

## Annex 2

### *PAPs' PAF indicators and targets, and PAPs actual performance in 2005*

<b>Indicators of the 2005 Matrix</b>	<b>Target</b>	<b>Actual</b>	<b>Comments</b>
1. Share of donors disbursing according to agreed schedule	>80%	100%	Of the 17 PAPs, only 14 had clear schedule agreements because 2 were not yet admitted as PAPs by the time the schedules were agreed, and 1 did not have a bilateral agreement with the GoM at the time. The 14 PAPs with agreed schedules disbursed on schedule.
2. Share of DBS+BoPS disbursed according to agreed schedule	>80%	100% of scheduled DBS and 94% of total DBS	Given that all PAPs with agreed schedules disbursed according to schedule, the level of implementation of the target is 100%. However, as 3 PAPs disbursed without a pre-agreed schedule (see comment for indicator 1), 94% of total DBS disbursed was disbursed according to an agreed schedule.
3. Number of instances of agencies NOT meeting commitment about period for informing and confirming aid commitments	0	0	Of the 17 PAPs, 3 did not meet the commitment about the period for informing and confirming aid commitments, because they could not have done so as two of these PAPs had not been admitted yet as PAPs by the time the commitments were made (within 4 weeks of the 2004 JR), and one did not have a bilateral agreement for DBS with the GoM between the Spring of 2004 and December 2005. See comment to the previous two indicators.
4. Share of donors with multi-year indicative commitments	>80%	100%	All PAPs had multi-year, indicative commitments. Of these, 6 have 2 year programs, and 13 have programs ending in 2005-2006. Hence, 4 have 3 or more year programs covering up to 2007-2008.
5. Share of donors strictly adhering to common conditionality	>90%	100%	All agencies claim that they have strictly adhered to common conditionality, and two explained how common conditionality affected their disbursement of the variable tranche.
6. Share of donors with annex 10 bilateral exceptions	<55%	47%	8 agencies have Annex 10 exceptions. Of these, 4 have already decided to eliminate such exceptions, 1 has eliminated one of its two exceptions, 1 is in the process of re-evaluating its exceptions with a view to eliminating it, and 2 have no specific proposals or time frame to re-evaluate and eliminate exceptions.
7. Number of donors not using the MoU response mechanism (disbursed in 2005 according to performance in 2003)	3	3	There are still 3 PAPs disbursing in Yn+1 according to performance in Yn, rather than Yn-1 (Annex 10 exceptions).

8. Number of missions related to DBS+BoPS is reduced	2 (JR, MYR)	2+7	In addition to the 2 mandatory missions (JR and MYR), there were 7 other DBS related missions, of which 3 were joint and 4 were individual. One of the joint missions was the high level mission led by the Norwegian Minister of Cooperation. The other joint missions were related to PFM assessment and the PAPs' performance exercise. Individual missions were related to PFM assessment and auditing (related to annex 10 exceptions) or programming of new multi-year, bilateral agreements.
9. Number of donors not providing quarterly reports of program aid within 2 weeks of the end of each quarter.	0	5	5 donors have informed that they did not provide reports on a quarterly basis to DCI (some provided reports bi-annually, and some annually). Three donors, included two of the above, mentioned that the level of detail of the DCI data base is incompatible with their own procedures and, in some cases, is impossible to comply with (for example, quarterly data on NGO aid disbursements). From the third quarter of 2005, reporting to DCI for all EU member states has been tacitly replaced by reporting to the EU data base, although DCI has never formally confirmed this decision. In another section of this report there is a more detailed discussion of the data problems.
10. Issue paper exploring long term joint strategy for Capacity Development Support is drafted and discussed with GoM	Yes	Yes	The related consultancy started in 2005. The report was delivered in 2006 and discussions with the GoM have started.
11. % of DBS+BoPS committed and guaranteed for 2006 within 4 weeks of the 2005 JR	Tbm	100% committed and 69% guaranteed	All donors claim that their aid indicative commitments for 2006 were made within 4-5 weeks of the 2005 JR. But 2 donors can only guarantee their commitments by the MYR or later in the year due to annex 10 exceptions or data cycles. One of these donors is very large and this affects the % of DBS that is guaranteed.
12. Number of donors providing indicative multi-year commitments of DBS+BoPS on a rolling basis in line with the MTFP.	Tbm	0	None of the multi-year programs is rolling. Most donors face legal obstacles to develop a rolling program, as each multi-year program is defined as if it was a project with a clear beginning and end. One PAP is preparing a multi-year rolling program to start in 2006-7.
13. Share of DBS+BoPS in PAPs total aid to government (excludes NGO and private sector aid)	Tbm	31%	This figure is still small, but there is no specific and agreed target to compare with. The Paris Declaration has a target for program aid but not for DBS. However, it should be considered that at this rate the target set for 2006 (40%) will not be met (1) For 70.6% of the PAPs (12 PAPs), DBS+BoPS is less than 30% of their aid to GoM. For 29.4% of the PAPs (5 PAPs), DBS represents more than 40% of their aid

			to GoM. However, we should also take into account that for the vast majority of the PAPs, current bilateral programs were agreed prior to the signing of the MoU and the Paris Declaration. Thus, the portfolio analysis of the 12 new multi-year PAPs' CS under preparation and for approval in 2006 is crucial for the future of DBS and related principles of aid effectiveness.
14. Number of examples of delegated cooperation amongst donors at sector level	Tbm	5	In 2005 there were only five cases of delegated cooperation (DC) amongst PAPs (2). Although the vast majority of the PAPs agree that DC is a “desirable state of the world”, many blame internal regulations for the difficulty of implementing DC agreements. It might also be interesting to analyse how close the PAPs are to each other with respect to policies and priorities outside the mainstream Washington Consensus areas (for example, how close the PAPs in education are to each other with respect to policies and priorities in education). Differences in policy approach, as well as other expressions of self-interest, may not only explain why “constraining regulations” have not been removed but why they exist in the first place.
15. Number of sectors with 10 or more PAPs is decreasing	Tbm	4 out of 9 key sectors	Of the 9 key sectors 4 (roads, water, energy and justice) have less than 10 PAPs. The comment to the previous question may also be relevant for this question. However, in the update of the PAPs' PAF matrix 2006-2009 it was explicitly mentioned that: (i) the GoM should decide whether it wants a small number of big donors, or prefers a larger number of a mix of big and small donors, per sector; and (ii) as long as the sector is coordinated, aligned and harmonized, and the number of donors does not represent a serious obstacle for aid effectiveness and a serious burden on the GoM, then whether the number was more or less than 10 was not particularly relevant. This question should probably be discussed in the GoM's note on aid strategy.
16. Financial ratio pooled funding/stand alone projects	Tbm	NA	Disaggregated information available and problems of definitions do not allow us to make an accurate statement about this indicator (which has been abandoned for the PAPs PAF matrix from 2006).
17. Number of sectors with a MoU containing comparable donor commitments as the PAPs MoU	Tbm	3	Agriculture, education and health have MoUs that bear some comparison with the PAPs MoU. The MoU for agriculture has been significantly improved in 2006.
18. Number of sectors with a donor performance matrix.	Tbm	1	As for our best knowledge, only the health sector has a donor performance evaluation exercise in place.
19. Donors agree “quite periods”	Tbm	No	There is no formally defined quiet period,

with GoM.			although July and August tend to be quieter. There is no clear definition of what the “quiet period” means.
20. Share of studies timely available in Portuguese.	Tbm	49%	The information is very uneven and, possibly, inaccurate. This also reflects problems with the definitions.
21. Share of donors reporting aid flows to DCI based on an agreed format and definition.	Tbm		Please, refer to comment for indicator 9. In addition, several donors have mentioned that some of the detail required by DCI (example, quarterly data on NGO aid) is beyond the realm of possibilities.

*Sources: 2005 PAPs PAF matrix, questionnaire and individual interviews, consolidated schedule and actual disbursement data provided by the PAP secretariat.*

*Notes: The shaded area is for monitorable indicators. They do not form part of the MoU but are generally aligned with the principles of the Paris Declaration. They have no defined, quantitative targets. (1) The target for 2006 is much higher, 40%. As it will be seen later in this report, the PAPs report that only 26% of their aid to GoM in 2006 will be DBS (against the target of 40%). (2) There was a problem with the definition of delegated cooperation. The definition here adopted reflects the idea of “silent partnership”, whereby a donor providing aid to one sector is not physically present in the sector and delegates its representation on another donor. (3) The 9 key sectors mentioned are: agriculture, health, education, water, roads, HIV, justice, public sector reform and energy.*