

What is Development Effectiveness?

Development effectiveness seeks to ensure that all efforts in support of development result in positive outcomes.

Global Action

In 2011, the Fourth High Level Forum on Aid Effectiveness, held in Busan, Korea built on efforts agreed in the 2005 Paris Declaration on Aid Effectiveness and the 2008 Accra Agenda for Action. Busan broadened the international debate from aid effectiveness to development effectiveness, shifting from a focus on improving the quality of aid to a focus on improving the quality of all initiatives that contribute to development. Busan also welcomed the efforts of a wide range of actors and emphasised the complementary roles that they play in supporting the efforts of developing countries.

Busan agreed four principles (consistent with agreed international commitments on human rights, decent work, gender equality, environmental sustainability and disability) to form the foundation of a new global approach for effective development under the Global Partnership for Effective Development Cooperation (Global Partnership):

1. **Ownership of development priorities by developing countries.** Partnerships for development can only succeed if they are led by developing countries, implementing approaches that are tailored to country-specific situations and needs;
2. **Focus on results.** Our investments and efforts must have a lasting impact on eradicating poverty and reducing inequality, on sustainable development, and on enhancing developing countries' capacities, aligned with the priorities and policies set out by developing countries themselves;
3. **Inclusive development partnerships.** Openness, trust, and mutual respect and learning lie at the core of effective partnerships in support of development goals, recognising the different and complementary roles of all actors; and
4. **Transparency and accountability to each other.** Mutual accountability and accountability to the intended beneficiaries of our co-operation, as well as to our respective citizens, organisations, constituents and shareholders, is critical to delivering results. Transparent practices form the basis for enhanced accountability.

Pacific Regional Action

In 2009, Pacific Island Forum leaders agreed to the Cairns Compact on Strengthening Development Coordination in the Pacific. The Forum Compact (as it is now called) aims to strengthen coordination of development resources, from both Forum Island countries and development partners. It acknowledges that successful outcomes are reliant on Pacific island countries leading the development effort in their own country, and that those giving and those receiving aid are accountable to each other for getting results.

The Compact is an example of development effectiveness being actioned in the Pacific.

The Forum Compact recognises that successful development outcomes come from country leadership, mutual accountability and mutual responsibility and built on improved governance and service delivery; broad-based, private sector-led growth; and greater investment in infrastructure.

New Zealand Position

The New Zealand Aid Programme is ensuring development cooperation is effective and delivers on our development effectiveness commitments by:

Aligning our work with the priorities and policies of partner governments to strengthen ownership of development priorities by developing countries

- Our country *Joint Commitments for Development* (Pacific) and *Strategic Frameworks for Development* are based on partner country national plans and needs;
- We assess, strengthen and, where appropriate, use partner country systems for planning, implementation, financial management, monitoring and reporting.

Strengthening our focus on results and building partner country capacities to achieve results

- All our Programmes and Activities have Results Frameworks that are informed by results identified by partners;
- We work closely with bilateral, regional and international partners to strengthen the quality and availability of development statistics, data and evaluation findings;
- Our annual Programme planning and report process has systematised the collection of, and reporting on, development effectiveness data.

Building and strengthening inclusive development partnerships

- We work closely with the Pacific Islands Forum Secretariat and the Secretariat of the Pacific Community to support the Forum Compact peer review process and South-South exchanges;
- We have established clear principles and accreditation criteria to strengthen our partnership engagement with New Zealand development actors including civil society and private sector;
- We have strengthened engagement with NZ private sector actors that have technical and resource capacity to add value to achieve development outcomes.

Improving the transparency and accountability of our information sharing and reporting

- Our tracking and reporting on development results has been strengthened to include implementing the Transparency Common Standard for Activity Reporting using the International Aid Transparency Initiative (IATI) Standard;
- We provide four year Forward Aid Plan financial forecasts to partner governments to inform their national budget planning;
- We publish all *Strategic Frameworks for Development* and *Joint Commitments for Development* to our external website.

Within the Ministry, systems and staff capability have been significantly enhanced to support a stronger focus on managing for development results through refreshed business processes including mainstreaming of gender, human rights and environment, application of development effectiveness principles and skills development.

We have issued policy and guidance on the use of partner government Public Financial Management systems. Our Joint Commitments for Development and Forward Aid Plans contain total country aid flows which provide greater predictability for country partners.

Partnership has always been a fundamental feature of the New Zealand Aid Programme. New Zealand has established a strategy to develop innovative partnerships with others for scale and leverage and to achieve impact. When working as a niche donor we develop multi-stakeholder consortiums and leverage other partners and finance by committing early.

We have realigned our organisational structure and programme to encourage the private sector to drive sustainable economic development in partner countries and to engage the New Zealand private sector in New Zealand's international development objectives through the establishment of sector priorities, recruitment of relevant industry expertise and allocation of budget to support a range of private sector interventions

Monitoring and Reporting

The Global Partnership monitors progress against agreed principles by drawing on data from developing countries and other global sources including the OECD¹, CIVICUS² and IATI³. Reports will inform high-level political dialogue during ministerial level meetings planned to occur every 18-24 months.

The Pacific Island Forum Secretariat (PIFS) conducts annual Forum Compact reporting against agreed indicators. Results are publically shared in the annual [Tracking the Effectiveness of Development Efforts in the Pacific](#) report.

New Zealand reports on relevant components of our development cooperation to the OECD and Forum Compact on an annual basis and to IATI every six months.

1 Organisation for Economic Co-operation and Development

2 World Alliance for Citizen Participation (NGO) is an international alliance established to nurture the foundation, growth and protection of citizen action throughout the world.

3 International Aid Transparency Initiative is a voluntary, multi-stakeholder initiative that seeks to improve the transparency of aid, development and humanitarian resources in order to increase their effectiveness in tackling poverty.

Development Effectiveness Action Plan 2014 – 2016

The New Zealand Aid Programme has identified further work to enhance our development effectiveness.

ACTION	TIMEFRAME	RESPONSIBILITY
<p>Ownership of development priorities by developing countries New Zealand will further align our work with the priorities and policies of developing countries by:</p> <ul style="list-style-type: none"> Analysing recommendations and feedback from Pacific partner peer reviews to inform bilateral programme planning and implementation; Assessing and where appropriate using partner government public financial management systems based on established policy; and Strengthening partner country public financial management systems informed by Forum Compact Peer Reviews. 	<p>Ongoing</p> <p>When designing new Activities</p> <p>Annually in Programme planning process</p>	<p>DSE; Programme and Activity Managers</p> <p>Activity Managers</p> <p>Programme and Activity Managers</p>
<p>Focus on results New Zealand will continue to strengthen our own results focus, and ensure our work strengthens partner country capacities resulting in lasting positive development impact by:</p> <ul style="list-style-type: none"> Working closely with partners to build stronger results frameworks; and Making greater use of results information and learning to strengthen Programme and Activity management. 	<p>Annually for Programme Plans; Ongoing for Activity design</p> <p>Ongoing</p>	<p>Posts/Programme and Activity Managers</p> <p>DSE; Posts; Programme and Activity Managers</p>
<p>Inclusive development partnerships New Zealand will continue to build and strengthen inclusive development partnerships by:</p> <ul style="list-style-type: none"> Supporting the Forum Compact peer review process and South-South exchanges through the Pacific Islands Forum Secretariat and the Secretariat of the Pacific Community; and Identifying and developing new partnerships with other governments and donors, and deepening existing ones, to leverage respective strengths to achieve development outcomes. 	<p>Ongoing including a review of NZ in Nov 2014</p> <p>Ongoing</p>	<p>DSE/PACDEV/PHM</p> <p>Posts; Activity Managers; PHM; PACDEV; GLO</p>
<p>Transparency and accountability to each other New Zealand will increase the transparency of our information sharing and reporting by:</p> <ul style="list-style-type: none"> Ensuring information about our Programmes and Activities is easier to access, use and available to key stakeholders via the website; Strengthening our implementation of the international Transparency Common Standard including increasing compliance against the International Aid Transparency Initiative (IATI) requirements (currently 60%); and Firming up practice of providing four year budget forecasts in Forward Aid Plans to inform partners' budgeting. 	<p>Ongoing</p> <p>Ongoing for bi-annual reporting</p> <p>Annually based on partner country's budget year</p>	<p>DSE</p> <p>DSE</p> <p>Posts; Programme Managers</p>