	--
		Aid scheduled for disbursement (USD m)	277				
8	Aid is untied	Untied aid (USD m)	--	--	--	--	--
		Total bilateral aid (USD m)	--				
9	Use of common arrange-ments or procedures	Programme-based approaches (USD m)	1,381	79%	53%	51%	30%
		Total aid disbursed (USD m)	2,610				
10a	Joint missions	Number of joint missions (number)	280	56%	42%	--	--
		Total number of missions (number)	669				
10b	Joint country analytic work	Number of joint analyses (number)	216	57%	59%	--	--
		Total number of country analyses (number)	365				

Annex 3: Data per indicator

INDICATOR 3: ARE GOVERNMENT BUDGET ESTIMATES COMPREHENSIVE AND REALISTIC?					
UNDP in:	No. of countries 2010	Government budget estimates of aid flows for 2010	Aid disbursed by donors for government sector in 2010	Indicator 3 (average country ratios)		
		(US$ m)	(US$ m)	2005	2007	2010
Baseline countries	5	77	148	-	-	31%
All countries	13	253	431	-	-	46%

Note: The 2010 PD Survey only asked aggregate figures on the UN for government budget estimates of aid flows. Government budget estimates of aid flows from UNDP were available in a total of only 13 countries (Armenia, Botswana, Cambodia, Chad, Comoros, Indonesia, Kenya, Lao PDR, Nepal, Niger, Rwanda, Sudan, and Tanzania).

INDICATOR 4: HOW MUCH TECHNICAL ASSISTANCE IS COORDINATED WITH COUNTRY PROGRAMMES?					
UNDP in:	No. of countries 2010	Coordinated technical co-operation	Total technical cooperation	Indicator 4 (c = a/b)		
		(US$ m)	(US$ m)			
		a	b	2005	2007	2010
Baseline countries	30	479	674	-	-	71%
All countries	74	941	1,295	-	-	73%

INDICATOR 5: HOW MUCH AID FOR THE GOVERNMENT SECTORS USES COUNTRY SYSTEMS?

UNDP in:	No. of countries 2010	Aid disbursed for government sector	Public financial management				Procurement	
			Budget executions	Financial reporting	Auditing	Indicator 5a	Procurement systems	Indicator 5b
		(US$ m)	(US$ m)	(US$ m)	(US$ m)	2010	(US$ m)	2010
		a	b	c	d	avg (b,c,d)/a	e	e/a
Baseline countries	29	1,487	682	708	180	35%	229	15%
All countries	72	2,297	719	749	213	24%	306	13%

Note: No data for this question is available from Liberia and South Africa. For the Philippines, data is available on the public financial management aspects only.

INDICATOR 6: HOW MANY PIUS ARE PARALLEL TO COUNTRY STRUCTURES?

UNDP in:	No. of countries 2010	Indicator 6		
		2005	2007	2010
Baseline countries	30	-	-	91
All countries	74	-	-	261

INDICATOR 7: ARE DISBURSEMENTS ON SCHEDULE AND RECORDED BY GOVERNMENT?

UNDP in:	No. of countries 2010	Disbursement recorded by government in 2010	Aid scheduled by donors for disbursement in 2010	Aid actually disbursed by donors in 2010 (for reference)	Indicator 7 (average country ratio)		
		(US$ m)	(US$ m)	(US$ m)	2005	2007	2010
Baseline countries	5	40	134	163	-	-	36%
All countries	11	234	277	467	-	-	30%

Note: Figures on UNDP disbursement recorded by government for were only available in 11 countries (Armenia, Botswana, Cambodia, Indonesia, Kenya, Lao PDR, Nepal, Niger, Rwanda, Sudan, Tanzania).

INDICATOR 9: HOW MUCH AID IS PROGRAMME-BASED?

UNDP in:	No. of countries 2010	Programme-based approaches			Total aid disbursed	Indicator 9		
		Budget support	Other PBAs	Total		2005	2007	2010
		(US$ m)	(US$ m)	(US$ m)	(US$ m)			
		a	b	c = a + b	d			e = c / d
Baseline countries	30	583	689	1,272	1,609	-	-	79%
All countries	74	616	765	1,381	2,610	-	-	53%

INDICATOR 10A: HOW MANY DONOR MISSIONS ARE COORDINATED?

UNDP in:	No. of countries 2010	Coordinated donor missions (missions)	Total donor missions (missions)	Indicator 10a		
				2005	2007	2010
		a	b			c = a / b
Baseline countries	30	171	306	-	-	56%
All countries	74	280	669	-	-	42%

INDICATOR 10B: HOW MUCH COUNTRY ANALYSIS IS COORDINATED?

UNDP in:	No. of countries 2010	Coordinated donor analytical work (analyses)	Total donor analytical work (analyses)	Indicator 10b		
				2005	2007	2010
		a	b			c = a / b
Baseline countries	30	222	388	-	-	57%
All countries	74	216	365	-	-	59%

Annex 4: Resources and further reading

Global Fund to Fight AIDS, Tuberculosis and Malaria 2011, <u>Results with Integrity: The Global Fund's Response to Fraud</u>, April, Geneva.

OECD 2007, <u>Principles for Good International Engagement in Fragile States and Situations</u>, April, Paris: OECD.

OECD 2005/2008, <u>The Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008)</u>, Paris: OECD.

OECD 2006, <u>Survey on Monitoring the Paris Declaration: Overview of the Results</u>, OECD Journal on Development, Paris: OECD.

OECD 2008, <u>Survey on Monitoring the Paris Declaration: Making Aid More Effective by 2010</u>, Paris: OECD.

OECD DAC 2010, <u>Survey Guidance</u>, 2011 Survey on Monitoring the Paris Declaration, Version 28 September, Paris: OECD.

UNDP 2011, Annual Report 2010 of the Global Project on Capacity Development for Aid Effectiveness (2009-2011).

UNDP 2011, <u>Delivering on Commitments: UNDP in Action 2009/2010</u>, New York.

United Nations 2000, <u>United Nations Millennium Declaration</u>, A/RES/55/2.

United Nations 2002, <u>Monterrey Consensus on Financing for Development</u>, International Conference on Financing for Development, 18-22 March 2002, Monterrey, Mexico.

United Nations 2007, <u>UNDP Strategic Plan, 2008-2011: Accelerating Global Progress on Human Development</u>, DP/2007/43.

United Nations 2008, <u>Doha Declaration on Financing for Development</u>, Outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, A/CONF.212/L.1/Rev.1.

United Nations 2008, General Assembly resolution on <u>System-wide Coherence</u>, A/RES/62/277.

United Nations 2008, General Assembly resolution on the <u>2007 Triennial comprehensive policy review of operational activities for development of the United Nations system</u>, A/RES/62/208.

United Nations 2008, <u>The Role of UNDP in the Changing Aid Environment at the Country Level</u>, Supplementary report to DP/2008/36, DP/2008/53.

United Nations 2008, <u>UNDP Engagement in Direct Budget Support and Pooled Funds</u>, DP/2008/36.

United Nations 2009, General Assembly resolution on <u>System-wide Coherence</u>, A/RES/63/311.

United Nations 2010, <u>Trends and Progress in International Development Cooperation, Report of the Secretary-General</u>, Economic and Social Council, E/2010/93.

United Nations 2011, <u>Mid-term review of the UNDP strategic plan and annual report for 2010</u>, DP/2011/22.

United Nations Development Group 2005, Implementing the Paris Declaration on Aid Effectiveness: Action Plan of the United Nations Development Group.

United Nations Development Group 2008, Joint Statement of the United Nations Development Group for the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, Doha, 29 November-2 December 2008.

United Nations Development Group 2008, Joint Evaluation of the UNDG Contribution to the Paris Declaration on Aid Effectiveness, First Phase, New York: UNDP.

United Nations Development Group 2008, Key Messages for the Third High Level Forum on Aid Effectiveness, Accra, Ghana, 2-4 September 2008.

United Nations Development Group 2011, MDG Acceleration Framework, February 2011.

United Nations Development Programme 2010, UNDP Partners Survey 2009.

United Nations Development Programme 2011, Unlocking Progress: MDG Acceleration on the Road to 2015.

Annex 5: Links

African Platform for Development Effectiveness

Aid Effectiveness Portal

Capacity Development for Development Effectiveness (CDDE) Facility

Fourth High Level Forum on Aid Effectiveness

International Aid Transparency Initiative

OECD DAC International Dialogue for Peacebuilding and Statebuilding

OECD DAC International Network on Conflict and Fragility

OECD DAC Working Party on Aid Effectiveness

Public Expenditure and Financial Accountability Program

United Nations Development Cooperation Forum

United Nations Development Group on Aid Effectiveness

United Nations Development Group on Harmonized Approach to Cash Transfers

United Nations Financing for Development Office

United Nations Multi-Donor Trust Fund Office Gateway

United Nations Procurement Capacity Development Centre

UNDP

Empowered lives.
Resilient nations.