



MAKING AID MORE EFFECTIVE IN ASIA & THE PACIFIC

UNFPA's Response to the Paris Declaration

UNFPA and Aid Effectiveness: Embracing change and challenges ahead

As a development partner fully committed to the principles of the Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008), as well as the process of UN Reform, UNFPA has been adjusting its programmes and systems to individual country contexts, taking into account the changing development environment and moving progressively towards processes that are fully nationally owned and led. Ten country studies illustrate how UNFPA has sought to apply the principles of the Paris Declaration in its support to **Bangladesh, Cambodia, India, Indonesia, Lao PDR, Mongolia, Nepal, Papua New Guinea, the Philippines and Viet Nam.**

Over the past five years there has been a significant uptake in UNFPA's engagement in terms of policy advice, evidence-based planning and capacity development. UNFPA has intensified its dialogue with a wide range of partners, including parliamentarians and government agencies at sub-national level in order to ensure the sustainability of the ICPD agenda, and has used its convening power to draw non-state actors into the development planning process. Through policy dialogue and capacity development of national counterparts, UNFPA has ensured that the ICPD agenda and relevant MDGs are reflected in national and sub-national plans and monitoring frameworks.

Most UNFPA country offices in Asia and the Pacific operate through sector coordination and support to national plans and programmes. Globally, UNFPA has been involved in sector-wide approaches (SWAps) for health in 27 countries, four of which are in Asia, and in fact, has been a leading proponent for this modality within the UN family. Experience from countries shows that sector-wide approaches and donor harmonization are effective in raising the visibility of sexual and reproductive health in policy dialogue, planning and monitoring, and in leveraging of financial and human resources towards ICPD implementation.

With more countries in the region engaged in the process of decentralization or devolution, there are unparalleled opportunities for influencing programme and policy implementation at sub-national level. However, this development will require greater programmatic focus on vulnerable populations, and careful prioritization of support in order to not spread resources too thinly to attain measurable results.

UNFPA scores reasonably well or very well on some principles (namely ownership and harmonization), but faces challenges on others (alignment and managing for results). As can be seen from UNFPA experience in countries, there is no one optimal configuration of forces and factors that leads to improved development effectiveness: even with similar forces at work, development effectiveness will play out differently from one country to another. Political factors, the degree of involvement or non-involvement of civil society and other non-state actors, the existence of effective decentralization processes as well as socio-cultural aspects and of course the availability of financial and human resources all continue to be crucial factors that have a bearing on the effectiveness of development. That said, one lesson does stand out: development effectiveness is the result of national processes and can succeed only where there is strong national ownership and leadership on the Paris Declaration principles.



Bangladesh is one of 50 countries classified by the UN as ‘least developed’ and has remained in this category since 1975. However, the country appears to be poised for a higher growth trajectory, and a combination of accelerated growth and emphasis by the government on targeted social safety net schemes has contributed to significant improvement in the country’s human development, poverty levels and social conditions.

In the health, nutrition and population sector, the government’s priority is an essential services package (ESP) and primary health, with an emphasis on prevention and promotion. The Essential Services Package consists of reproductive health, child healthcare, communicable disease control, limited curative care, and behaviour change communication. Currently these five components are delivered through public sector service delivery channels under the operational plans of the Health, Nutrition and Population Sector Programme (HNPS). UNFPA’s support for reproductive health is mostly placed within this programme.

Essential service delivery (ESD) was a conceptual offspring of the ICPD in 1994, and was introduced in the country’s first health SWAp - Health and Population Sector Programme (HPSP). The first SWAp-HPSP in Bangladesh was implemented during 1988-2003. Both the Government of Bangladesh and its development partners agreed to continue the second SWAp-HPSP up to June 2011. In the draft national health policy and the population policy, reproductive health issues receive due priority.

According to the *2009 National Health Accounts*, published by the Ministry of Health and Family Welfare, total public spending on health stood at about \$608 million in 2007. In addition, about \$182 million in donor funds was channelled directly to NGOs that same year, and ODA on health accounted for less than 10% of all spending on health. Public spending on health as a share of GDP has declined from 1 per cent in 1997 to 0.9 per cent in 2007, which is low by international standards.

Bangladesh's current UNFPA country programme, for 2006-2010, extended to 2011, is the seventh in the series. It reflects ICPD priorities and incorporates the MDGs and national goals reflected in poverty reduction strategy, which are mutually consistent. UNFPA has already become part of the health SWAp and has contributed \$1 million to pooled funds, in addition to its continuing parallel funding to the HNPS. By joining the health SWAp, UNFPA has enhanced commitment to addressing reproductive health needs both in relation to the Government and the donor community and has been a prominent member of the Health, Nutrition and Population Consortium and the Health, Nutrition and Population Forum.

Since 2005, Bangladesh has been preparing its national development strategy in the form of a poverty reduction strategy, formally called the National Strategy for Accelerated Poverty Reduction. The current NSAPR-II (revised) was launched in 2009 for three years, for fiscal year 2009-2011. The NSAPR-II sets out clear strategic priorities, but has not been able to effectively translate these into results-oriented operational programmes with effective linkages to a mid-term budgetary framework and annual budget. A change in government policies, coupled with a change in priorities, hamper full ownership of the health SWAp in Bangladesh. The changing and fragmented policies discouraged the original champions of the SWAp, resulting in some loss of interest and ownership of the programme by development partners. UNFPA, however, remained a steady advocate of the SWAp and reiterated its strong support by contributing \$1 million to the pooled fund.

The Health, Nutrition and Population Forum and the HNP Consortium are the coordinating bodies under the HNPS. They are important in terms of the present sector boundary and the management of the pooled fund, but have not succeeded in boosting the leadership of the Government through building-capacity and ownership.

UNFPA's interventions can also be considered aligned with national priorities and operational objectives in terms of the programme implementation plan of the HNPS as well as the country programme action plan of UNFPA. The ongoing country programme cycle is synchronized with the PRSP and NSAPR-II of the Government of Bangladesh. Nevertheless, a significant share (about half) of UNFPA's funding remains 'off budget' and only 2.5 per cent is pooled. Parallel funding does not only mean an administrative burden in terms of time and cost, but also that reporting is not aligned to the HNPS results framework. Despite progress in aligning with the priorities outlined in the National Strategy for Accelerated Poverty Reduction, use of country procurement and financial systems by UNFPA remains limited. UNFPA attributes its reluctance to use national systems to fiduciary risk.

A comprehensive strategy for capacity development around which all donors can coordinate is yet to be developed. As a result, individual donor support, including that provided by UNFPA, may be narrowly project-focused and provide only fragmented assistance in terms of capacity development. The Government of Bangladesh's practice of frequent transfer of officials has also detracted from full utilization of the skills of trained officials.

Overall, some progress has been made in harmonizing aid in Bangladesh. This can be seen in terms of 1) the increased number of joint arrangements in the form of SWAps, 2) use of common procedures in planning and financial management, procurement, and 3) enhanced division of labour. However, progress still falls short in using fully the comparative advantages of donors and fostering complementary with government-led initiatives. While UNFPA chaired the wider Health, Nutrition and Population Consortium that oversees the Health, Nutrition and Population Coordination Committee, it sought to harmonize development partner practices through joint missions and analytical work, a division of labour, and common harmonized procedures.

Except for regular progress reports on the MDGs and the ICPD@15, and a few thematic reports produced in collaboration with the National Institute of Population Research and Training, there is little reporting on results. As systems are considered to be weak, UNFPA has provided support to improve the capacity of the Directorate-General of Family Planning, the Bangladesh Bureau of Statistics and the Planning Commission. For now, the agency-specific Annual Programme Review is the only opportunity to reflect on results.



Cambodia has reported on the progress towards sexual and reproductive health in consecutive MDG reports. The priorities in sexual and reproductive health have been integrated into major national planning documents, such as the National Strategic Development plan (NSDP, 2009-2013) and the Health Strategic Plan (HSP2, 2008-2015), and the ICPD indicators and targets incorporated into relevant monitoring and evaluation frameworks. To ensure coordinated and cohesive support from partners, a programme-based approach was adopted during the meeting of the Government-Donor Coordination Committee in 2010. This joint mechanism enables donors to work together in a sector or thematic area through pooled funding, and to share accountability for results achieved.

Illustrative of such programme-based approaches was the one adopted in support of the National Health Sector Plan (HSP1, 2003-2008), which was first known as sector-wide management. The technical working group on health, modified from the Coordination Committee for Health, was formed in 2004 and played a lead role in the programme-based approach. The working group included development partners, NGOs and relevant government ministries and departments, with eight subgroups to coordinate technical issues. UNFPA, UNICEF and WHO participated in the subgroup on maternal and child health and a task force on reproductive, maternal, newborn and child health. Adoption of the programme-based mechanism within the health sector is seen as the main factor that allowed the Ministry of Health to be the driver in setting health priorities and aligning support by development partners to reach national health goals.

The Ministry of Health (MOH) and seven development partners (Agence Française de Développement, AusAID, Belgium Technical Cooperation, DfID, UNFPA, UNICEF, and the World Bank) developed the HSSP2 (2009-2013), which aims to move towards a full SWAp. A joint partnership arrangement was put in place, laying out the roles and responsibilities of each partner in planning, monitoring and evaluation, along with funding modalities. The development partners established a group known as Joint Partnership Arrangement (JPA) Development Partners Interface Group (JPIG) with the aim to strengthen coordination and facilitate dialogue with the MOH. The JPA provides three flexible financing options: in a pool, through discrete funding earmarked for specific areas, such as SRH, and directly-managed portions by individual agencies. Five of the partners, including UNFPA, have joined the pooled account, and the two others have joined through discrete funding arrangements. While contributing to a pooled account, UNFPA and UNICEF also use discrete funding earmarked for specific reproductive, maternal, newborn and child health interventions in the MOH annual operational plan. The development partners who signed the JPA align their budget, monitoring, reviews and reporting cycle with those of the MOH annual operational plan.

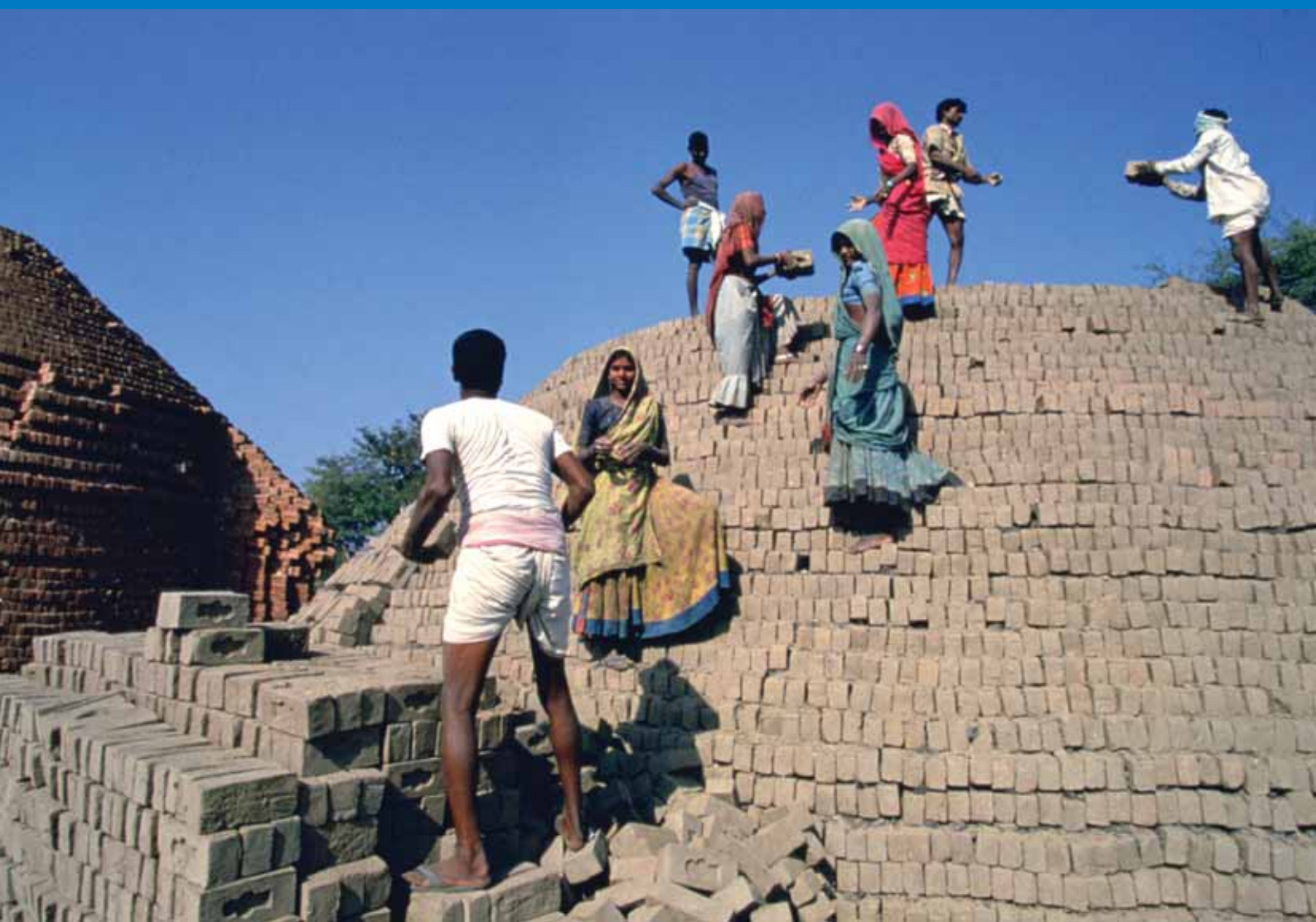
One of the demonstrated achievements of government leadership is a steady increase of government budget for reproductive, maternal, newborn and child health, even though it remains small compared to other programmes.

WHO, UNFPA and UNICEF provide technical and financial assistance to the Fast Track Initiative Road Map for Reducing Maternal and Newborn Mortality. The interventions carried out under this Road Map include emergency obstetric and newborn care, skilled birth attendance, family planning, and removal of financial barriers to maternal healthcare, among others.

One of the major issues in advancing the development effectiveness agenda in Cambodia is the need to strengthen institutional capacity. To address the shortage of skilled birth attendants, UNFPA, along with other partners, has assisted the MOH in establishing regional training centres to provide pre-service midwifery and nursing skills. Each health centre now has at least one midwife. Nevertheless, the uneven quality of the training, the inability to retain staff and the lack of incentives remain challenges. JPIG is assisting the Ministry of Health to produce an institutional development plan and its implementation arrangement. Such a systematic approach is considered fundamental to sustainable capacity development. The use of government systems and procedures for procurement, on the other hand, has not changed much and will be contingent on the development of the reforms under the Public Financial Management Reform programme.

Based on the programme-based approach experience in health sector, the same approach is being adopted in national planning and gender areas, led by the Ministry of Planning and Ministry of Women's Affairs respectively. UNFPA will join partners to contribute its experience, following support in the health sector SWAp. One opportunity to expand implementation of sexual and reproductive health and gender priorities is by working at sub-national level of programming. Since the United Nations is supporting decentralization and de-concentration, it is also important for UNFPA to advocate for integration of sexual and reproductive health into these processes, including through the collaboration with the National Committee on Population. Additionally, a more effective coordination needs to be carried out at sub-national level to address the lack of participation from communities and local authorities in dealing with poor quality and coverage of services. Hence, UNFPA role in promoting the role of CSOs in those undertakings is regarded important.

UNFPA is perceived to be a key catalyst for advancing both the Paris Declaration principles and the UN reform in Cambodia. Its efforts to create space for other actors to join the health sector pool are appreciated. One of the key factors facilitating such a lead role is attributed to the clear, consistent messages and support from the senior management at country, regional and global levels.



The reproductive health approach endorsed through the ICPD was articulated in the Reproductive and Child Health (RCH-I) programme, which was developed with support from UNFPA. The second phase of the RCH programme (RCH-II) represents a SWAp in health sector and is an important component of the Government's landmark programme - the National Rural Health Mission (NRHM) - launched in 2005. The NRHM has a strong commitment to reduce maternal and infant mortality and provide universal access to public health services. The RCH-II is the first initiative to bring all stakeholders and development agencies together under one framework, with a common implementation plan and indicators. The Government of India contributes 92 per cent of funds for the RCH-II programme and administers its planning, budgeting and implementation. The remaining eight per cent of the RCH-II is contributed by pooling partners, including World Bank, DfID and UNFPA.

Pooled resources into the RCH-II programme allowed UNFPA to shift its assistance from implementation of projects to policy and technical assistance and provided UNFPA with the opportunity to engage with government on a long-term basis, contribute to the strategy development, participate in joint review missions and incorporate ICPD indicators in its monitoring and evaluation framework. UNFPA, along with the other pooling partners became closely involved in streamlining the programme's procurement system, improving financial management and accounting practices, and ensuring a stringent audit system. Such shift in programme assistance has resulted in reorganizing UNFPA's support in the states, as well as strengthening UNFPA capacity for policy engagement, coordination and technical assistance in key areas of ICPD PoA.

Although in the initial phase, there was a difference in the role of agencies that pooled funds for the programme versus those that did not, subsequently, the government recognized the importance of pooling and coordinating technical assistance, and not necessarily financial assistance. Hence, other development partners have not been requested to pool funds but have been encouraged to work through the SWAp in rendering their technical support. One important feature of the RCH-II is joint reviews that are undertaken by the Ministry of Health and Family Welfare with development partners. It represents a structured process to critically assess achievements and understand challenges, deciding on the agreed course of actions. These reviews also facilitate a more coordinated and coherent response and foster stronger collaboration among involved agencies.

During the current country programme, UNFPA contributed over one third of programme funds (USD 25 million) to the SWAp. UNFPA support is focused on targeted technical assistance in reproductive and maternal health, based on identified gaps and areas where the government is struggling to ensure progress. Such “gap filling” strategy is adopted by UNFPA in India at both national and state levels. Every state prepares its implementation plan to administer the RCH-II programme. The state offices of UNFPA provide technical assistance to develop a state implementation plan for RCH-II, and broadly support the NRHM implementation. The UNFPA’s presence in the states is deemed to be an effective mechanism, which enables a tailored response at state level, based on wide partnerships within and outside government.

Given the government’s restricted capacity to pilot projects and test innovations, UNFPA in India places equal importance on innovative pilot projects to demonstrate results and subsequent scaling up by the government. For example, the recommendation to provide additional human resources at sub-centres in the form of auxiliary nurses and midwives, which now receives funds from the National Rural Health Mission, came from a pilot project initiated by the Fund. Better planning, coordinated monitoring and evaluation of such pilots remain a priority, calling for UNFPA’s continued assistance. On the other hand, facilitating continuous feedback and link to the central government decision making is critical.

UNFPA’s assistance to capacity building at national and state levels ranges from the development of training modules and providing technical assistance to facilitate the oversight of the training function in the government to providing human resources and improving the management of the NRHM/RCH-II.

To foster closer coordination and harmonization, donors and partners use the Development Partners Forum as a platform to discuss key issues of programme design and implementation. Similar meetings of development partners are held regularly at the state level. The UN agencies in Orissa, Madhya Pradesh and Bihar have common premises and form joint mechanisms to tackle challenging issues. For instance, a core group for maternal, newborn and child health in Orissa includes, in addition to the UN agencies, the Norway India Partnership Initiative.

Moving forward, the value added of UNFPA in India lies in technical know-how and support for the implementation of policies and strategies, particularly in the area of family planning, reproductive health and maternal health. On the other hand, support is also needed in improving monitoring and evaluation of the national programmes, such as NRHM.



In 2004, a far-reaching decentralization process changed governmental practices and mechanisms at a fundamental level. This new atmosphere poses challenges in coordinating and implementing national programmes throughout the country. It has also resulted in challenges in terms of filling the gaps in capacities and resources at local levels of government now being called upon to assume new tasks and functions. Additionally, high turnover of personnel at the district level has contributed to a lack of human resources for the provision of health services.

The National Committee on Reproductive Health was formed in 1998 with a mandate to better define reproductive health issues and scope of services to be delivered, and in 2005 developed a national policy and a strategy on reproductive health. As a consequence of decentralization, responsibility for addressing reproductive health issues now lies with local government. At the same time, local government agencies still have limited capacity to implement various national strategies, and face many priorities competing for the same limited resources. This means that on-going initiatives on reproductive health may end up under threat as local governments redirect their resources to other - and sometimes revenue-generating - sectors. The situation is creating a major constraint for Indonesia in meeting its targets in the area of reproductive health and rights.

Indonesia is one of the signatory countries of the 2005 Paris Declaration on Aid Effectiveness, and signed the “Jakarta Commitment” on 12 January 2009, inviting development partners to join in this commitment towards development effectiveness. To ensure that the government’s institutions have the capacity to lead the aid coordination and management processes, an Aid for Development Effectiveness Secretariat (A4DES) was established in 2009, led by a deputy minister.

Because Indonesia has achieved middle-income country status and aid is declining substantially, the United Nations—including UNFPA—is being asked to work more at the policy level. In response, the design of the UNFPA country programme will focus on:

- Supporting upstream policy advice and dialogue with government at both central and sub-national levels, and foster dialogue among national partners including CSOs/NGOs
- Providing technical assistance to develop both national and sub-national capacity in advanced analysis and utilization of available data
- Promoting South-South and North-South cooperation.

Management of UNFPA assistance takes place at three levels: the central, provincial and district/city level. At the national level, BAPPENAS is the government coordinating agency in charge of overall programme coordination. BAPPENAS monitors progress on the UNFPA programme, and coordinates the programme with national partners. Country programmes are fully aligned with government priorities at the national level (the Medium-Term Development Plan and PRSP).

Preparation of the annual work plan at the central level is coordinated by BAPPENAS with reference to the National Medium-Term Development Plan, the Government Work Plan, the Blue Book and Annual Budget Plan.

UNFPA has been instrumental in establishing reproductive health commissions at sub-national levels, and some of these commissions have successfully promoted reproductive health and rights onto the development agenda. They have increased local budget allocations for reproductive health and family planning programmes; endorsed local regulation of reproductive health; adopted a Reproductive Health National Strategy and a HIV/AIDS National Strategy; and included adolescent reproductive health into local curricula.

As part of its humanitarian response, the UNFPA country office is a key partner in developing the capacity of nine regional crisis centres, together with the Ministry of Health and the National Agency for Emergency Preparedness and Response.

UNFPA has reduced transaction costs by adopting common procedures with other development partners, including a harmonized approach to cash transfer (HACT). A joint programme of UNFPA, UNDP and UNIFEM in Nanggroe Aceh Darussalam Province may be held up as a good example of improving the social components of the post-conflict reintegration process. UNFPA is also a partner in the Joint Country Support Initiative for Accelerated Implementation of Maternal and Newborn Continuum of Care, together with WHO, UNICEF and the World Bank, which is guided by the National Health Plan. Support for this initiative fully conforms to on-going strategies for national health systems strengthening.

An inclusive consultative process is an essential part of UNFPA's work during formulation, implementation and evaluation of country programmes, which all include government as well and civil society representatives. While this process tremendously enriches and grounds programmes, it also puts strains on the processes and people involved, particularly due to decentralization. Transaction costs, while somewhat reduced due to more joint programming and harmonization of modalities and reporting mechanisms, may yet be higher than expected due to the increased need for consultations brought about by the decentralization.

Lao PDR is classified as a least developed country, with an annual per capita GDP of \$491. Lao PDR is highly dependent on development aid with ODA funds making up more than half of the state budget. Government resources for the provision of health services are limited, at \$3 per capita annually.

The Department for International Development Cooperation, based in the Ministry of Planning and Investment, is the national focal point for aid coordination. Currently, eight sector working groups are implementing the work of the National Socio-Economic Development Plans (NSED), including in the areas of health, education and governance. The Vientiane Declaration, a Lao-specific version of the Paris Declaration, was signed at the ninth round table meeting in Vientiane in November 2006 by the Government of the Lao PDR and representatives from 22 partner countries and organizations. It aims to strengthen intra-governmental coordination, enhance accountability of government agencies, simplify administrative processes and further promote government ownership and leadership over ODA management and coordination processes and outcomes

United Nations and bilateral agencies play a key role in all sections of the Vientiane Declaration country action plan. UNFPA is the development partner focal point for gender, along with the Lao National Commission for the Advancement of Women and the Lao Women's Union. The 2008 Survey on Monitoring the Paris Declaration in Laos noted that, despite the challenging circumstances facing both the government and development partners, some significant achievements have been made. In particular, there is a need to strengthen the Lao procurement, auditing and reporting systems, including developing internationally accepted standards. UNFPA is providing technical assistance to strengthening health systems through the technical working group task forces on maternal, newborn and child health and skilled birth attendance.

A sector-wide coordination mechanism has been established by the Ministry of Health and its development partners to facilitate strengthening the country's health system and promoting coordination and partnership. Through the technical working groups, the Ministry of Health has developed a number of strategies and plans, including the first National Health Information Strategic Plan 2009-2015, the first draft National Health Financing Strategy, the Maternal, Newborn and Child Health Strategy, the Skilled Birth Attendant Development Plan 2008-2012, and the National Nutrition Policy. Draft decrees on national health insurance and the mother and child health fee exemption are under way. The possibility of undertaking a sector-wide approach in the health sector has been discussed, with UNFPA a strong advocate of this along with JICA. However other major international development partners sense that the Government is as yet not in a position to undertake a SWAp. A major challenge within the health sector coordination mechanism is the weak capacity of the Government to coordinate and provide technical and data inputs, which makes it heavily reliant on the active contributions of development partners.



The UNFPA Country Programme is fully aligned with national priorities, although its cycle is off by one year – this is considered a positive development rather, as it allows for full consideration of the NSEDP in the development of the UNFPA Country Programme. The Ministry of Health does not receive from development partners, including UNFPA, a total commitment for financial support for the health budget for the duration of the Plan, and has noted that this is a challenge in terms of planning agreed-upon future activities. In particular, it has called for the use of more programme-based approaches. UNFPA does not use project implementation units in Laos, nor does it engage in sector budget support, pooled funding or basket funding - due to lack of adequate financial management systems in the Ministry of Health.

UNFPA is the development partner focal point for gender in the Vientiane Declaration Country Action Plan, along with the Lao Women's Union and the Lao National Commission for the Advancement of Women. One of the concrete results of this leveraging has been that gender concerns are more systematically addressed in the new NSEDP, with clear links to MDG targets.

UNFPA-specific monitoring and evaluation requirements are integrated into national M&E systems, but as the national M&E reporting system is not yet fully developed, UNFPA continues to use UNFPA-specific reporting instruments. UNFPA has advocated for the use of sector review meetings to replace UNFPA annual programme review meetings and will continue to do so. The Government, on the other hand, has requested agency-specific review meetings.

Starting in 2007, the United Nations began using the HACT system for financial management. Laos is now HACT-compliant and UNFPA is seen as a strong collaborative partner. A standard operating procedures manual has been developed and a standard financial management manual is under development to improve the management of ODA.



Mongolia is a middle-income country which has become increasingly less dependent on ODA in financial terms - net official development assistance as a percentage of gross national income has steadily decreased since 2006 until much below 5 per cent. In fact, revenue from foreign sources accounted for only 0.7 per cent of the total government budget in 2008. The Law on Foreign Loans and Grants provides a legal framework for the management of external resources. It assigns coordination responsibilities to the Development Financing and Cooperation Department, in the Ministry of Finance, which also serves as a secretariat for the Aid Coordination Committee. The National Development and Innovation Committee was established in December 2008 and is responsible for developing and revising national development strategies. Mongolia has endorsed the Paris Declaration on Aid Effectiveness.

An MDG-based comprehensive National Development Strategy was adopted in 2008, which fully reflects ICPD goals, including provisions on unemployment and poverty reduction; gender equality; demographics; education, including gender parity, and health. This is in line with a long-standing commitment to ICPD, as witnessed by the 1996 State Policy on Population. The National Reproductive Health Programme covers challenges in maternal and reproductive health services. The Government has established several committees to coordinate stakeholders' activities, such as the National Council on Public Health Policy implementation, the National AIDS Committee, and the Intersectoral Coordinating Committee for Health Sector Human Resources. Coordination is hampered by irregular meetings of the Aid Coordination Committee, frequent changes in staff, and different focal points for different agencies working in the same field. The process towards a health sector SWAp has been slow, in spite of a considerable show of support from a consortium of development partners. The contribution of donors is not included in the budget except for some programme loans.

The UNFPA Country Programme priorities are completely aligned with national priorities, and in particular with the Health Sector Strategic Master Plan. UNFPA manages the implementation of the Country Programme Action Plan through its office in Ulaanbaatar and one sub-office in the Western Region, where socio-economic indicators are significantly below national averages. UNFPA does not maintain project implementation units in the country. National execution has increased substantially in recent years, according to the available data. While in 2008, this figure stood at 6 per cent of total UNFPA programme funds, as of 2010 the rate had reached 45 per cent. Mongolia has a decentralized public procurement system with some centralized supervision. The Procurement Policy and Coordination Department of the Ministry of Finance designs procurement policy and standards, provides professional services and training to procuring entities, and reviews complaints from bidders. Mongolia's procurement system rating has improved from 'problematic' in 2006 (according to the AER of the World Bank) to a 'C', according to the 2008 Survey on Monitoring the PD. UNFPA does not use the national procurement system in Mongolia.

UNFPA works closely with all UN partner agencies towards the achievement of the MDG-based comprehensive National Development Strategy. The Joint Programme on HIV/AIDS (2007-2011) brings together UN agencies, the government and local NGOs to focus on prevention activities, policy development and research to address the unique issues of a country with a low HIV prevalence that is surrounded by high-prevalence neighbours. The Joint Programme on Maternal and Newborn Health (2009-2011) mapped UNFPA, UNICEF and WHO activities according to the continuum of maternal and newborn care core components.

A number of UN agencies, including UNFPA, have joined hands to support the national initiative 'Promoting Social Equality in the Gobi Areas of South Mongolia.' In the view of the Ministry of Finance, UN agencies in general play a leading role in initiating new ideas, but their resources are limited and scattered, making it difficult to see those ideas implemented.

In collaboration with the UN joint programme, the DevInfo information system, which includes data from 1980 to 2008, was established at the National Statistical Office and at sub-national level. However, information dissemination and utilization of data needs to be strengthened. In 2007, a national integrated health management information system for reproductive health, including logistics management information system software to improve forecasting, planning of stocks, and timely delivery of reproductive health commodities, was introduced with support from UNFPA.

According to a baseline survey conducted in 2007, the availability of statistics and data related to gender equality, violence and reproductive rights was average and their use at the national level by decision-makers was good.

The Ministry of Health conducts the monitoring and evaluation of national programmes according to an annual plan of action. However, participation of development partners and civil society in these activities is limited. Civil society and private organizations have only limited involvement in policy dialogue, operational plan development, and resource allocation organized by the Ministry of Health.



The Government of Nepal seeks to strengthen its role as coordinator of development assistance, as demonstrated by its taking over the chair of the Nepal Development Forum from the World Bank. Following a landmark Country Financial Accountability Assessment in 2002 and a public expenditure and financial accountability assessment in 2006, the Government has prioritized the implementation of the associated action plan.

Despite the recent decade-long conflict, as suggested in the *MDG Progress Report for Nepal 2010*, Nepal is likely to meet its targets on income poverty, reducing under-five mortality, reducing maternal mortality and halting and reversing the spread of HIV, malaria and other major diseases. As a result of increased funding from internal and external sources, “pro-poor” and fully subsidized maternity care schemes were launched and helped to increase the access of poor and pregnant women to health services. Nevertheless, the achievement of universal access to reproductive health is among MDG targets that are unlikely to be met.

Health sector donors and development partners in Nepal signed the International Health Partnership (IHP) when it was launched in Nepal in 2007. As per the compact, the partners have pledged to support the country-led national health plan through strengthening and using national systems. The Ministry of Health and Population (MOHP) and external development partners have agreed to work together under a shared vision and a set of common priorities, guided by the Nepal’s health policy. The new direction of the health policy is reflected in the Interim Constitution, the 10-Point Policy Guideline and the Three-Year Interim Health Plan. Moreover, international development partners pledged to harmonize their support in annual planning, joint reviews and reporting and share relevant information with all partners.

The signatories to the Nepal Health Development Partnership have developed a set of additional commitments to align aid in accordance with pro-poor health policy, ensure representation of civil society in healthcare planning, implementation and monitoring, and ensure equity and social inclusion by reaching out to the historically excluded and marginalized populations. The development partners in Nepal have committed to provide coordinated technical assistance in support of NHSP II. A framework linking all development partners' technical assistance contributions against NHSP II results was put together with the objective to facilitate government's ownership of technical assistance being provided and to reduce duplication.

The new five-year Nepal Health Sector Programme (NHSP II) was approved in 2010, the development of which was supported by UNFPA, together with other external development partners. Under the current country programme (2008-2012), UNFPA has planned its support to the health sector in line with the Nepal Health Sector Programme (NHSP). UNFPA in Nepal is committed to the national execution modality using national systems, but is a "non-pooling" partner for now.

From 2009-2010, UNFPA co-chaired a group of development partners in health; since 2010, it has served as chair. UNFPA is active in a number of health-related committees coordinated by MOHP: the Reproductive Health Coordination Committee, the Reproductive Health Commodity Security Committee and the Adolescent Sexual and Reproductive Health Sub-Committee.

In response to the Government's call to support the Local Governance and Community Development Programme implemented by the Ministry of Local Development, UNFPA and other development partners are working on a pilot programme to enhance governance in the health sector and facilitate more effective implementation of decentralization. This will evolve as a SWAp for Local Development and Community Mobilization Programmes, under the Ministry of Local Development. In line with the principles of aid effectiveness, UNFPA in Nepal has undertaken a major transformation in terms of its programme and structure to support national goals at the district level. In contrast to a strong service delivery mode from 2003-2009 through six districts, UNFPA now focuses on advocacy, policy dialogue and influencing budget allocation and implementation, in 12 district offices. This field presence will help identify lessons learned with regard to policy implementation, to be fed back into national policy discussions.

Nepal is recovering from conflict and the role of projects as interim relief measures for hard-to-reach areas is still relevant when addressing humanitarian needs, and mostly due to the lack of adequate health system capacity, planning and implementation. All UNFPA "projects" such as reproductive health camps and uterine prolapse surgery referrals come under the umbrella of the national health sector strategy.

Challenges exist in Nepal related to full implementation of the Paris Declaration principles. One is the lack of adequate financial accountability mechanisms and a weak health system. The health sector is heavily politicized with frequent transfers of staff and competing priorities. Responding to the challenges, the UN team in Nepal has developed a meaningful division of labour and maintains a continuous exchange across thematic areas and cross-cutting issues, which are essential for successful coordination and alignment.

The monitoring and evaluation frameworks of national programmes have received much support from partners but remain a work in progress. UNFPA has provided support to the health management information system in Nepal and has specifically supported the piloting of a comprehensive integrated National Health Information System Strategy in three districts.



The Development Partners Consultation Forum in 2006 agreed on the Madang Plan of Action to localize the Paris Declaration, and in February 2008, the Kavieng Declaration on Aid Effectiveness was adopted by the Government of Papua New Guinea. An action plan, accompanied by a set of monitorable indicators and targets, was subsequently developed. As indicated in the 2010 report by the Pacific Islands Forum Secretariat, “*Tracking the Effectiveness of Development Efforts in the Pacific*”, Papua New Guinea has one of the most developed agreements in terms of mutual commitments and arrangements for localizing the Paris Declaration.

In 2009, the Government of Papua New Guinea launched its first long-term development plan, Vision 2050, which guides the country’s mid-term development strategies and serves as a framework for aligning all strategies and plans. The National Health Plan (2011-2020) was developed with support by the UN health task team. It aims to strengthen the healthcare system and improve service delivery both in rural and urban areas through a ‘back to basics’ approach. ICPD and MDG health indicators are well reflected in the Plan. It has a quantified implementation schedule for achieving set goals and targets and a clear performance monitoring plan.

The Health Sector Improvement Programme (HSIP) is the Papua New Guinea version of a SWAp. The second phase of the HSIP was launched in 2004 and envisioned to support the Government’s leadership in coordination and management of health sector. The HSIP trust account was set up and donor support provided as pooled or earmarked funds. UNFPA pools funds with other donors through the HSIP. UNFPA funds that are not pooled are advanced to implementing partners through a national execution modality and are well aligned with national plans.

To facilitate coherent and coordinated support in the health sector, an annual meeting is called by the Government of Papua New Guinea to review progress with development partners and plan for the following year. The last review was critical in concluding that the HSIP has been a parallel system that supported separate project management units and a number of tied earmarked projects not fully coordinated with the national plan. A number of other important concerns were identified, including the difficulty of getting resources to provinces and health facilities, the lack of a sector-wide perspective on budgeting and planning, and inadequate accountability and monitoring. One of the main recommendations of the HSIP review outlined measures to overcome the challenges of decentralization. Eighty-six per cent of Papua New Guineans live in rural areas where health services are often unavailable. The decentralized government structure put in place in 1995 poses a major challenge for the implementation of health plans. The UN support at provincial and district levels helps build capacity of government staff on financial management, but better understanding of the specific obstacles to the efficient functioning of sub-national health units is needed to bring about lasting changes.

In 2007, UNDP, UNICEF and UNFPA in Papua New Guinea adopted the 'Delivering as One' approach. In terms of sector coordination, UNFPA co-chaired the Development Partners Health Group, which plays a key role in developing integrated strategies, monitoring HSIP progress, and determining ways for better alignment of partners with government priorities. Recognizing the weakness of monitoring and evaluation of national programmes and the scarcity of reliable data at national and sub-national levels, UNFPA has supported data collection and analysis through the 2011 population and housing census and integrated key ICPD indicators into national M+E frameworks.

In Papua New Guinea, the UN reform has advanced aid effectiveness by reducing programme fragmentation and transaction costs, preventing duplication, introducing results-based budgeting and management, and improving transparency and accountability. However, many development partners believe that the UN could play a more prominent role in advancing the Paris Declaration given its neutrality, global mandate, and wide knowledge base to address certain key issues with the Government - such as the need for stronger leadership and ownership of the health sector reform initiatives. Partners believe that the UN should work more from the ground up to address tangible challenges and spend less time on internal coordination mechanisms.

Much remains to be done to strengthen public-sector capacity to manage and deliver services, including the prevention of high staff turnover. Not only are national mechanisms ineffective and expensive, the funding for the delivery of services is inadequate, and governance systems at the national, provincial and district levels are complex and poorly defined. Decentralization poses a major challenge for effective implementation and improvement of service delivery. Monitoring and evaluation mechanisms remain weak and reliable data needed for decision-making and management are lacking.

THE PHILIPPINES



The Philippines is a low-middle income country which historically has not depended much on ODA. By 2008, the level of ODA as a percentage of GNI had decreased, from 0.7 per cent in 2000 to 0.03 per cent in 2008. In terms of capital flows, ODA contributes much less than remittances, which reached almost \$18 billion in 2009 while ODA-assisted programmes and projects accounted for about \$751 million, and FDI flows to the Philippines average around \$2 billion a year.

Programming of ODA is managed by the National Economic and Development Authority (NEDA). Interagency coordination is undertaken through the Development Budget Coordinating Committee and the Investment Coordinating Committee. The main venue for dialogue on national development issues is the Philippine Development Forum. Specific project proposals, listed under sectoral goals of the Medium-Term Philippine Development Plan, are devised by implementing government agencies, some of which are supported by development partners. Specific compliance with the Paris Declaration and the Accra Agenda for Action is guided by the Philippine Harmonization Committee, which among other things aims to strengthen country systems for procurement, public financial management, gender mainstreaming, ensure a results-orientation at various levels and address gaps in implementation of the Paris Declaration. Following the Health Sector Reform Agenda in 1999, the Department of Health organized its various development partners into a Health Partners Group that focuses on management and coordination of development partners. UNFPA has been actively participating in this mechanism for the past few years. Under the Local Government Code, the national Government has delegated to local government units (LGUs) the provision of a complete set of reproductive health services.

In 2003, the Government of the Philippines and major development partners (including the ADB, JICA and the World Bank) agreed to harmonize procurement implementation rules and regulations. In 2007, the use of a single procurement manual was also made obligatory for procurement that was locally funded or funded by loans. However, to fast track programme delivery, UNFPA frequently resorts to using systems outside those of the Government. Sometimes even the Government itself suggests that a development partner's system might be more suitable, especially when time constraints exist.

UNFPA operates 11 'programme management units' in the provinces where it provides assistance, in addition to a 'city programme management unit' in Olongapo city and 30 municipal programme management units in the 30 municipalities where it provides support. The existence of these PIUs is warranted due to the need to ensure implementation of activities as well as the efficient and transparent use of project funds. This decentralization of activities to the field has necessitated a somewhat complex management structure that imposes significant challenges to effective and efficient implementation.

UNFPA has participated in several joint programmes in the areas of maternal and neonatal health, youth, employment and migration, HIV/AIDS, water governance, and climate change. Most United Nations agencies, however, still prefer parallel funding to pooled funding because of accountability considerations as well as the difficulty of harmonizing the different agencies' administrative and financial procedures and processes. For example, for a joint Safe Motherhood Programme involving UNICEF, UNFPA and WHO the funding is split among the three agencies and each requires separate reporting. In the health sector, UNFPA with UNICEF, WHO and JICA jointly worked on common training manuals for basic emergency obstetric and newborn care. Procurement of reproductive health commodities for the Philippines is largely undertaken through UNFPA's corporate mechanisms, subsequent to the breakdown of the Department of Health's procurement system for reproductive health commodities after a major bilateral partner withdrew its supply of contraceptives to the Government in 2008.

The Department of Health has been encouraging donors to use the Government's monitoring system to prevent the creation of new data and the duplication of current data systems on the ground. The UNFPA country office also depends on the national Demographic and Health Survey and other national surveys. The Government's current monitoring system (including that of the health sector) is still evolving, according to NEDA, and many statistical indicators that are estimated through surveys come out rather late, while administrative data from the Department of Health have quality issues. In this environment, UNFPA, together with government and other development partners are using alternative means to effectively monitor progress and results of their respective programmes, while contributing to the development of an effective and functioning monitoring and evaluation system.

NEDA releases the *Annual ODA Portfolio Review*, now on its 18th edition. In the health sector, the Department of Health has set up the Monitoring and Evaluation for Equity and Effectiveness (ME3) system to harmonize and coordinate the M&E processes in health.

In terms of reporting on programme results, one innovative scheme was the institutionalization of self-assessment scorecards by the Department of Health for LGUs and donors. The indicators used are results-oriented in their adherence to the Paris Declaration principles of harmonization and alignment. The local government unit scorecard combined the efforts of the Department of Health and the Department of the Interior and Local Government in reviewing the performance of LGUs. UNFPA has participated in this self-rating exercise and has scored well on harmonization and alignment indicators.

VIET NAM



In 2005, the Government of Viet Nam and development partners signed the Hanoi Core Statement on Aid Effectiveness, followed by the endorsement in 2009 of a Statement of Intent, which lays out specific milestones in improving effectiveness of assistance in health sector. The Ministry of Planning and Investment (MPI) has demonstrated strong leadership in aid effectiveness and Viet Nam, having entered middle income country status in 2010, provides a good example of a mature development partnership. Continued from the introduction of market-oriented reforms in the 1980s, Viet Nam strives to ensure the most effective possible use of ODA. The establishment of the Aid Effectiveness Forum in 2010 is regarded an important milestone in changing the direction of aid effectiveness in Viet Nam. It aims to link aid effectiveness with development effectiveness and the implementation of the Socio-Economic Development Plan 2011-2015 by a broad group of stakeholders, including the Government, donors, international NGOs and CSOs.

Viet Nam's Socio-Economic Development Plan (2011-2015) is a comprehensive national strategy for growth and poverty reduction, prepared through an extensive consultative process. Individual sectors and provinces prepare their own socio-economic development plans. In terms of national policy development, UNFPA played a key role in the development of the integrated Population and Reproductive Health Strategy (2011-2020) through the Ministry of Health. As part of this support, national consultations were conducted on pressing population issues affecting Viet Nam, such as sex ratio at birth, the demographic 'bonus' and migration.

In May 2010, Viet Nam joined *the International Health Partnership* and related initiatives (IHP+). The UN continues to provide technical and financial support to the Health Partnership Group. With UN assistance, the Ministry of Health has approved a guidance note on technical working groups to enhance aid effectiveness within key areas of the sector, such as human resources, health financing and health information systems. For instance, UNFPA-provided assistance to the MOH in developing the national plan for action for human resources for health and supported the development of a three-year pre-service midwifery training programme. With UNFPA support, the government passed a national decree on technical tasks of reproductive health workers and updated the national standards and guidelines on RH services.

Viet Nam has demonstrated significant progress in reducing poverty and achieving most of the MDG targets. However, as a middle-income country, it still requires support in addressing issues of inequities and disparities, and in particular addressing the needs of ethnic minorities in mountainous and remote areas, young migrants and the elderly. Ensuring compliance of national policies with internationally accepted norms and standards is also high on the agenda.

Viet Nam became a UN “Delivering as One” pilot country in 2007, and the reform process is guided by a Tripartite National Taskforce (Government, donors and the UN). The *Harmonized Programme and Project Management Guidelines* were approved by the Government and the UN in 2010 to guide the management of UN-sponsored programmes and projects in Viet Nam. The guidelines are expected to increase transparency, efficiency and effectiveness of the UN-supported programmes and to contribute to the overall harmonization efforts.

The next One Plan for 2012-2016 is being developed on the basis of the Paris Declaration/ Hanoi Core Statement principles of government leadership, harmonization and alignment, with a forward-looking perspective on the UN's role in the context of a new middle-income country.

The United Nations is moving ahead as a team to strengthen aid effectiveness principles in its framework of support to Viet Nam through the One UN Plan. Within the UN team, UNFPA has a specific mandate to ensure that ICPD priorities are well integrated into the Government plans and budgets.

Many challenges remain ahead as a significant share of ODA continues to be disbursed and delivered through parallel management arrangements. Despite the Government's efforts in developing a new legal framework for public investment management, inconsistencies between Vietnamese and donor rules remain. As the Government assumes ever greater leadership, including at the regional level, it has to demonstrate progress on the practical implementation of all Paris principles in the country, especially at decentralized levels and those referring to broad consultation with partners and civil society.