Monitoring and Reporting on Governance

Monitoring on governance within the SDC happens at different levels. First, it is done at the level of the International Cooperation Strategy to monitor the fulfilment of the SDC's governance objectives *vis-à-vis* the Swiss parliament and towards Agenda 2030. The corresponding monitoring instruments include the governance guidance with its five pillars, the Aggregated and Thematic Reference Indicators (ARI/TRI) on Governance, and the Governance Policy Marker. Second, governance is monitored at the level of country progammes (and their respective projects) to assess governance results in specific country contexts and the SDC's contribution to these (through both: interventions in the governance domain and interventions that integrate governance as transversal theme in other domains). The monitoring framework builds up from the project level. Thus the different cascading levels depend on each other.

Definition: Monitoring refers to a process of systematic gathering, analysing, collating and documenting of data at different levels of observation, drawing on various sources of information. It is an important aspect of responsible, results-based management. Monitoring and result measurement have always two dimensions:

- Monitoring in view of learning and informed decision making with regard to the management and adjustment of ongoing programmes (see: 2-pager on *Adaptive Management*); and

- Monitoring in view of reporting and accountability, i.e. to parliaments, donors or towards the partner country and beneficiaries of progammes.

Governance in the International Cooperation Strategy 2021–2024

The International Cooperation Strategy sets four thematic priorities: jobs, climate change, migration and **governance/rule of law**. The latter is the most governance-oriented priority, also linked to use of country systems and how to work in authoritarian states. The four priorities are translated in four development objectives where Switzerland wants to directly contribute. Most relevant for governance is objective 4 on "Promoting peace, rule of law and gender equality (Peace and Governance)"; the other three are on economic growth, climate change and education and health. Objective 4 on Peace and Governance is measured by four sub-objectives, whereas sub-objective 10 is most directly linked to governance issues in particular.

Relevant sub-objectives of objective 4 of the International Cooperation Strategy 2021–2024

- **Sub-objective 8:** Prevent conflict, promote peace and respect for international law (connection with SDGs 5 and 16)

- **Sub-objective 9:** Strengthen and promote human rights and gender equality (connection with SDGs 4, 5, 10 and 16)

- **Sub-objective 10:** Promote good governance and the rule of law; and strengthen civil society (link with SDG 16)

The SDC's governance priorities and pillars

To respond to the multiple and ever more complex governance challenges SDC partner countries are facing, the SDC has identified five priority areas and pillars as being key to where progress must be achieved. These are: (1) promoting democratic governance, participation and accountability; (2) supporting decentralisation and well-functioning multi-level governance; (3) combating corruption on all levels; (4) responding to governance opportunities and challenges arising from digitalisation; and (5) strengthening governance as a lever and transversal theme in all interventions. These inform the overall focus of governance programming within the SDC (see: 2-pager on *SDC's Governance Priorities*).

The SDC's approach is twofold, with targeted governance programmes and interventions on the one hand and working transversally through other thematic sectors on the other, with a view to establish good governance practices across the governance system (see: 2-pager on *Governance as a Transversal Theme*).

The Aggregated and Thematic Reference Indicators (ARI/TRI) on governance

The governance ARIs and TRIs reflect the SDC's governance priorities as reflected in the governance guidance. Closely related are the ARIs and TRIs of the Peace, Governance and Equality Cluster (PGE). In addition, other sectors and themes have also defined governance-related indicators, such as the policy effectiveness indicators of the SDC's global progammes. Jointly, these indicators form a complementary set of indicators reflecting relevant observation fields to monitor governance and governance processes more broadly (see: *SDC Guidance on Result Indicators*).

The governance ARIs are primarily on output level and serve accountability and communication needs. The governance TRIs are outcome indicators to which the SDC contributes. Both ARIs and TRIs are oriented towards monitoring the achievements of the SDGs.

ARI

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

GOV ARI 1 / Citizen's participation (SDG 16.7)
Indicator: Number of citizens (M/F) participating in and influencing public service provision, decision-making and budgets in their localities.

GOV ARI 2 / Budget resources of local authorities (SDG 16.6)
Indicator: Number of supported local authorities which have benefitted from increased budget resources a) due to fiscal transfer schemes and/or b) due to local tax income and private investments.

TRI

GOV TRI 1 / Democratic representation (SDG 16.6)
Indicator: Proportion of people satisfied with their parliament (fulfilling their legislative, representative and oversight role).

GOV TRI 2 / Democratic participation and access to information (SDG 16.7, 16.10)
Indicator: Proportion of population who believe that they are better informed and have more to say (due to supported civil society initiatives or public interest media).

GOV TRI 3 / Decentralisation (SDG 16.6)
Indicator: Proportion of supported subnational governments that are satisfied with the dialogue and responsiveness of other government units (vertical and horizontal interactions).

GOV TRI 4 / Public Oversight & Accountability (SDG 16.6)
Indicator: Proportion of corrective measures taken in relation to number of reports filed by supported public supervisory bodies on either performance or control of government authorities.

GOV TRI 5 / Combating corruption (SDG 16.5)
Indicator: Proportion of persons who had at least one contact with a public official and who paid a bribe to a public official or were asked for a bribe by those public officials, during the previous 12 months (SDG indicator 16.5.1).
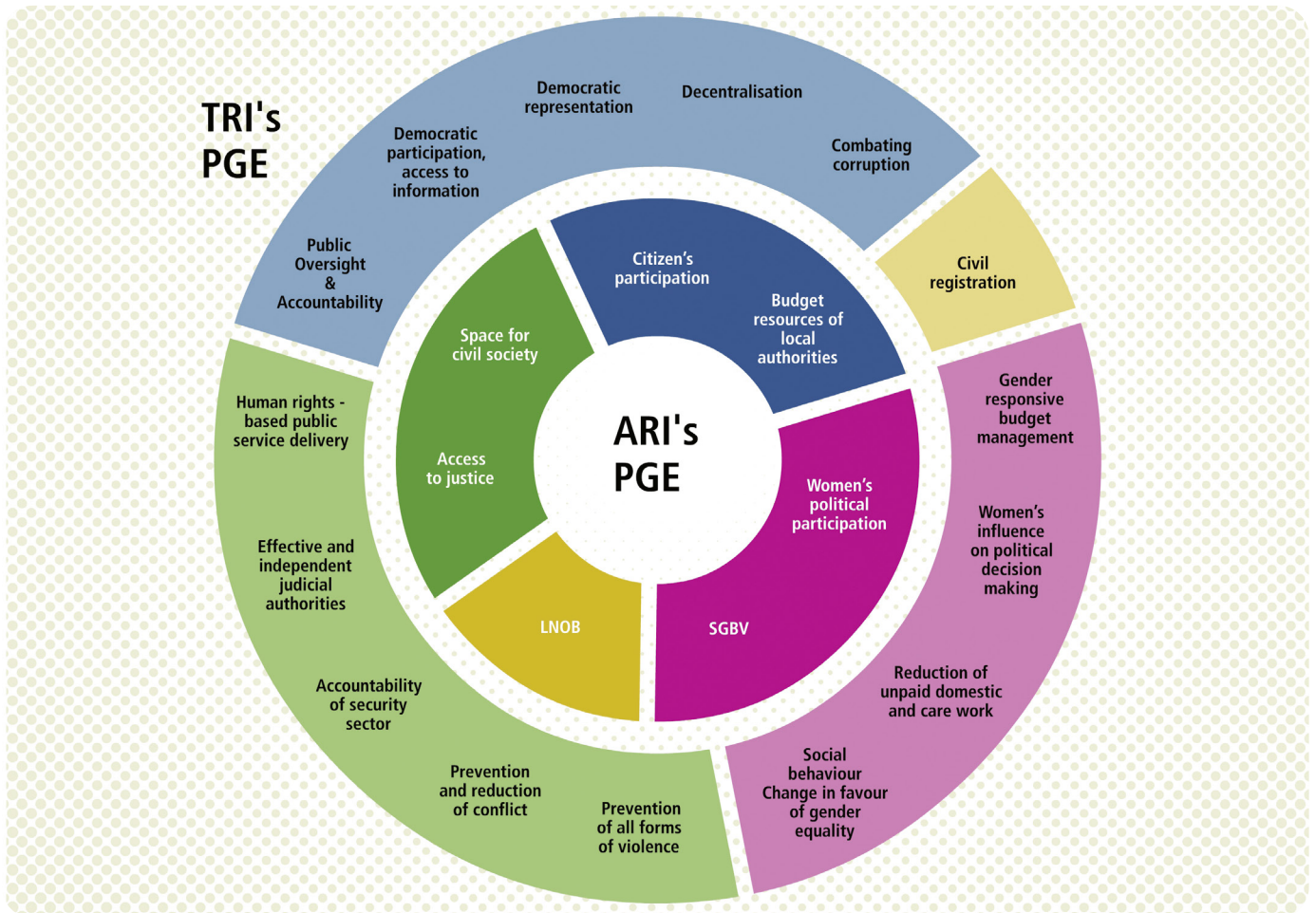
Figure 1: Peace, gender and equality indicators

The Governance Policy Marker

The SDC's Governance Policy Marker is a tool to monitor and track resources allocated to governance for dedicated and transversal governance interventions (principal/significant), based on the SDC internal codification system (SAP). The policy marker is aligned with the DAC Participative Democracy/Good Governance (PD/GG) marker (about to be revised).

For the International Cooperation Strategy 2021–2024, the SDC aims to increase its governance-related commitments and has defined the following target values: a total of 85% of "governance focused" commitments (with a minimum of 25% principal and a corresponding significant value of 60%). For humanitarian aid, lower target values have been defined (a total of 45% governance focused with a minimum of 5% principal). The achievement of the target values is monitored by the SDC directorate (internal steering report). The SDC has designed a checklist to guide the assessment of the Governance Policy Marker (see: checklist).

The SDC's SAP system also codifies thematic sector codes for governance, specifying specific sub-sectors

and topics. The analysis of the Governance Policy Marker and the respective codification of the sector codes allows tracking resource allocation and steering according to sub-sectors. For example, the highest share of governance spending is on democratic participation, decentralisation and public sector policy. Other notable engagements are on public finance management, legal and judicial development and elections. The data for 2020 shall serve as illustration and baseline.
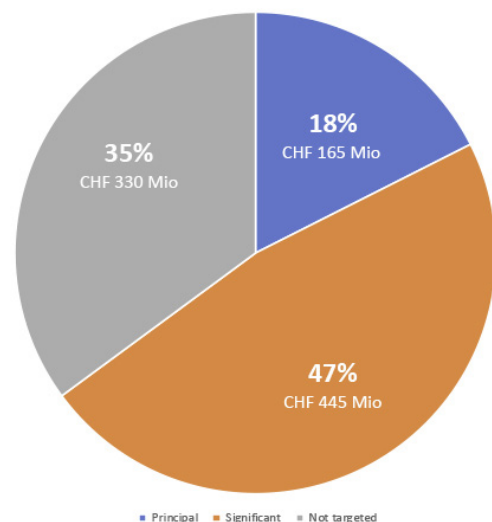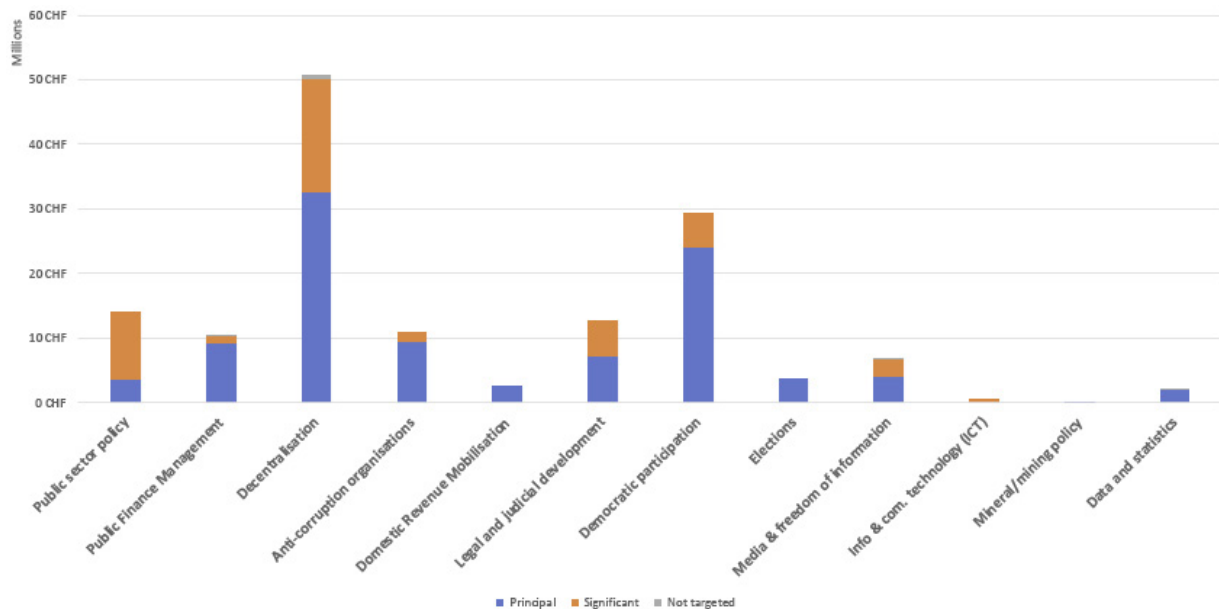

Figure 2: Total Governance (2020)

Figure 3: Thematic priorities in the governance sector (2020)

Monitoring governance at country programme level

At country level, the SDC monitors its contribution to improved governance through the country cooperation progammes. Thereby, the governance ARIs/TRIs are the linking element between country progammes and the International Cooperation Strategy on the one hand, and the country progamme and the portfolio of projects on the other hand. (A 2-pager for monitoring governance context at country level is forthcoming).

• **Monitoring the country context:** Monitoring the governance situation and identifying governance trends and dynamics in partner countries are important dimensions for understanding the context that the SDC and its partners are working in. Thinking and working politically (TWP) and

Political Economy Analysis (PEA) can help to better understand and monitor these dynamics (see: 2-pagers on *Thinking and Working Politically* and *Political Economy Analysis*). In addition, it documents developments and results that partner countries are achieving in the area where the SDC is aspiring to contribute. Instruments that support the monitoring of country contexts are the MERV and the PGE essentials framework (forthcoming).

• **Monitoring the SDC country progamme:** The governance objectives of the SDC country progammes are built into the results framework, relating to the five governance pillars. For guidance on how to monitor specific governance topics and areas, see thematic guidance material on these issues specifically (see: topics page on the Shareweb).