



INTERNATIONAL
AID
TRANSPARENCY
INITIATIVE

IATI AND AID TRANSPARENCY

www.aidtransparency.net



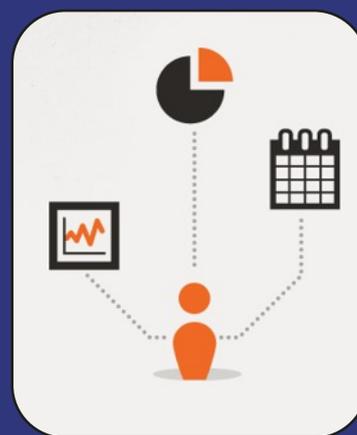
THE INTERNATIONAL AID TRANSPARENCY INITIATIVE

The International Aid Transparency Initiative (IATI) was launched at the Third High Level Forum in Accra in 2008 and is a multi-stakeholder initiative to improve the transparency of aid information in order to increase the effectiveness of aid in reducing poverty.

IATI began its work by consulting users of aid information in partner countries, including government officials and civil society representatives, about the kind of aid information they need to perform their roles effectively. IATI also worked closely with donors to better understand their existing systems, and the potential constraints they face in improving the transparency of their aid information.

On the basis of this consultation, IATI decided to take its work forward by:

- developing and agreeing a common, open standard for the publication of aid information – the IATI standard (www.iatistandard.org) which includes agreements on what to publish, common definitions and formats for publication, and a Framework for Implementation; and
- setting up an on-line registry (www.iatiregistry.org) that acts as an address book to the location of aid information that participating donors publish on their own websites.



What does the initiative do?

The new standard builds on existing agreements and definitions, including the Creditor Reporting System of the OECD Development Assistance Committee (DAC). It provides comparable classifications and definitions so that citizens, governments, parliamentarians and people working in the development community can find out:

- how much money is being provided
- when it was, or is, due to be spent?
- where the money will be spent
- how the money will be spent
- what the funds are expected to achieve.

Participating donors adjusting their existing processes for collecting information about their aid expenditure in order to **publish more information, more quickly, in this common, open format**. This will enable IATI to meet the needs of a much wider range of stakeholders. Donors choose their own systems for collecting and publishing information. A new central registry makes it possible for people to find information quickly and easily because it points users to where the information they need has been published.

Publish Once, Use Everywhere

Organisations only need to publish their aid information in one place and one format. This allows many different information users to access the information they need and use it for their own diverse purposes. This widens access to comparable aid information. It results in more openness and accountability. It makes it easier to monitor aid effectiveness and thus help to accelerate poverty reduction.

WHO BENEFITS?

Having one gateway for accessing information from different sources is essential for:

- *governments of developing countries* who need to know how much aid is spent in their country and when the money will be paid out, so that they can plan their budgets and activities accordingly;
- *citizens* who want to check whether governments are keeping their promises and hold them to account;
- *participating donors* who are able to meet their 'access to information' obligations and reduce their administrative costs because they only need to publish their information once and no longer need to respond to multiple information requests;
- *donors who want to co-ordinate their spending* with that of other donors;
- *community-based organisations* who want to know what resources are available and influence how they are used;
- *anti-corruption activists* who want to track recipient governments' aid receipts and expenditure to find out whether money is being siphoned off; and
- *journalists and researchers* who want to investigate where aid is going and how effectively it is being spent.

BENEFITS OF TRANSPARENCY

Uganda - a randomised control trial¹ of community health clinics showed the remarkable effects of transparency on health care in Uganda. Clinics subjected to greater public scrutiny reduced under-five mortality rates by 33%. The experiment randomly assigned community health clinics to receive published "report cards" and to be subject to NGO-organised public meetings on the quality of the clinics' health care.

In those clinics receiving transparency "treatment", waiting time for care decreased, absenteeism among doctors and nurses plummeted, clinics got cleaner, fewer drugs were stolen, 40-50% more children received dietary supplements and vaccines, health services got used more, and, most impressively, 33% fewer children died before their 5th birthday.

This amounted to 550 saved lives in one small area of Uganda encompassing only 55,000 households—a strong testament that transparency over development finance can save lives.

¹ Bjorkman and Svensson, *Quarterly Journal of Economics*, MIT 2009

Why is IATI needed?

- 1) There are a number of potential sources available to track aid spending through the system
- 2) People working or interested in development have found it difficult to obtain the information they need. Donors have devoted increasing resources to respond to numerous information requests. This is because aid information in the main existing data sources, although it can be very good, is often out of date. And none of the sources provide sufficiently comprehensive aid information to meet the diverse needs of all those requiring it.
- 3) The main sources are:
 - *Creditor Reporting System (CRS)*. A widely respected online database from the OECD DAC. It provides high quality statistics on past annual aid flows from DAC donor countries, the European Union, the World Bank, and some UN agencies. But the statistics are not as extensive or up to date as those required by developing country governments and others wanting information on current and planned aid flows.
 - *AidData*. A relatively new database by the Development Gateway, Brigham Young University and the College of William and Mary that includes all the CRS data and adds data from a number of other donors. It provides more detailed descriptions and sectors, more data on non-concessional flows and geocoding of projects. It can link to recipients' aid management systems and offers the potential to aggregate data from the IATI registry.
 - *Aid Information Management Systems (AIMS)*. Many recipient countries have their own invaluable system to monitor aid flows, but recipient governments have to request the information from all their donors. This can be labour intensive and replies from donors are often late, incomplete or missing. IATI permits automatic data transfer to make AIMS data more sustainable, complete and up-to-date.
 - *Annual reports*. Some donors publish information about their aid spending in annual reports on their websites so that the people who have contributed (through their taxes or charitable giving) can find sources.

- *NGO (Non-Governmental Organisations)* and charitable foundation reports. There are thousands of NGOs and foundations, which between them give millions of dollars to developing countries. But not all of them publish detailed information on their websites. IATI is working with some of them to collect the information in one place in a common, comparable format.

How does IATI improve on existing systems?

IATI offers added-value in a number of ways. Those providing data to IATI:

- update their information at least quarterly, so it is **more timely**;
- will publish **forward-looking** data, such as project budgets, planned disbursements, and aggregate country budgets;
- can publish in a way that data can **be reconciled with the financial year of the recipient country** (and IATI is undertaking work to classify data by **national budget classifications**);
- publish **more detailed project information**, such as which organisation receives the funds, details of disbursements and expenditure, and contact details;
- can publish key **documents, as well as data**, including documents specifying any conditions attached and results expected; and
- can opt to publish **detailed geographical information** so that projects can be presented on a map showing the villages, towns and regions they benefit.

In addition, data published under IATI is legally open for re-use. As it is published in a common data format, it is readily comparable and can easily be combined with other datasets to meet the needs of individual users.

All donors, including providers of south-south development co-operation, NGOs, foundations and other private donors, are invited to use the IATI standard, so it offers the potential for being much more comprehensive than current reporting systems.

How does IATI operate?

IATI is not an organisation but a network of like-minded organisations who have come together to promote greater aid transparency. As of November 2012, 35 organisations who collectively account for over 75% of global official

development assistance are IATI signatories. In addition 22 developing countries have endorsed IATI. Other organisations and developing countries participate as observers.

To date, 94 organisations have published their data to the IATI Registry, 14 donor signatories and 80 implementing partners, including leading international NGOs such as Oxfam GB, Hivos and Save the Children UK.

The initiative is serviced by a small secretariat comprising staff from the UK Department for International Development, United Nations Development Programme and Development Initiatives Poverty Research (DIPR). It is run by a multi-stakeholder Steering Committee, assisted on technical and implementation work by the multi-stakeholder Technical Advisory Group.

How do I get involved?

Donors:

- Join IATI by endorsing the Framework for Implementation and completing an implementation schedule for publishing your information to the IATI standard
- Contribute to IATI financing and receive help in implementing and developing the standard
- Work with IATI to see how to map your information to the IATI standard.

Partner countries

- Endorse IATI's aims and objectives and encourage donors and other providers to publish their aid information to the IATI standard
- Publish aid information provided by donors and other organisations locally and link it to the IATI Registry
- Participate in application of the standard in partner countries and use the information for aid coordination, national development planning, budgeting and accountability processes at the country level.

Civil Society Organisations (CSOs):

- Encourage donors to publish their information to the IATI standard
- Become an implementing partner, publishing their own data to the IATI standard

To find out more about IATI, visit www.aidtransparency.net or contact the IATI Secretariat:

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