4 Mutual accountability mechanisms are adapting to an evolving development landscape

This chapter examines government efforts to establish quality mechanisms for mutual accountability among development actors. It focuses on the existence of policy frameworks for development co-operation and related country-level targets to track progress in the implementation of the effectiveness commitments. It also reviews the regularity, inclusiveness and transparency of assessments of country-level targets.

The 2030 Agenda for Sustainable Development recognises that countries have primary responsibility for planning and implementing national development efforts and for engaging the broadest set of domestic stakeholders in this development planning and implementation (UN, 2015[1]). At the same time, to achieve the Sustainable Development Goals (SDGs) by 2030, it is estimated that trillions in additional investment and finance in partner countries will need to be mobilised each year (UN, 2018[2]). International development co-operation therefore continues to play an important role in many partner countries.

In this context, the concept of mutual accountability in development co-operation refers to development stakeholders, under government leadership, holding each other accountable for agreed commitments. Accountability in development co-operation – between governments and diverse development partners as well as towards citizens, civil society and other development stakeholders – is vital to ensuring efficiency and effectiveness in development activities and thereby maximising impact (OECD, 2011[3]).

The key findings of this chapter are:

- Partner countries are starting to adapt their mutual accountability mechanisms to respond to the 2030 Agenda and an increasingly diverse development landscape. Policy frameworks for development co-operation are becoming more inclusive by setting out roles and responsibilities for more diverse development partners. Likewise, mutual assessments to track progress towards effective development co-operation are becoming more inclusive and are informing SDG reporting on national progress, including voluntary national reviews.

- However, the proportion of partner countries with policy frameworks for development co-operation remains stable, and fewer governments are setting specific country-level targets for effective development co-operation. While targets continue to be set for most traditional partners (OECD Development Assistance Committee [DAC]) and multilateral partners, they generally are not set for other development partners, reflecting a lack of clarity on specific commitments or targets for effective development co-operation with these diverse actors.

- A shift in mutual accountability is taking place. Country contexts that rely heavily on official development assistance (ODA) tend to have quality mutual accountability mechanisms in place for development co-operation, while partner countries that are less dependent on ODA move to other, more holistic accountability structures. This shift also has important implications for the Global Partnership's future monitoring efforts.

Partner countries are rethinking how to best ensure mutual accountability amid shifts in the development co-operation landscape
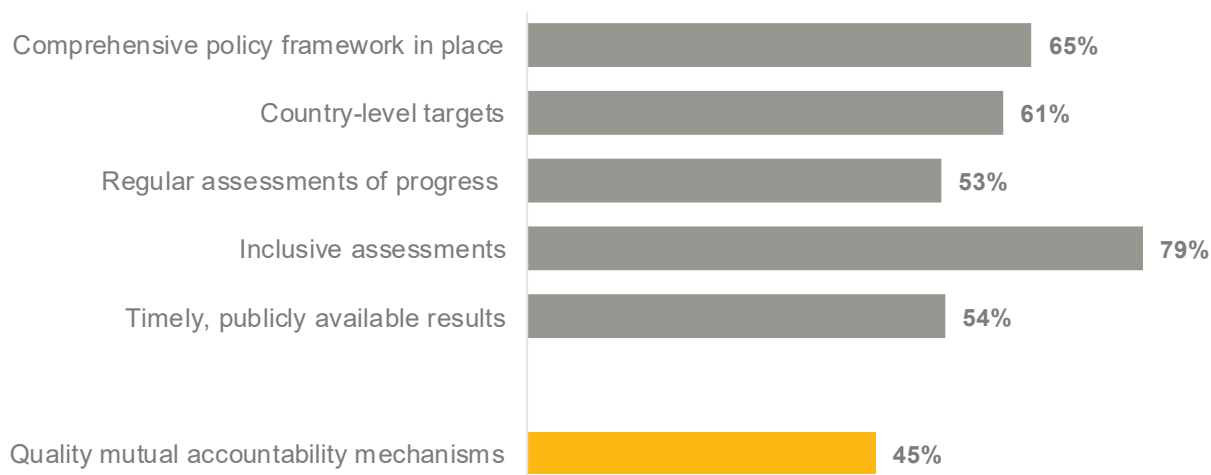
Fewer than half of the countries participating in the 2018 Monitoring Round have quality mutual accountability mechanisms in place. Global Partnership monitoring assesses the quality of mutual accountability mechanisms across five reinforcing components that contribute to strong mutual accountability at country level (Box 4.1). Of the 83 partner countries that reported on this aspect of Global Partnership monitoring, only 45% have at least four of the five components of mutual accountability in place at country level (Figure 4.1). A higher proportion of partner countries had quality mutual accountability mechanisms in place in the 2018 monitoring exercise than in the 2016 round.[1] However, as Figure 4.1 shows, implementation varies considerably according to the component, with, for example, a relatively large share of partner countries (79%) conducting inclusive assessments of effective development co-operation targets but a much smaller proportion (53%) conducting regular assessments.

Mutual accountability is evolving with the changing development co-operation landscape. The ambition of the 2030 Agenda has ignited a shift from a whole-of-government to a whole-of-society approach to development. Partner country governments are leading development efforts, complemented by support from an increasingly diverse set of development partners. With a wider variety of development

financing also available and a wider range of stakeholders engaged in development activities, many partner countries are rethinking and adapting traditional mutual accountability mechanisms to be more inclusive.

Figure 4.1. Less than half of partner countries have quality mutual accountability mechanisms in place

Proportion of partner country governments with quality mutual accountability mechanisms in place and by component

Note: A partner country is considered to have quality mutual accountability mechanisms in place (the bottom bar) when at least four of five components (the top five bars) are met.
Source: Draws on assessment of the quality of mutual accountability mechanisms (Indicator 7) and whether each component is met. Further information is available in GPEDC (2018, pp. 38-40[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

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Box 4.1. Assessing mutual accountability at country level

Mutual accountability underpins the efforts of development actors to meet joint commitments, improve how they work together and increase their development effectiveness. Mutual accountability mechanisms are made up of multiple, reinforcing components that can help to enhance transparency and accountability at country level. Global Partnership monitoring defines and assesses mutual accountability against five components. A country is considered to have quality mutual accountability mechanisms in place if it meets four of these five components:

1. **Is a policy framework for development co-operation in place?** A common policy framework enables effective development co-operation and improves development results by reducing the risk of fragmentation and/or duplication of efforts. It identifies the vision and objectives for development co-operation in a country, the roles and responsibilities of different actors, and the different mechanisms that will be used to support mutual accountability. These often take the form of a policy framework for development co-operation, such as a national development co-operation policy, but also may be embedded in a national development strategy.

2. **Are there country-level targets for effective development co-operation?** Targets are critical to track each stakeholder's progress in implementing effective development co-operation commitments. Clear, specific, measurable and time-bound targets help to operationalise the roles and responsibilities of development stakeholders as defined in the policy framework. Target setting also creates incentives for strategic dialogue, partnership and co-operation among all stakeholders.

3. **Are country-level targets assessed regularly (or are there regular assessments of progress)?** Monitoring progress towards targets holds stakeholders accountable for their commitments and helps to identify ways to boost progress. Regular assessments, held in the past two years as part of the national development planning and co-ordination processes, are critical to track progress on country-level targets for effective development co-operation.

4. **Are assessments of country-level targets inclusive?** Space for multi-stakeholder dialogue incentivises synergies among development stakeholders as well as knowledge sharing and peer learning to inform action towards improved co-operation. Assessments are considered inclusive, "mutual" or "joint" if the government involves a range of development partners to track progress towards targets for effective development co-operation.

5. **Are assessments of country-level targets transparent?** Transparency is a precondition for building trust and meaningful accountability. The results of mutual accountability assessments that track progress towards country-level targets should be made public in a timely manner to ensure transparency. Sharing information publicly also generates domestic pressure for continuous improvements.

Source: (GPEDC, 2018[4]), *2018 Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

The proportion of partner country governments with policy frameworks for development co-operation in place remains stable, but governments are including and defining the roles and responsibilities of diverse development partners. In the 2018 Global Partnership Monitoring Round, 65% of partner countries had a comprehensive policy framework for development co-operation in place; a similar proportion had policy frameworks in place in 2016.[2] Where a policy framework has been established, it recognises the roles and responsibilities of a broad range of stakeholders (Figure 4.2). This reinforces the findings of the UN Development Cooperation Forum (DCF) 2018 survey on mutual accountability (see Box 4.4). A majority of policy frameworks (86%) set out the roles and responsibilities of traditional partners (DAC members and multilateral development partners). Reflecting the more diverse development stakeholder and finance landscape, many policy frameworks also recognise the distinct roles played by Southern providers (51%), civil society organisations (52%), the private sector (54%), parliamentarians (43%), local governments (45%), foundations (23%) and trade unions (25%).

Fewer partner country governments are setting targets for effective development co-operation for the diverse partners recognised in their policy frameworks. Close to two-thirds of partner countries (61%)[3] have established targets for both the government and their development partners on effective development co-operation. This represents a decline over 2016, when 77% of partner countries had such targets in place. When disaggregated by partner, the data show that targets for effective development co-operation typically are in place for traditional partners (DAC members and multilateral development partners) in 86% of partner countries. As Figure 4.2 illustrates, a far smaller proportion of partner country governments set such targets for other development partners: just 44% set targets for civil society organisations, 38% for Southern partners, 38% for the private sector, 22% for foundations and 7% for other actors such as academia. In sum, diverse actors often are included in development co-operation policy frameworks (and in mutual assessments), but seldom have specific targets for effective development co-operation. This reflects a lack of clarity about such targets, and associated commitments with these actors.

Mutual assessments also are becoming more inclusive of a broader range of partners and, encouragingly, are informing SDG reporting. Most (87%) of the 83 partner country governments that reported on mutual accountability in the 2018 Monitoring Round carry out mutual assessments for effective development co-operation in some form. Of these, almost one-third (30%) have embedded mutual assessments in the government's regular development planning and monitoring processes; 23% have not embedded these assessments in national processes, but nevertheless conduct them regularly; and 34% conduct mutual assessments only on an ad hoc basis. As is the case with development co-operation policy frameworks, the mutual assessments that are conducted are inclusive and involve an increasingly broad range of stakeholders. Of the partner countries that carry out assessments, 79% include diverse development actors (disaggregated by partner in Figure 4.2). This is an increase over the 2016 Monitoring Round, in which only 68% of countries carrying out mutual assessments also included diverse development actors. These mutual assessments of targets for effective development co-operation contribute to domestic reporting on SDGs in 67% of partner countries. In addition, around half of partner countries use the assessments to inform voluntary national reviews.

Partner country governments are increasingly making the results of mutual assessments publicly available. In 54% of partner countries, governments provide timely, publicly available results of mutual assessments. A comparison of the countries that reported in both the 2018 and 2016 Monitoring Rounds shows that a higher proportion – 67% in the 2018 exercise versus 58% in the 2016 exercise – are making the joint assessment results publicly available within one year. To assist with the management of development co-operation data and the tracking of mutual assessments, many partner countries have established dedicated information management systems (Box 4.2).

Figure 4.2. Mutual accountability mechanisms are increasingly inclusive

Proportion of partner countries that include diverse development actors in policy frameworks for development co-operation, country-level targets and mutual assessments
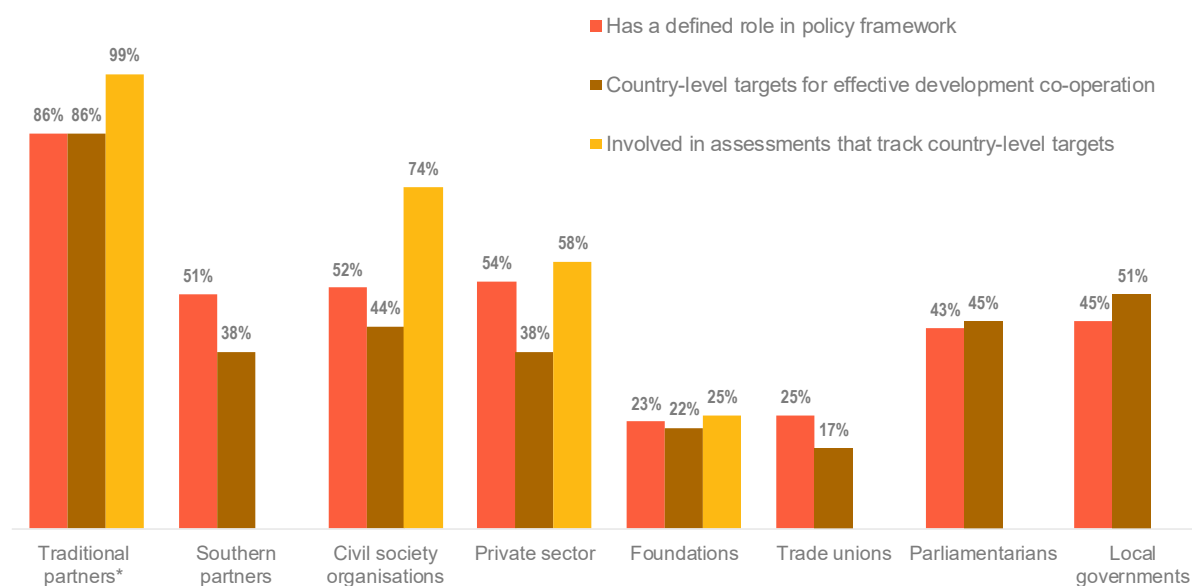
Note: The term "traditional partners" refers to Development Assistance Committee (DAC) members and multilateral partners.
Source: Draws on assessment of the quality of mutual accountability mechanisms (Indicator 7) and whether each component is met. Further information is available in GPEDC (2018, pp. 38-40[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

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Box 4.2. Partner countries' information systems track development co-operation

Partner countries are focused on increasing the transparency of development co-operation data. Information systems, or information management systems, that ensure access to high-quality and timely information on development co-operation help governments to plan and manage resources for development results. Having these systems also helps to increase transparency and oversight of development co-operation. The 2018 monitoring results show that having an aid management system in place helps to increase the share of development co-operation recorded in national budgets. These systems can also guide development partners in co-ordinating their support with other providers to avoid fragmentation and/or duplication of efforts. Relevant and up-to-date data inform mutual assessments and are essential for accountability. Transparent information is critical to track progress and enhancing accountability and can be used to inform regular assessments that track country-level targets for effective development co-operation and link resources to results.

Almost all partner countries (96%) report that they have one or more information management system in place to collect information on development co-operation at country level. Out of these countries, 88% have financial management information systems and/or aid information management systems in place while the remaining 8% only have an Excel-based system or other type of system. Most of these systems (80%) collect information on development partner financial commitments, scheduled disbursements and actual disbursements. Not as many of these systems (60% or less) include information on final expenditures and intended and achieved results. In terms of flows, these systems collect information on grants, concessional and non-concessional loans from official public sources such as multilateral development banks, and technical co-operation. The purpose of these systems is to provide access to relevant, timely and accurate information on development co-operation. Clearly, however, this is only possible to the extent that these systems contain relevant, up-to-date information.

On average, 83% of development partners in country report to the country's information management systems. However, consistency and quality of reporting is lacking (UNDP, 2018[5]). Reporting may be constrained by operational challenges or limitations in providing the relevant information. While significant investments have been made to develop and operationalise these information management systems, there are persistent challenges to maximising their potential to function as useful and practical systems. Overall, challenges aside, weak development partner reporting of relevant development co-operation data to these systems affects the ability of information management systems to link resources to results and thus to inform decision making.

Source: Based on assessment of the transparency of information on development co-operation (complementary information to Indicator 4). Further information is available in (GPEDC, 2018[4]), *2018 Global Partnership Monitoring Guide for National Co-ordinators*, http://effectivecooperation.org/pdf/2018_Monitoring_Guide_National_Coordinator.pdf

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Country contexts that rely heavily on ODA tend to have quality mutual accountability mechanisms in place. Countries with a high ODA dependency[4] (relative to gross domestic product) are significantly more likely to have quality mutual accountability mechanisms in place.[5] These countries continue to develop policy frameworks for development co-operation and undertake mutual assessments, all in an increasingly inclusive and transparent way. The quality of mutual accountability mechanisms and the degree to which the five components are met vary by country context (Box 4.3).

Box 4.3. Mutual accountability mechanisms vary by country context

Least developed countries (LDCs) are leading the way on inclusive assessments of effective development co-operation targets. More than half (52%) of the 42 LDCs that reported on mutual accountability in the 2018 Monitoring Round have quality mutual accountability mechanisms in place. This is the case in a much smaller proportion (37%) of non-LDC countries. More specifically, a significant percentage (84%) of mutual assessments of effective development co-operation targets undertaken by the LDCs are conducted in an inclusive manner. Assessments conducted by the LDCs also are typically more transparent: a higher proportion of LDCs than non-LDCs (63% and 42%, respectively) publish results in a timely manner. However, a lower proportion of the LDCs (61% versus 74% of non-LDCs) use assessment results for domestic reporting on the SDGs.

Extremely fragile contexts[1] are less likely to have a policy framework for development co-operation in place, although their mutual accountability mechanisms are typically inclusive and transparent. Fewer contexts considered by the (OECD, 2018[6])to be extremely fragile (45%) have such a policy framework in place, versus 68% of other fragile and non-fragile contexts combined. However, of the extremely fragile contexts that have a policy framework in place, 90% include relevant development actors in mutual assessments, compared to 77% of other fragile and non-fragile contexts. Similarly, a higher proportion of extremely fragile contexts (70% versus 51%) make the results of these assessments publicly available. Many development partners that were engaged in reporting on the 2018 Monitoring Round in extremely fragile contexts reported that while these assessments exist, their effectiveness is limited due to country context.

Upper middle-income countries (UMICs) are moving away from using mutual accountability mechanisms. Of the 21 UMICs that reported on mutual accountability in the 2018 Monitoring Round, 19% have quality mutual accountability mechanisms in place. Most UMICs (71%) undertake assessments of country-level targets for effective development co-operation. However, in 43% of the UMICs, these assessments are carried out on an ad hoc basis. This may be due to their decreasing reliance on official development assistance, which lessens the incentive to undertake regular mutual assessments and/or embed them in national development planning processes.

1. As previously noted, 45 of the 58 contexts in the 2018 OECD fragility framework are partner countries that participated in the 2018 Global Partnership Monitoring Round; 12 of these are considered extremely fragile and 33 are considered "other fragile".

It is evident that a shift is underway in mutual accountability. Results of the 2018 Monitoring Round highlight the continued use of traditional mutual accountability structures by partner countries for which ODA remains important. At the same time, other country contexts are moving away from these traditional mutual accountability structures. This shift may reflect their orientation towards more diverse, innovative financing with a plurality of partners. These contexts are likely to be considering integrated financing frameworks that bring together the full range of financing sources and non-financial means of implementation available as part of a strategy to raise resources, manage risks and achieve sustainable development priorities (UN, 2019[7]). It is essential to embed the effectiveness principles, including mutual accountability, in these new frameworks so that the experience of effective partnering and its lessons, built up over more than a decade, can benefit the broader co-ordination structures that are taking shape.

Co-ordination structures are evolving and have implications for the Global Partnership monitoring process. Partner co-ordination mechanisms, which often are delineated in policy frameworks for development co-operation, have been a key component of a country's overall co-operation architecture. Many countries have established such mechanisms to bring together stakeholders at the political and technical levels and at the sector level. Centralised aid units, often housed within the ministry responsible

for oversight of development co-operation, have been the traditional channel between governments and their development partners, and responsible for establishing and maintaining co-ordination mechanisms. In response to the 2030 Agenda and the evolving development landscape, government institutions now are changing the way they organise themselves to manage development co-operation, including their co-ordination mechanisms and structures. These structural shifts take time, but have already impacted the way the 2018 Global Partnership Monitoring Round was undertaken at the country level. As a result, the institutional changes likely contributed to the increased demand for support in conducting the 2018 monitoring exercise. They merit attention from the Global Partnership community ahead of its next monitoring round.

Box 4.4. Results of the Development Cooperation Forum survey on mutual accountability

Global Partnership monitoring and the Development Cooperation Forum (DCF) surveys on mutual accountability provide complementary and reinforcing findings on mutual accountability in development co-operation. While findings from the DCF survey are made available at aggregate level, the Global Partnership monitoring exercise allows partner countries that participated in the most recent DCF survey to disclose their responses to it, thereby minimising reporting efforts while adding granularity to the information and analyses. Partner countries that did not participate in the DCF survey have the opportunity to describe the current status of their mutual accountability through the Global Partnership monitoring exercise.

The 5th DCF survey in 2018 found that 67% of responding countries (39 of 58) had a national development co-operation policy or similar policy in place. In line with results from the 2018 Global Partnership Monitoring Round, the 2018 DCF survey found, among other things:

- National development co-operation policies cover a broad range of assistance beyond official development assistance, including technical co-operation, capacity building, South-South and triangular co-operation, domestic resource mobilisation, and, to a lesser extent, private and blended finance for sustainable development.

- Capacity support for monitoring and evaluation systems is needed to track traditional, South-South and private sector efforts for development co-operation.

- National development co-operation policies are inclusively designed. However, there is a need to move from a whole-of-government to a whole-of-society approach, including increased participation in co-ordination mechanisms of private sector and community-based organisations at subnational level.

- While most partner countries have frameworks to track development co-operation, only 38% of countries reported that the tracking of targets improved alignment of partners' activities with national and sectoral priorities.

Source: UN (2018[8]), DCF 5th Global Accountability Survey: FAQ, https://www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/dcf/UNDESA_2018%20DCF%20Study%20on%20mutual%20accountability.pdf

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Notes

[1] The methodology for assessing mutual accountability was revised for the 2018 Monitoring Round. The change strengthened the requirements for meeting two of the components: having a policy framework in place and assessing progress against targets. When the methodology of the 2016 Monitoring Round is applied to data from the 2018 round, the proportion of partner countries with quality mutual accountability mechanisms in place increases from 47% in 2016 to 57% in 2018. The methodology of the 2018 Monitoring Round, which finds that 45% of partner countries have quality mutual accountability mechanisms, will serve as a baseline for future monitoring rounds.

[2] The methodology for assessing this component was revised for the 2018 Monitoring Round. When the 2016 methodology is applied to 2018 data, the results show that the proportion of partner countries with a policy framework for development co-operation in place has remained relatively stable, at 83% in 2016

and 80% in 2018. The methodology of the 2018 Monitoring Round will serve as a baseline for future monitoring rounds (65%).

[3] An additional 27% of partner countries have targets in place for the government alone. In total, 88% of partner countries have targets for either development partners, the government or both.

[4] For each country, ODA dependency is calculated as total ODA over GDP per capita. In the 2018 Monitoring Round, dependency is considered low when the ratio is below 1.5%, medium when the ratio is above 1.5% and below 4%, and high when the ratio is above 4%.

[5] Quality mutual accountability mechanisms are in place in 50% of partner countries with an ODA/GDP ratio of at least 4% and in only 31% of partner countries with an ODA rate of less than 1.5%.