



Global Partnership Monitoring Framework:

Proposed improvements to the indicator to measure transparency

The IATI Secretariat is publishing this paper as a contribution to the current review of the Global Partnership transparency indicator and draws upon the experience of the pilot exercise which concluded in March 2014. The paper proposes improvements to the methodology to make the indicator more consistent and robust for the next iteration, and expansion to include a quality dimension.

The IATI Secretariat is investing substantial resources in assisting its members in improving the overall quality of data published to the IATI standard. Work on the indicator is integral to this commitment.

The IATI Secretariat supports the Indicator

IATI has from the outset emphasised the importance of combining donor accountability with [meeting the needs of developing countries](#), as evidenced most recently by its survey on the [needs of aid information management systems](#).

Paragraph 23(c) of the [Busan Outcome document](#) reflects the most important consensus ever reached on the transparency of development cooperation. It calls for the “electronic publication of timely, comprehensive and forward looking information on resources provided through development co-operation” to “meet the information needs of developing countries and non-state actors, consistent with national requirements.”

The Global Partnership transparency indicator is a good measure of this Busan commitment and reflects both the spirit and the letter of its intent. The IATI Secretariat supports the methodology of the indicator and believes that it can become a useful tool within the post-2015 development agenda. For this reason the Secretariat has invested substantial time and resources into the development of the Indicator and remains committed to continue this investment.

Consultation

In the lead up to the First High-Level Meeting of the Global Partnership for Effective Development Cooperation held in Mexico in April 2014, the technical teams of the Joint Support Team, DCD-DAC and IATI had insufficient time to fully test the draft methodology and engage in a more comprehensive consultation with those being assessed and those who wished to make use of the indicator. There was an online consultation in autumn 2013 and as many views as possible were taken into account in that short period. Nevertheless the resulting indicator had limited buy-in and appreciation from many of its stakeholders, a situation compounded by unsatisfactory review procedures once scoring was shared.

The IATI Secretariat believes it is essential for the future of the indicator to resolve these procedural shortcomings by ensuring that such issues are comprehensively addressed at this point. This work can become a useful vehicle for the IATI Technical Team to assist publishers in meeting their December 2015



Busan commitments, and the team plans to devote a section of the IATI Dashboard - <http://dashboard.iatistandard.org/> - to engage with all IATI publishers on the methodology and statistics that make up the indicator. Proactive engagement and buy-in by IATI Steering Committee members will ensure that the indicator becomes a useable data quality tool and not a source of dissatisfaction.

Proposed Modifications

Based on feedback from stakeholders and lessons learned during the pilot of the indicator, the IATI Secretariat would like to propose a number of modifications to the methodology – outlined in detail in the attached table. Most of these are either corrections or minor improvements that do not alter the overall shape or construct of the indicator. Rather they are aimed at strengthening the logical consistency of the methodology. The table includes a “Discussion” column which explains the thinking behind each of the proposed changes.

This proposal also takes into account the section on future considerations in the [indicator methodology paper](#). It includes consideration of the quality and usability of the information (which requires further technical work), enabling broader participation in the context of the multi-stakeholder approach of the Global Partnership, and incorporating an assessment of foundations, NGOs and other official providers that endorsed the Busan agreement.

Measuring Data Quality

During the initial drafting and consultation on the methodology, a number of organisations discussed how the quality of data should be measured. While there is currently no concrete proposal to address this point, it is included here as a marker to serve as a reminder that this is an area that still needs to be developed. Such work would build on ongoing work by OECD to analyse and strengthen the quality of reporting to CRS and by IATI to assess and improve data quality in the IATI registry. The challenge will be to develop a quantitative assessment of the quality of information across the component systems of the common standard for the next iteration of the indicator.

Substantial Revisions

The IATI Secretariat proposes a revision to the basis on which the coverage ratio – activities published to IATI as a proportion of total activities - is calculated. It is suggested that there should be one consistent measure for all three dimensions of the indicator – timeliness, comprehensiveness and forward-looking – that is most relevant to the provision of timely data to help developing countries plan for and manage their aid inflows. It is also proposed that activity-level forward-looking data is best assessed by counting activities with relevant forward data, rather than the value of future budgets.



Comprehensiveness

The IATI Secretariat proposes a revision to how fields that are not applicable are handled, for example loan information or expenditure for activities still in the planning stage. The Secretariat suggests the removal of nine fields that are not applicable in all circumstances, as their inclusion distorts the results.

Finally, this paper calls for the inclusion of three new fields – conditions, results and specific geo-referencing - reflecting priorities in development effectiveness, as identified in Accra and again at Busan.

CRS/FSS considerations

This proposal concerns the methodology for scoring IATI data, with just two exceptions:

- forward-looking activity-level data, as mentioned above; and
- the calculation of the time lag for CRS reporters, to bring it closer to symmetry with the time lag calculation for IATI data.

Action

All interested parties are invited to submit comments on this paper by 25 September 2014.

Comments can be made publicly on the [IATI Knowledge Base](#) where the proposal has been divided into separate topics for ease of discussion, or privately in writing to indicator@iatistandard.org.

The Secretariat would particularly like to encourage members of the IATI Steering Committee to submit comments to inform the discussion of the next steps for the transparency indicator during the Steering Committee meeting on 15-16 October 2014. The results of that discussion will then feed in to further consideration by the Joint Support Team of improvements to the indicator, alongside comments from DAC members and the DCD Secretariat.

Proposed improvements to the Global Partnership transparency indicator based on experience with the pilot indicator - August 2013

Issue	Current	Proposed Revision	Discussion
Dimensions			
A data quality dimension	Indicator gives equal weight to timeliness, comprehensiveness and forward looking	Retain same rule, but consider adding a measure of quality	Many comments referred to the need to measure data quality. Need to examine quality tests applied by CRS and IATI and see if there is a common approach that could be applied (e.g. on completeness of textual information, presence of key fields dependent on activity status). See if can arrive at a single score and consider adding it as a 4th dimension - perhaps with less weight than for the data-driven dimensions.
Scoring			
Presentation of Results overview	Coverage calculations are done on the worksheets behind the overview	The indicator would be clearer if the coverage was reported in the overview, along with the actual timeliness, comprehensiveness and forward looking scores.	The revised view would provide a better explanation of how the coverage affects overall scores. It could be on an additional summary sheet.
Coverage			
Coverage of Timeliness & Comprehensiveness	Comparison of CRS Year-1 ODA disbursements with IATI Year-1 ODA disbursements + expenditure. (Ad hoc manual arrangements for Multilaterals and other Non-DAC reporters.)	<p>Bilateral CRS Reporters: Comparison of CRS Year-1 CPA disbursements with IATI Year-1 CPA disbursements + expenditure. Documentation should provide a clear explanation (for non-statisticians) of the CPA calculation.</p> <p>Others: Comparison of Year-1 total operational spend derived from public documents with IATI Year-1 total disbursements + expenditure. The total operational spend should be referenced from a single public table which is maintained by the administrators of the Indicator and which contains links to source data.</p>	<p>Intention of coverage ratio was to provide a single figure to apply to all data coming from IATI to reflect that IATI's coverage can be less than that in CRS/FSS. Current methodology is overly complicated by differing for forward looking information and it only works for Bilateral CRS reporters.</p> <p>The common standard is meant to cover all resources provided through development co-operation. This could argue for measuring total disbursements, whether ODA or not. The argument for using ODA instead of total resources for bilateral donors was that non-ODA resources are not consistently measured across donors and the definitions are under review.</p> <p>On the other hand, the standard is to "meet the information needs of developing countries" and this is better measured by CPA which "provide[s] a better estimate of the volume of resources transferred to developing countries" and "tracks the portion of aid on which recipient countries have, or could have, a significant say and for which donors should be accountable for delivering". It is thus proposed to use CPA for bilateral donors.</p> <p>For multilateral donors, especially development banks, it is important to include non-concessional flows which account for an increasing share of their resource provision. It is proposed that the CPA portion of their OOF flows should be added to their existing CPA given as ODA.</p> <p>For other donors not reporting to CRS, it is proposed that their IATI reporting should be compared to public documents of their total operational spend - as was done in the pilot indicator.</p>
Coverage of Forward-looking	Comparison of CRS Year-1 CPA disbursements with IATI Year-1 CPA disbursements + expenditure	As above	To bring all three dimensions into line.

Issue	Current	Proposed Revision	Discussion
Timeliness			
Frequency	<p>IATI registry log dates analysed to assess when updates have been made.</p> <p>a. Updates reported for two of the last three months = "Monthly" = 4</p> <p>b. Updates reported for one of the last three months = "Quarterly" = 3</p> <p>c. Updates reported for any of the last six months = "Six-Monthly" = 2</p> <p>d. Updates reported for any of the last twelve months = "Annual" = 1</p>	<p>A full update is assumed to have taken place when the observed most recent transaction date changes; i.e. it is assumed that all data are refreshed to that date. (Observations are recorded on a nightly basis and retrieved from a statistical archive for this analysis.)</p> <p>1. For publishers of 1 year or more</p> <p>a. Updates reported in 9 of the last 12 months = "Monthly" = 4</p> <p>b. Updates reported in 3 of the last 4 quarters = "Quarterly" = 3</p> <p>c. Updates reported in 2 of the last 2 six-months = "Six-Monthly" = 2</p> <p>d. Updates reported in 1 of the last 12 months = "Annual" = 1</p> <p>2. For publishers of 6 months or more</p> <p>a. Updates reported in 4 of the last 6 months = "Monthly" = 4</p> <p>b. Updates reported in 2 of the last 2 quarters = "Quarterly" = 3</p> <p>d. Updates reported in 1 of the last 11 months = "Annual" = 1</p> <p>3. For publishers of 3 months or more</p> <p>a. Updates reported in 3 of the last 3 months = "Monthly" = 4</p> <p>d. Updates reported in 1 of the last 5 months = "Annual" = 1</p> <p>4. For publishers of less than 3 months</p> <p>d. Updates reported in 1 of the last 2 months = "Annual" = 1</p>	<p>The current methodology is flawed for two reasons.</p> <p>First, following an upgrade to the underlying software platform on which the IATI Registry is hosted it is no longer possible for a machine to reliably calculate when data were actually updated. Transactions are the most regularly updated elements in IATI and so monitoring transactions is a more reliable way of detecting real updates.</p> <p>Second, the current logic is incorrect: for example, if an annual update is done within the last three months it is scored as "Quarterly". The revised logic is more thorough in inspecting all activity over the past year for publishers that have been publishers for more than 1 year. For newer publishers there is additional logic which appears convoluted but is our best attempt to create machine logic over short time lines.</p>
Time lag	<p>IATI financial transaction dates are analysed according to the following tests:</p> <p>a. Transactions reported for two of the last three months = 4</p> <p>b. Transactions reported for one of the last three months = 3</p> <p>c. Transactions reported for any of the last six months = 2</p> <p>d. Transactions reported for any of the last twelve months = 1.</p> <p>CRS Scoring for time lag: Reporting before 30 December = 1 Reporting before 30 September = 2 Reporting before 30 June (15 July for the pilot exercise) = 3 Reporting before 31 March = 4</p>	<p>No change to IATI scoring.</p> <p>Revised CRS Scoring for time lag: Reporting before 30 December = 1 Reporting before 30 June = 2 Reporting before 30 March = 3 Reporting before 31 January = 4</p>	<p>The time lag score measures the 'freshness' of the information when it is published. The time lag score, however, is not symmetrical for CRS and IATI. It should be as the issue is how up to date the information is for stakeholders, not the reporting deadlines in one of the component systems. Moreover, the time lag to reporting is relevant only if the information is also online within the same time lag. In practice, though, could accept to score reporting time lag only for CRS, as revised in previous column.</p>
Forward looking			
Years Covered	Year - 1, Current Year, Year + 1	This should cover Current Year, Year + 1 and Year + 2	To have an indicator that is aimed at improving country use of data for planning and which defines the previous year as forward-looking is clearly neither logical or within the spirit of Busan.
Activity-level Budgets Numerator	Sum of budgets for each forward year for activities that count as CPA	IATI: For each forward year - Total number of activities that count as CPA containing an activity budget FSS: For each forward year - Number of activities with forward spending figures	Comparing the value of forward-looking budgets against historical spend is not a measure of transparency. It confounds changes to future spending levels, absence of projections for projects still to be agreed and transparency of information. For example if a donor has only one activity in a country, spending \$100m in the base year and with a budget of \$10m in the current year, the current method would score 10%. But in fact the donor is fully transparent on that activity and so should score 100%.
Denominator for Activity-level Budgets	Year-1 CPA disbursements reported to FSS	IATI: Total number of activities current/planned within the year being calculated. Current means an activity with no end date or an end date within or beyond the year being inspected. FSS: Number of activities included in CPA in the base year.	A more accurate assessment of forward-looking data is to count how many activities that will still be active in each forward year have a budget recorded for that year.
Country (Aggregated) Budgets Numerator	Sum of country budgets in organisation file	IATI: Where a publisher does not report any activity data for the year being calculated - number of country budgets in the organisation file for that year. FSS: For each forward year - Number of partner countries for which ONLY aggregate information is provided.	This approach means that it is not possible to calculate a single score for both activity and aggregate data in the same forward year. From a country planning perspective activity-level forward-looking data is more relevant than aggregated data. Thus the indicator should score aggregate data ONLY where a publisher does not report ANY activity forward data in that year.

	Issue	Current	Proposed Revision	Discussion
	Denominator for Country (Aggregated) Budgets	Year-1 CPA disbursements reported to FSS	IATI: Total number of country records in the organisation file for the year being calculated. FSS: Number of partner countries for which ONLY aggregate information is provided in the base year.	
Comprehensiveness				
	Population of activities for scoring	For fields that are applicable only to loans, only lending activities were scored. The pilot also took into account the status of each activity to see if data fields can be expected to be completed, e.g. expenditure fields would be blank for an activity still at the planning stage with a start date in the future.	Count only CPA activities, in line with proposal on coverage ratio. Include all activities with commitments, disbursements or expenditure in the baseline period or later and any others not marked as complete. Have specific rules for individual fields where the population is further restricted (e.g. no expenditure if status = planning and start date in the future, results only if not in planning stage or cancelled) or as described below (e.g. for incoming funds, grant-only organisations).	Keeps focus on information of most use to developing countries and avoids reducing scores for some types of aid where some fields do not apply. Avoids counting repayment only records, e.g. World Bank.
General information	Reporting Organisation	Some fields in the CRS are optional for multilateral organisations.	None	
	Standard activity	Scored for all	None	
	Other activity identifiers	Scored for all	Remove	Not always and necessarily applicable
Basic Activity Information	Activity Title	Scored for all	None	
	Activity Title (in recipient's language)	Calculation is made based only on those activities that are implemented in countries which have a language that is different from that of the provider.	For organisations with multiple official languages, one language should be identified as a 'core' language and use of all other languages should be scored	Improved method, mainly for MDBs with more than one official language.
	Activity Description	Scored for all	None	
	Activity Description (in recipient's language)	Calculation is made based only on those activities that are implemented in countries which have a language that is different from that of the provider.	Remove	The use of recipient language should be tested only once
	Activity Status	Scored for all	None	
	Activity Dates (Start Date)	Scored for all	None	
	Activity Dates (End Date)	Scored for all	None	
	Activity Contacts	Scored for all	None	
	Participating Organisation (Funding)	Scored for all	None	
	Participating Organisation (Extending)	Scored for all	Remove	This only applies to bilateral donors, for which it is a default, and a few other special cases
	Participating Organisation (Implementing)	Scored for all	None	
	Participating Organisation (Accountable)	Scored for all	Remove	Not always and necessarily applicable
	Geopolitical Information	Recipient Country	Scored for all	Score Recipient Country OR Recipient Region where country not published
Recipient Region		Scored for all		
Sub-national Geographic Location		Scored for all activities with a recipient country	None	Not applicable for regional activities
Location Coordinates			New; scored for all activities with a recipient country	Reflect increasing use and importance of precise geocoding
s	Sector (DAC CRS)	Scored for all	None	
	Sector (Agency specific)	Scored for all	Remove	Not applicable to many publishers, sufficient to score sectors once using CRS codes
	Policy Marker	Scored for all; 1 point if the activity/transaction has any policy marker filled in	None	

	Issue	Current	Proposed Revision	Discussion
Classification	Collaboration Type	Scored for all	None	
	Default Flow Type	Scored for all	IATI: Calculation should check both Default Flow Type and Transaction Flow Type	Can be reported at activity or transaction level
	Default Finance Type	Scored for all	IATI: Calculation should check both Default Finance Type and Transaction Finance Type	Can be reported at activity or transaction level
	Default Aid Type	Scored for all	IATI: Calculation should check both Default Aid Type and Transaction Aid Type	Can be reported at activity or transaction level
	Default Tied Aid Status	Not applicable for multilateral institutions, except for the EU.	Calculate for Bilateral Donors and EU only. All others should score 100% as united by default.	Not applicable to many publishers and so not reported
Financial	Activity Budget	Scored for all	None	
	Planned Disbursements	Scored for all	Remove	Not applicable to many publishers and doubles up with forward looking dimension
	Economic Classification (Capital/Recurrent)	Scored for all	None	
	Recipient's Administrative / Functional budget classification	Scored for all	None	
Financial Transaction	Financial transaction (Commitment)	Scored for all	None	
	Financial transaction (Disbursement & Expenditure)	Scored for all active projects or with start dates in the past.	None	
	Financial transaction (Reimbursement)	Scored for all	Remove	Only applicable in special cases, e.g. UNDP
	Financial transaction (Incoming Funds)	Scored for all	Calculate ONLY where Reporting Organisation is an Implementing Organisation. Remove field from denominator for all other organisations.	Donors should not be penalised where this is not relevant to them.
	Financial transaction (Loan repayment / interest repayment)	Calculate ONLY for activities where Finance Type = 41x (i.e. loans)	Calculate ONLY for activities where Finance Type = 41x (i.e. loans). Remove field from denominator for organisations that never issue loans.	Donor should not be penalised if they do not provide loans, or for their grant activities.
Related Documents and Links	Activity Documents	Scored for all	None	
	Activity Website	Scored for all	None	
	Related Activity	Scored for all	Remove	Not always and necessarily applicable
Performance	Conditions / Conditions attached		New	This field is not optional in IATI and reflects demand made originally in Accra 2008 and re-iterated in Busan
	Results Indicator		New	Reflect increasing importance of reporting on results, recognised in Accra and before. Need logic to determine when results data are reasonably expected - e.g. Status = implementation, completion or post-completion.

Overlap between IATI and CRS/FSS.

Partial overlap between IATI and the CRS/FSS