
SAMOA

INTRODUCTION

SAMOA is a lower-middle income country with a gross national income (GNI) of USD 2 572 per capita which has grown at an average of 8% per annum since 2005 (WDI, 2011). It has a population of approximately 183 000. Net official development assistance (ODA) to Samoa in 2009 totalled USD 77 million (OECD, 2011). Since 2005, net ODA has averaged 11% of GNI (WDI, 2011). The top five donors contributed 78% of Samoa's core ODA (OECD, forthcoming). ■

SUMMARY OF PROGRESS

PROGRESS ON THE PARIS DECLARATION INDICATORS depends on improvements by both donors and partner governments. Samoa developed and passed an aid policy for the first time in 2010, based on mutual agreement between donors and the government, alongside consultations with a broad range of stakeholders. With strong support from donors in implementing aid effectiveness measures, Samoa has managed to achieve the 2010 targets for mutual accountability. The country has also performed well on alignment, meeting all applicable targets except for indicator 2 regarding the reliability of public financial management (PFM) systems, which shows a setback since 2005 and has not changed since 2007. The targets for operational development strategies, harmonisation and managing for results have not been met.

In 2010, there was a much greater focus on aligning aid with Samoa's own priorities, and on stronger co-ordination and harmonisation of donor resources. Progress is being made in developing effective processes and mechanisms for managing results and mutual accountability. However, there is still some way to go in increasing the effectiveness of aid funds. Although donor performance varies, remaining challenges include heavy reporting requirements of some donors, delays in aligning their procurement with country systems, and capacity constraints in some implementing agencies. ■

TABLE 1:
Baselines and targets
for 2010

	INDICATORS	2005 REFERENCE	2007	2010 ACTUAL	2010 TARGET
1	Operational development strategies	--	--	C	'B' or 'A'
2a	Reliable public financial management (PFM) systems	4.0	3.5	3.5	4.5
2b	Reliable procurement systems	Not available	Not available	Not available	No Target
3	Aid flows are aligned on national priorities	--	--	86%	85%
4	Strengthen capacity by co-ordinated support	--	--	77%	50%
5a	Use of country PFM systems	--	--	49%	No Target
5b	Use of country procurement systems	--	--	51%	No Target
6	Strengthen capacity by avoiding parallel PIUs	--	--	9	No Target
7	Aid is more predictable	--	--	84%	No Target
8	Aid is untied	79%	96%	88%	More than 79%
9	Use of common arrangements or procedures	--	--	59%	66%
10a	Joint missions	--	--	15%	40%
10b	Joint country analytic work	--	--	46%	66%
11	Results-oriented frameworks	--	--	C	'B' or 'A'
12	Mutual accountability	Not available	Not available	Y	Y

ABOUT THE SURVEY

This chapter assesses progress against the quantitative indicators provided by the Survey on Monitoring the Paris Declaration, drawing on data provided by the government and donors, the OECD and the World Bank. In addition to this, it draws on qualitative evidence submitted to the OECD by the national government which incorporates feedback from donors and other stakeholders. Stakeholders note that it is possible that in places definitions and concepts were interpreted differently by survey respondents in 2011 compared with previous years. A degree of caution should be taken when analysing the trends shown by some of the indicators. The 2011 survey responses cover 11 donors and 87% of Samoa's core ODA. ■

TABLE 2:
Learning from success
and challenges

	ACHIEVEMENT OR CHALLENGE	LESSON OR PRIORITY ACTION
Ownership	Challenge: All 14 sector strategies, including climate change, need to be fully integrated into Samoa's national development strategy (current) and forthcoming strategy.	Priority action: Samoa should complete the three remaining sector plans and programmes.
Alignment	Achievement: All donors engaged in the sector programmes have provided indicative commitments within multi-year frameworks premised on sector medium-term expenditure frameworks (MTEFs). Achievement: Good progress has been made on capacity building.	Lesson: The sectoral objectives are clearly identified in the national development strategy; a national MTEF was introduced and budgetary, financial system and processes were improved. Lesson: Government's strategic plans at sector level include capacity development interventions that are prioritised in the sector reform plan.
Harmonisation	Challenge: Some individual donor missions disregard the use of joint missions due to their own internal priorities. Achievement: The government has made headway in its effort to organise an overall mission schedule for donors, and has received donor acceptance of a 'black out' period during the year.	Lesson: Co-ordinated missions are mainly in the form of review missions and are widely practised in sectors where there are multiple donors involved.

	ACHIEVEMENT OR CHALLENGE	LESSON OR PRIORITY ACTION
Managing for results	<p>Achievement: The monitoring and evaluation framework is supported by data with comprehensive coverage, good quality and reliability.</p> <p>Challenge: Well-developed systems and processes and capacity for sustainability are of ongoing concern to both the government and donors.</p>	<p>Lesson: National statistical systems supporting the monitoring and evaluation system should meet the demands of the national development strategy; most of the data are collected by the bureau of statistics.</p> <p>Priority action: Introduce outcomes based performance budgeting for line ministries in existing sector programmes.</p>
Mutual accountability	<p>Achievement: Samoa has an Aid Development Co-operation Policy which promotes to mutual accountability.</p>	<p>Lesson: The government continuously improved institutional systems and procedures, ensured resource mobilisation and aid co-ordination, and promoted the transparency and mutual accountability of all partners, stakeholders and itself.</p>

OWNERSHIP

AID IS MOST EFFECTIVE when it supports a country-owned approach to development. It is less effective when aid policies and approaches are driven by donors. In the context of the Paris Declaration, ownership concerns a country's ability to carry out two, inter-linked activities: exercise effective leadership over its development policies and strategies; and co-ordinate the efforts of various development actors working in the country.

Indicator 1 assesses the operational value of a country's development strategy. In particular, it looks at the existence of an authoritative country-wide development policy (*i.e.* a unified strategic framework), the extent to which priorities are established, and whether these policies are costed and linked with the budget. All of these features are important to harness domestic resources for development, and to provide a basis for the alignment of aid to development priorities. Each country has provided evidence against these criteria, and this has been translated into a score by the World Bank using the same methodology as in the 2006 and 2008 surveys. A five-point scale runs from A (highest score) to E (lowest score). The Paris Declaration targets 75% of partner countries achieving a score of A or B by 2010.

In 2010, Samoa received a C rating for its operational development strategies, meaning that the country has not met the target score of B or A. Samoa has produced a series of national development strategies, known as SDSs (Strategy for the Development of Samoa), of which the most recent covers the period 2008-10. The SDSs are guided by elements of a long term vision set out in the national development strategy "An Improved Quality of Life for All", although the World Bank's analysis finds that Samoa's SDSs could benefit from more comprehensive long term strategic guidance. The SDS is implemented through sector plans and strategies.

The SDSs are developed through a participatory approach, involving consultations with parliamentarians, donors, focus groups, private sector, faith based organisations, government, non government organisations and the public. The strategies are used by policy makers to develop policy frameworks with articulated priorities; by donors to align their assistance; and by line ministries to create the links between their sector strategies and implementation plans and subsequently to frame budget allocations.

Prioritised targets of the SDS are initially set at sector level and then linked with the MDGs and localised to adapt to country circumstances. The SDS is costed by means of costed sector plans reflected in the sector medium-term expenditure frameworks (MTEFs), and collectively integrated into the national MTEF for the budget. The government aims to adopt outcome based performance budgeting, starting in early 2011 across all ministries and government agencies. The current challenge for Samoa is to complete the remaining sector plans and programmes. There is also a need to conduct more consultations with donors through the public finance management reforms implementation programme in order to fine tune the indicators. ■

INDICATOR 1

Do countries have operational development strategies?

ALIGNMENT

AID THAT IS DONOR DRIVEN AND FRAGMENTED is less effective. For aid to be effective, it must make use of national development strategies and use and help strengthen capacity in national systems, such as those for procurement and public financial management. The Paris Declaration envisions donors basing their support fully on partner countries' aims and objectives. Indicators 2 through 8 of the Paris Declaration assess several different dimensions of alignment.

Figures regarding aid on budget, untied aid and co-ordinated technical co-operation significantly exceed the 2010 targets for alignment. This could be due to clear sectoral objectives in the Strategy for the Development of Samoa (SDS), improved budgetary, financial system and processes, and the focus on capacity building in sector reform plans. However indicator 2 on reliable PFM systems has deteriorated since 2005 and remains unchanged since 2007, falling below the targeted score of 4.5. Government efforts to capture relevant information on donor funding and disbursement schedules, as well as an increased emphasis on co-ordinated capacity development efforts, could probably improve performance on alignment. Samoa now receives budget support from a number of its donors and that reflects alignment to not only the development strategy but also the country systems.

INDICATOR 2 Building reliable country systems

Indicator 2 covers two aspects of country systems: public financial management (PFM) and procurement. Do these systems either adhere to good practices or are there plans for reform? If countries have reliable systems, donors are encouraged to use them for the delivery and management of aid. This helps to align aid more closely with national development strategies and enhances aid effectiveness. The World Bank and the Asian Development Bank are yet jointly to assess Samoa's procurement systems.

INDICATOR 2a How reliable are country public financial management systems?

Indicator 2a of the Paris Declaration assesses whether PFM systems meet broadly accepted good practices or whether credible reform programmes are in place. The assessment is based on the World Bank's Country Policy and Institutional Analysis (CPIA) score for the quality of PFM systems, which uses a scale running from 1 (very weak) to 6 (very strong).

To score highly, a country needs to perform well against all three of the following criteria: a comprehensive and credible budget linked to policy priorities; an effective financial management system to ensure that the budget is implemented as intended in a controlled and predictable way; and timely and accurate accounting and fiscal reporting, including timely and audited public accounts with effective arrangements for follow up. Meeting the global 2010 target requires half of partner countries to move up at least one measure (*i.e.* 0.5 points) between 2005 and 2010.

Samoa received a score of 3.5 for its public financial management (PFM) systems, indicating a setback since 2005 and no change since 2007. The score has not reached the 2010 target of 4.5.

A Public Finance Reform Plan has been initiated with the aim of strengthening PFM systems and paving the way for budget support. The plan was developed in early 2008, based on the findings of the 2006 Public Expenditure Framework Assessment (PEFA) and 2010 Debt Management Performance Assessment. The plan's first phase is to achieve fiscal discipline. Donors have agreed on the findings of the assessment and on the reform plan itself.

Indicator 2b was first measured in 2008 by 17 countries. The process is one of self-assessment, using the Methodology for the Assessment of National Procurement Systems developed by the OECD-DAC Task Force on Procurement. The methodology includes baseline indicators to compare a country's systems to internationally-accepted good practice, as well as a new set of indicators. These indicators assess overall performance of the system, compliance with national legislation and standards and whether there is a reform programme in place to promote improved practices. The results are expressed as grades on a four-point scale running from A (the highest) to D (the lowest). The 2010 target is for a third of partner countries to move up at least one measure (*i.e.* from D to C, C to B or B to A) although not all countries will perform an assessment.

There is neither a target nor rating for the reliability of procurement systems. Since 2006 Samoa has significantly decentralised its procurement functions to line ministries and departments. The central tenders board, chaired by the Minister of Finance, is responsible for establishing rules and procedures related to procurement, inviting bids and their public opening to ensure transparency. All actions and decisions in the procurement process that come through the tenders board are accessible to the controller and chief auditor, although no procurement audits have taken place except for the World Bank and the Asian Development Bank funded programmes. A database has been developed and partially completed to record all procurements through the tenders board.

Comprehensive and transparent reporting on aid, and its use, helps ensure that donors align aid flows with national development priorities. When aid directed to the government sector is fully and accurately reflected in the national budget it indicates that aid programmes are well connected with country policies and processes. This also allows partner country authorities to present accurate and comprehensive budget reports to their parliaments and citizens.

As a proxy for alignment, indicator 3 measures the percentage of aid disbursed by donors for the government sector that is included in the annual budget for the same fiscal year. The indicator reflects two components: the degree to which aid is aligned with government priorities, and the extent to which aid is captured in government's budget preparation process. Budget estimates can be higher or lower than disbursements by donors and are treated similarly for the purpose of measuring indicator 3 despite the different causes.

INDICATOR 2b

How reliable are country procurement systems?

INDICATOR 3

Aligning aid flows on national priorities

TABLE 3:
Are government budget estimates comprehensive and realistic?

	Government's budget estimates of aid flows in 2010 (USD m) a	Aid disbursed by donors for government sector in 2010 (USD m) b	2005		2007		2010*		Total aid disbursed through other donors (USD m)
			(for reference)		(for reference)		(%)		
							c = a / b	c = b / a	
Asian Dev. Bank	27	9	--	--	--	--		33%	0
Australia	19	19	--	--	--	--		100%	0
China	37	25	--	--	--	--		70%	0
EU Institutions	13	13	--	--	--	--	98%		0
GEF	1	1	--	--	--	--	100%		0
IUCN	0	0	--	--	--	--	100%		0
Japan	11	19	--	--	--	--	57%		0
New Zealand	11	9	--	--	--	--		77%	0
OFID	2	2	--	--	--	--	86%		0
United Nations	--	3	--	--	--	--			0
World Bank	22	22	--	--	--	--		100%	0
Average donor ratio			--	--	--	--	82%		
Total	143	123	--	--	--	--	86%		0

* Ratio is $c = a / b$ except where government's budget estimates are greater than disbursements ($c = b / a$).

The 2010 target is to halve the proportion of aid flows that are not currently reported on government budgets, with at least 85% of aid reflected in the budget. In 2010, 86% of Samoa's aid was reported on budget, meaning that USD 20 million of aid was not well aligned to national priorities.

To ensure a comprehensive overview of all public expenditure, donors are required by the government to provide relevant details on their funding programmes twice a year and on their disbursement on a quarterly basis. Information submitted should include actual disbursements for the previous year and forecasts for the coming year. It should also be in government's standard format, with in cash and in kind differentiated. Capacity building to ensure that systems and processes are sound is being undertaken across government and within sectors with donor support. Integrated programmes are also in place to support the private sector and civil society.

As Table 2 above illustrates the extent to which donor disbursements are recorded in the national budget varies considerably across donors (the average donor ratio is 82%). Australia, GEF, and the World Bank are the best performing donors, while the Asian Development Bank and Japan are the worst in terms of alignment with national priorities.

INDICATOR 7
Providing more
predictable aid

For many countries, aid is a vital source of revenue and resources. Being able to predict aid disbursements – both in terms of how much aid will be delivered and when – is important to enable countries to manage public finances and undertake realistic planning for development. The Paris Declaration calls on donors to provide reliable, indicative commitments of aid over a multi-year framework, and to disburse aid in a timely and predictable manner according to agreed schedules.

Indicator 7 examines the in-year predictability of aid for the government sector by measuring the proportion of planned disbursements (as reported by donors) that are recorded by governments in their accounting system as having been disbursed. Indicator 7 therefore assesses two aspects of predictability. The first is the ability of donors to disburse aid according to schedule. The second is the ability of government to record disbursements for the government sector as received in its accounting system. Indicator 7 is designed to encourage progress in relation to both, with the aim of halving the proportion of aid not disbursed (and not captured in the government's accounting system) within the fiscal year for which it was scheduled by 2010. The ultimate goal is to improve not only the predictability of disbursements, but also the accuracy with which they are recorded in government systems – an important element to support ownership, accountability and transparency.

TABLE 4:
Are disbursements on
schedule and recorded
by government?

	Disbursements recorded by government in 2010 (USD m) a	Aid scheduled by donors for disbursement in 2010 (USD m) b	2005		2007		2010 *		For reference: Aid disbursed by donors for government sector in 2010 (USD m) d	For reference: % of scheduled aid disbursements reported as disbursed by donors in 2010 **	
			(for reference)	(for reference)	(for reference)	(for reference)	(%) c = a / b	(%) c = b / a		(%) e = d / b	(%) e = b / d
Asian Dev. Bank	26	26	--	--	--	--	98%		29		89%
Australia	24	25	--	--	--	--	98%		25	100%	
China	31	32	--	--	--	--	97%		32	100%	
EU Institutions	13	15	--	--	--	--	84%		15		97%
GEF	0	1	--	--	--	--	37%		1	100%	
IUCN	0	0	--	--	--	--	79%		0		100%
Japan	8	24	--	--	--	--	33%		24	100%	
New Zealand	9	9	--	--	--	--	95%		10		88%
OFID	1	2	--	--	--	--	52%		2	100%	
United Nations	--	2	--	--	--	--			3		83%
World Bank	24	25	--	--	--	--	95%		25	100%	
Average donor ratio			--	--	--	--	77%				96%
Total	136	161	--	--	--	--	84%		166		97%

* Ratio is c=a/b except where disbursements recorded by government are greater than aid scheduled for disbursement (c=b/a).

** Ratio is e=d/b except where disbursements recorded by donors are greater than aid scheduled for disbursement (e=b/d).

In 2010, 84% of aid to Samoa was classed as predictable. Due to lack of previous data, no target was set for the indicator on predictable aid. Stakeholders noted that as a result of clear sectoral objectives in the SDS, improved budgetary, financial system and processes, there has been an increase in aid committed through a multi-year framework by a number of donors. All of the nine donors engaged in sector programmes have provided indicative commitments within multi-year frameworks premised on sector medium-term expenditure frameworks (MTEFs). This is reflected in the level of ODA for the 2010-15 period where 72% are indicative aid commitments over a five-year period, 12% are on a two-year basis and the rest on an annual basis. Together with aid disbursement schedules from the donors, this has provided the government some degree of predictability over aid flows. The introduction of the national budget MTEF and the commitment of the government to fully reflect donor contributions in the budget at output level have also encouraged greater aid predictability among donors.

Samoa has generally performed well in obtaining a high predictability of aid. The share of predictable aid is at least 84% for more than half of donors, including the Asian Development Bank, Australia, China, EU Institutions, New Zealand and the World Bank. Only two donors (Japan and GEF) scored below 38%. The main reasons for the gaps between government budget figures and actual disbursement include delayed disbursements due to donors' complex procedures, limited capacity, late materialisation of consensus in pooled financing arrangements, the unwillingness of some donors to use the country systems, and unrealistic forward projections.

Capacity constraints present significant challenges to development and poverty reduction efforts and their sustainability. These relate both to aid management capacities (the ability of the government to capture, co-ordinate and utilise aid flows more effectively) and also to broader capacities for the design and implementation of policies and service delivery.

Under the Paris Declaration donors committed to providing technical co-operation that is co-ordinated with partner country strategies and programmes. This approach aims to strengthen capacities while also responding to the needs of partner countries. Successful capacity development is led by the partner country.

Indicator 4 focuses on the extent to which donor technical co-operation (an important input into capacity development) is country-led and well co-ordinated. It captures the extent to which technical co-operation is aligned with objectives articulated by country authorities, whether country authorities have control over this assistance, and whether arrangements are in place to co-ordinate support provided by different donors. The Paris Declaration target is for 50% of technical co-operation flows to be implemented through co-ordinated programmes that are consistent with national development strategies by 2010.

INDICATOR 4

Co-ordinating support to strengthen capacity

	Co-ordinated technical co-operation (USD m)	Total technical co-operation (USD m)	2005 (for reference)	2007 (for reference)	2010 (%)
	a	b			c = a / b
Asian Dev. Bank	1	1	--	--	100%
Australia	3	4	--	--	80%
China	0	0	--	--	--
EU Institutions	0	0	--	--	100%
GEF	0	0	--	--	--
IUCN	0	0	--	--	--
Japan	1	2	--	--	77%
New Zealand	1	1	--	--	100%
OFID	0	0	--	--	--
United Nations	2	3	--	--	51%
World Bank	1	2	--	--	77%
Total	10	13	--	--	77%

TABLE 5:
How much technical co-operation is co-ordinated with country programmes?

The share of technical co-operation provided through co-ordinated programmes in support of capacity development was 77% in 2010, which exceeds the target of 50%. Six out of 11 donors who participated in the survey provided technical co-operation to Samoa at a level of at least 77%.

Government's strategic plans at the sector level include capacity development interventions which are prioritised in the sector reform plan. Technical co-operation provided by the donors is designed to address the prioritised plans of each sector. The government manages day-to-day implementation of technical co-operation, and co-ordinates technical co-operation cases where it is provided by multiple donors. This co-ordination takes place through donor-government consultations which are held on a quarterly basis in order to ensure all development support is complementary. All donors sit on sector steering committees, and sector plans reflect the total contribution of all donors engaged in each sector. Co-ordination is formalised through a memorandum of understanding and through partnership agreements; this ensures that there is no duplication of support.

The government encourages its donors to share analytical studies in common interest areas and to seek government review prior to the release and dissemination of study reports. All technical assistance provision should be (i) co-ordinated through the relevant sector steering committee, (ii) rationalised with preferential selection of national consultants unless there are clear skills gaps that cannot be met locally; (iii) used for building institutional capacity through transfer of expertise and know-how wherever feasible.

Donor use of a partner country's established institutions and systems increases aid effectiveness by strengthening the government's long-term capacity to develop, implement and account for its policies to both its citizens and its parliament. The Paris Declaration commits donors to increase their use of country systems that are of sufficient quality, and to work with partner countries to strengthen systems that are currently weak. Indicator 5 is directly linked to indicator 2 on the quality of public financial management (PFM) and procurement systems.

INDICATOR 5 Using country systems

TABLE 6:
How much aid for the
government sector uses
country systems?

	Aid disbursed by donors for government sector (USD m)	Public financial management						Procurement			
		Budget execution	Financial reporting	Auditing	2005	2007	2010	Proc. systems	2005	2007	2010
		(USD m)	(USD m)	(USD m)	(for reference)	(for reference)	(%)	(USD m)	(for reference)	(for reference)	(%)
a	b	c	d			avg(b,c,d)/a	e			e / a	
Asian Dev. Bank	29	16	16	16	--	--	54%	16	--	--	54%
Australia	25	19	19	19	--	--	76%	25	--	--	100%
China	32	0	0	0	--	--	0%	0	--	--	0%
EU Institutions	15	7	7	13	--	--	57%	7	--	--	43%
GEF	1	1	1	1	--	--	100%	0	--	--	37%
IUCN	0	0	0	0	--	--	100%	0	--	--	100%
Japan	24	9	9	9	--	--	40%	9	--	--	40%
New Zealand	10	2	2	2	--	--	23%	4	--	--	41%
OFID	2	2	2	2	--	--	100%	2	--	--	100%
United Nations	3	1	1	0	--	--	23%	1	--	--	23%
World Bank	25	22	20	22	--	--	86%	21	--	--	84%
Total	166	80	77	86	--	--	49%	85	--	--	51%

INDICATOR 5a Use of country public financial management systems

Indicator 5a measures the extent to which donors use partner country PFM systems when providing funding for the government sector. It measures the volume of aid that uses partner country PFM systems (budget execution, financial reporting and auditing) as a proportion of total aid disbursed for the government sector. The 2010 target is set relative to indicator 2a on the quality of PFM systems. For partner countries with a score of 5 or above on indicator 2a scale the target is for a two-thirds reduction in the proportion of aid to the public sector not using the partner country's PFM systems. For partner countries with a score between 3.5 and 4.5 on indicator 2a, the target is a one-third reduction in the proportion of aid to the public sector not using partner country's PFM systems. There is no target for countries scoring less than 3.5.

In 2010, 49% of aid used Samoa's PFM systems, and no target was set for this indicator. Good progress has been made in strengthening capacity of the PFM system and addressing the findings from the first Public Expenditure Framework Assessment (PEFA) and, subsequently, the second PEFA in 2010. However, further actions are needed, which are identified in phase 2 of the Public Finance Reform plan. They include: addressing the problem of payment arrears to suppliers, which has implications for budget credibility; improving public access to key financial information; strengthening revenue administration and the overall internal control framework, which comprises payroll and procurement controls; and promoting understanding and use of the financial management system.

Indicator 5b follows a similar graduated target to indicator 5a which is set relative to indicator 2b on the quality of procurement systems. For partner countries with a procurement score of 'A', a two-thirds reduction in the proportion of aid for the public sector not using the country's procurement systems and for partner countries with a procurement score of 'B' to reduce the gap by one-third.

In 2010, 51% of donors used Samoa's procurement systems, and no target for this indicator was set given that 2011 is the first year of the country's participation in the survey. The government's procurement processes were redeveloped in 2005. While acknowledging the principle of alignment, donors, and particularly multilateral banks, have varying expectations about the degree of rigour and risk associated with Samoa's systems, which are determined by their country/managing board policies. Some donors lack confidence in the government's procurement processes. A joint review of the process has yet to be conducted by the banks, upon invitation by the government, to determine what is needed in order to develop the systems in line with international standards, and to eventually make full use of country systems. A number of other donors have also conducted assessments of country systems

When providing development assistance, some donors establish dedicated project management units or implementation units (PIUs) – to support development projects or programmes. A PIU is said to be “parallel” when it is created by the donor and operates outside existing country institutional and administrative structures. In the short term, parallel PIUs can play a useful role in establishing good practice and promoting effective project management. However, in the long run, parallel PIUs often tend to undermine national capacity development efforts, distort salaries and weaken accountability for development.

To make aid more effective, the Paris Declaration encourages donors to “avoid, to the maximum extent possible, creating dedicated structures for day-to-day management and implementation of aid-financed projects and programmes.” Indicator 6 counts the number of parallel PIUs being used in partner countries. The target is to reduce by two-thirds the number of parallel PIUs in each partner country between 2005 and 2010.

INDICATOR 5b
Use of country
procurement systems

INDICATOR 6
Avoiding parallel
implementation
structures

TABLE 7:
How many PIUs are
parallel to country
structures?

	Parallel PIUs		
	2005 (for reference)	2007 (for reference)	2010 (units)
Asian Dev. Bank	--	--	0
Australia	--	--	4
China	--	--	1
EU Institutions	--	--	0
GEF	--	--	0
IUCN	--	--	0
Japan	--	--	0
New Zealand	--	--	2
OFID	--	--	0
United Nations	--	--	2
World Bank	--	--	0
Total	--	--	9

There were nine parallel project implementation units (PIUs) in Samoa in 2010. Although there is no baseline prior to 2010 against which to assess progress, stakeholders note that there has been a reduction in the number of PIUs in recent years. This is in accordance with increases in capacity following reforms and shifts in aid modalities. The implementation of aid and its delivery has changed significantly. This is reflected in the substantial increase in assistance to key sectors identified in the current national development strategy for the period 2008-12, and the assistance programmes of donors participating in SWAps as the most important modality for delivering aid to targeted sectors. Notably, there has been a shift in donor funding from project based modalities to sector or programme based support since 2005. Donors and government have also increased efforts towards collaboration, as reflected in co-operative work between donor agencies and implementing agencies at the sector level. With an increasing shift to budget support, the need for parallel implementation units is decreasing. Integrated management units indicate that donors believe Samoa has achieved sufficient capacity for the management of development assistance. All of the eleven sector programmes in place have integrated PIUs.

INDICATOR 8
Untying aid

Aid is “tied” when restrictions are placed on the countries that goods and services may be purchased from, typically including the donor country and/or another narrowly specified group of countries. Untied aid not only improves value for money and decreases administrative burdens, but also supports the use of local resources, country systems and the harmonisation of donor support provided through pooled or joint aid instruments and approaches.

Data on the extent to which aid is tied are based on voluntary self-reporting by donors that are members of the OECD’s Development Assistance Committee (DAC). The Paris Declaration target is to continue progress towards untying all aid between 2005 and 2010.

TABLE 8:
How much bilateral aid is untied?

	Total bilateral aid as reported to the DAC in 2009	Untied aid	2005 (for reference)	2007 (for reference)	Share of untied aid
Australia	9.0	7.9	4%	100%	87%
Austria	0.0	0.0	--	--	100%
Canada	0.2	0.2	0%	--	100%
Germany	0.1	0.1	--	--	100%
Greece	0.0	0.0	--	100%	--
Italy	0.0	0.0	--	--	--
Japan	0.5	0.5	100%	100%	100%
Korea	0.1	0.0	--	0%	0%
Luxembourg	0.1	0.1	--	--	100%
New Zealand	8.2	8.2	96%	42%	100%
Switzerland	0.0	0.0	--	--	--
United Kingdom	0.1	0.1	--	--	100%
United States	2.6	1.4	--	7%	54%
Total	21	18	79%	96%	88%

Source: OECD Creditor Reporting System.

In 2010, 88% of the aid to Samoa was untied, significantly surpassing the 2010 target of more than 79%. Only Australia and the United States, the largest and third largest donors to Samoa, recorded less than 100% untied aid in 2010. While the United States saw a rise from just 7% in 2007 to 54% in 2010, Australia suffered a decline from 100% to 87% in the same period. ■

HARMONISATION

POOR CO-ORDINATION OF AID increases the cost to both donors and partner countries and significantly reduces the real value of aid. Harmonisation of aid delivery procedures and the adoption of common arrangements help reduce duplication of effort and lower the transaction costs associated with aid management. The Paris Declaration focuses on two dimensions of aid as a proxy for assessing overall harmonisation: the use of common arrangements within programme-based approaches (PBAs) and the extent to which donors and partner countries conduct joint missions and co-ordinate analytic work.

Aid effectiveness is enhanced when donors use common arrangements to manage and deliver aid in support of partner country priorities. A good mechanism for aid co-ordination can be described as one that has shared objectives and integrates the various interests of stakeholders. Indicator 9 assesses the degree to which donors work together – and with partner governments and organisations – by measuring the proportion of total ODA disbursed within programme-based approaches (PBAs). In practice, there are many different approaches and modalities which can use PBAs and harmonisation takes place at various levels.

At one level, the partner country is responsible for defining clear, country-owned programmes (*e.g.* a sector programme or strategy) and establishing a single budgetary framework that captures all resources (both domestic and external). At another level, donors are responsible for taking steps to use local systems for programme design and implementation, financial management, monitoring and evaluation. Finally, partner countries and donors are jointly responsible for donor co-ordination and harmonisation of donor procedures. The 2010 target is that two-thirds of aid flows are provided in the context of PBAs.

INDICATOR 9 Using common arrangements

	Programme-based approaches			Total aid disbursed (USD m) d	2005 (for reference)	2007 (for reference)	2010 (%) e = c / d
	Budget support (USD m) a	Other PBAs (USD m) b	Total (USD m) c = a + b				
	Asian Dev. Bank	16	2				
Australia	3	13	16	30	--	--	54%
China	0	0	0	32	--	--	0%
EU Institutions	7	9	15	15	--	--	100%
GEF	0	0	0	1	--	--	37%
IUCN	0	0	0	0	--	--	99%
Japan	0	18	18	24	--	--	75%
New Zealand	2	10	12	16	--	--	73%
OFID	1	0	1	2	--	--	52%
United Nations	0	0	0	4	--	--	11%
World Bank	20	5	24	25	--	--	98%
Total	49	57	106	180	--	--	59%

TABLE 9:
How much aid is
programme based?

The 2011 Survey shows that 59% of total ODA disbursed was provided as programme based. This falls below the 66% target. The score is largely a result of the formulation of jointly developed action plans by the government and donors, including the public finance reform plan, the development of joint accountability frameworks, the issuance of quarterly progress reports, and joint annual programme reviews for all sector programmes. There has been recent agreement on the use of common procedures for pledged funds instead of donor procedures. Donors have also mutually agreed conditions for tranche funding by adopting the government's policy matrix over the medium-term.

INDICATOR 10a
Joint missions

A common complaint of partner countries is that donors make too many demands on their limited resources: country authorities spend too much time meeting with donor officials and responding to their many requests. The Paris Declaration recognises that donors have a responsibility to ensure that, to the greatest extent possible, the missions and analytical work they commission are undertaken jointly – *i.e.* that the burden of such work is shared. The 2010 target is that 40% of donor missions to the field are conducted jointly.

TABLE 10:
How many donor missions are co-ordinated?

	Co-ordinated donor missions* (missions) a	Total donor missions (missions) b	2005* (for reference)	2007* (for reference)	2010* (%) c = a / b
Asian Dev. Bank	1	21	--	--	5%
Australia	3	10	--	--	30%
China	0	0	--	--	--
EU Institutions	2	6	--	--	33%
GEF	0	0	--	--	--
IUCN	0	0	--	--	--
Japan	0	1	--	--	0%
New Zealand	4	9	--	--	44%
OFID	0	0	--	--	--
United Nations	5	23	--	--	22%
World Bank	3	7	--	--	43%
Total	12	77	--	--	15%

*The total of coordinated missions has been adjusted to avoid double counting. A discount factor of 35% is applied.

The share of jointly co-ordinated missions was 15% in 2010, far below the target of 40%. In spite of the attempts to promote the use of joint missions, such as the involvement of donors in sector development on a collaborative basis, some individual donor missions disregard government encouragement in this regard, most likely because of internal priorities. In these cases the government provides no guarantee that parties they might wish to meet are available to do so. Co-ordinated missions are mainly in the form of review missions and are widely practised in sectors where multiple donors are involved.

INDICATOR 10b
Joint country analytic work

Country analytic work is the analysis and advice necessary to strengthen policy dialogue, and to develop and implement country strategies. It includes country or sector studies and strategies, country evaluations and discussion papers. The Paris Declaration foresees that donors should conduct analytic work jointly where possible as it helps curb transaction costs for partner authorities, avoids unnecessary duplicative work and helps to foster common understanding. Indicator 10b measures the proportion of country analytic work that is undertaken jointly. The 2010 target is that 66% of country analytic work is carried out jointly.

In 2010, the share of joint analytical works in Samoa was 46%, somewhat less than the 2010 target of 66%. Assessments conducted include studies regarding sector budget support (with EU), assessment regarding general budget support for emergency and global crisis response (with the World Bank and the Asian Development Bank) using a common policy matrix, and the partnership agreement between Samoa and the Australian government using a scorecard methodology. The results of these assessments were used by Australia to release its emergency response to Samoa following the 2009 tsunami. ■

	Co-ordinated donor analytic work* (units) a	Total donor analytic work (units) b	2005* (for reference)	2007* (for reference)	2010* (%) c = a / b
Asian Dev. Bank	0	0	--	--	--
Australia	0	0	--	--	--
China	0	0	--	--	--
EU Institutions	0	2	--	--	0%
GEF	0	0	--	--	--
IUCN	0	0	--	--	--
Japan	0	0	--	--	--
New Zealand	1	1	--	--	100%
OFID	0	0	--	--	--
United Nations	15	22	--	--	68%
World Bank	0	1	--	--	0%
Total	12	26	--	--	46%

TABLE 11:
How much country analytic work is co-ordinated?

* The total of coordinated country analytic works has been adjusted to avoid double counting. A discount factor of 25% is applied.

MANAGING FOR RESULTS

BOTH DONORS AND PARTNER COUNTRIES should manage resources according to well-defined, desired results, measuring progress toward them and using information on results to improve decision making and performance. Achieving this implies strengthening capacity to undertake such management and emphasising a focus on results. Countries are expected to develop cost-effective and results-oriented reporting and performance assessment frameworks, while donors commit to use them and refrain from requiring separate reporting.

Indicator 11 assesses the quality of a country's results-oriented frameworks. In particular, it considers the quality of the information generated, stakeholder access to information, and the extent to which the information is utilised within a country level monitoring and evaluation system. The government provides evidence against these criteria through the survey, and this is translated by the World Bank into a score running from A (highest score) to E (lowest score).

The Paris Declaration 2010 global target is to reduce the proportion of countries without transparent and monitorable performance assessment frameworks by one-third.

Samoa has received a score of C for its results-oriented frameworks. Samoa's national development strategy (NDS) has a monitoring and evaluation (M&E) framework. The framework is supported by data with good coverage, quality and reliability to meet the demands of the NDS. The NDS's targets and the quality of development information are sectorally and geographically comprehensive. 96% of the qualitative indicators have baseline data. The main data sources include population census, household surveys, poverty assessments and other sectoral surveys and data systems. However, due to the need for timeliness, many indicators depend on different censuses, which are held every five years; this makes the annual monitoring of indicators difficult.

The country's NDS, the quarterly and the annual public expenditure information are all publically available on the internet in both English and Samoan, as well as in hard and electronic copies. More information and frequently updated data (census reports/results, national accounts and government finance statistics) can be accessed at the government and agencies' websites. However, availability in the local language is limited.

The Ministry of Finance co-ordinates data collection, analysis and reporting of the monitoring and evaluation (M&E) framework in consultation with the Samoa Bureau of Statistics, key sector agencies, and implementing agencies. Unlike the past strategies where only macroeconomic performance had quantitative targets,

INDICATOR 11
Do countries have results-oriented frameworks?

the current strategy has specified quantitative targets set by sector. The national M&E system is in a piloting phase to track output and outcome indicators. Under this phase relevant line ministries track the indicators identified in the NDS, and all ministries will follow in the next year. However, these initiatives remain as works in progress in most cases, and capacity issues are an ongoing concern to both government and donors. Monitoring and evaluation could not be implemented across the whole of government due to co-ordination and data availability issues, and it is not clear how the M&E reports are utilised by policy makers. ■

MUTUAL ACCOUNTABILITY

INDICATOR 12

Mutual accountability

STRONG AND BALANCED MECHANISMS that support accountability are required at all levels for aid to be most effective. Donors and partner country governments should be accountable to their respective publics and to each other for implementing their commitments on aid, its effectiveness, and the results to which it contributes.

Indicator 12 examines whether there is a country-level mechanism for mutual assessment of progress on partnership commitments, including on aid effectiveness. There are three criteria that must all be met: the existence of an aid policy or strategy agreed between the partner country government and donors; specific country-level aid effectiveness targets for both the partner country government and donors; an assessment towards these targets undertaken by both partner and donors in the last two years, and discussed in a forum for broad-based dialogue.

The 2010 target is for all partner countries to have mutual assessment reviews meeting these criteria in place. Samoa has met the 2010 target for mutual accountability. A key tool for implementing the Paris Declaration is the Aid Development Co-operation Policy (circulated for comment and passed by Cabinet in late 2010). The policy aims include:

- alignment with the priorities articulated in the national development strategy.
- achievement of agreed aid effectiveness targets
- recognition and respect of government ownership of development co-operation programmes.
- a shift of programming modalities regarding donors co-operation activities from discrete projects to sector programmes.
- full national ownership of the decision making process relating to the allocation of resources.
- harmonisation and co-ordination, including common reporting and participation at annual joint sector review meetings.
- utilisation of government systems and procedures as far as possible
- the completion of policy frameworks and strategies where sector plans have yet to be developed.
- the provision and co-ordination of capacity development in all programmes and amongst all partners involved in the sector, and requirements for predictability and regular flow of information.

More broadly, the government is committed to continuously improving institutional systems and procedures. It seeks to ensure that resource mobilisation and aid co-ordination promote transparency and mutual accountability among all partners, stakeholders and government. Samoa has also completed the UN Mutual Accountability Survey.

NOTES

The quantitative information presented in this chapter is taken from data provided by national co-ordinators up to 31 July 2011, following the data validation process with stakeholders at the country level. It was not possible to modify or correct any data received after this date.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

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