DRAFT 0.2 of Code of Conduct for discussion at Technical Advisory Group Meeting at ODI, London on 2 September 2009

Statement of Resolve/Code of Conduct

Preamble

1. This Statement of Resolve/Code of Conduct is an essential component of the aid information standard of the International Aid Transparency Initiative (IATI). Its principles present the resolve of donors to provide transparent information on aid flows and on how they will publish this information, as well as the way they are to be held to account, including a clear mechanisms in case of non-compliance.

2. This Statement of Resolve/Code of Conduct brings together the need for greater aid effectiveness with the fundamental right of everyone to know how public bodies are using public resources. The right of access to information places an obligation on all public bodies to generate and disseminate clear and consistent information about their activities and functions. In addition, everyone has the right to request and receive information from public bodies, subject to limited exceptions.

3. The IATI Principles apply to public bodies engaged in funding and delivering aid. Public bodies should impose a similar obligation of transparency on third parties which spend aid on their behalf. Other actors such as private foundations, civil society organizations and private contractors are encouraged to adopt them as a matter of principle. They have been developed out of recognition that special efforts are needed to promote the transparency of aid and to ensure that all sectors/stakeholders in society have equal access to information, particularly the communities which aid is designed to benefit.

4. The Statement/Code is embedded in the principles of ownership, alignment, harmonisation and management for results and mutual accountability of the Paris Declaration as well as the additional principles and values highlighted by Accra Agenda for Action. The Accra Agenda for Action committed the partners to “disclose regular, detailed and timely information on all our aid flows” and “support information systems for managing aid”. The signatories of the International Aid Transparency Initiative committed themselves to “share more detailed and up-to-date information about aid in a form that makes information more accessible to all relevant stakeholders.” The signatories committed themselves to “build on and extend existing standards and reporting systems, consulting partner governments, civil society organisations, parliamentarians and other users of aid information, in order to agree, by end 2009, common definitions and a format to facilitate sharing of aid information.” It also builds upon the “Publish What You Fund” principles.
5. The Statement/Code presents operational principles for donors regarding transparency and mutual accountability in development cooperation. Its aim is to enhance effectiveness and predictability of aid in order to improve overall development results and impact for poverty reduction, through improved aid information. It applies to all forms of aid that are qualified as Official Development Assistance (ODA). Providers of other kinds of development assistance can take the Code as reference for their operations.

6. The Statement/Code is complementary to the three other components of the IATI standard: (1) agreement of what aid information donors will publish; (2) common definitions of aid information, (3) common (electronic) data format.

7. The Statement/Code distinguishes between mandatory information that all IATI signatories undertake to publish, and best practices or voluntary information that they will publish in a common format where possible. It provides reference for improvements on aid transparency for those who are not (yet) signatories. A toolkit will be provided to support implementation.

8. It proposes an inclusive approach that is open to all donors. All stakeholders in partner and donor countries are the ultimate and essential end-users of aid information. Partner country governments are encouraged to link their budgetary process with the IATI Standard.

9. The Statement/Code encompasses a dynamic process that establishes principles and targets towards which donors will strive to work progressively and accordingly. It will be reviewed three years after it has come into force.

10. The Statement/Code is complementary and adds value to existing processes of aid information and transparency, most notably the OECD/DAC Creditor Reporting System (CRS) by enabling the disclosure of real time, future flows and qualitative aid information. The OECD/DAC Working Party on Statistics has been consulted on the Code.

11. The Statement/Code recognises that there will be a trade off between validity and timeliness of data.

12. **PM Reference to the Working Party on Aid Effectiveness**

13. Donors, partner countries and other development actors will base their engagement on the below outlined principles. These principles have to be approached in a pragmatic manner.
Guiding principles

Donors commit themselves to further progress on transparency in line with the following general principles:

Guiding Principle 1 - Transparency
Transparency and accountability between donors and recipient governments is fundamental for effective aid and for there to be ownership of aid processes by developing countries. Donors therefore have a special obligation to share information with recipient governments. At the same time, wider transparency is essential to ensure that members of the public, in donor and recipient countries, are able to engage in the debate about the use of aid and how to promote the principles of the Paris Declaration on Aid Effectiveness and Accra Agenda for Action.

Guiding Principle 2 – Donors are responsible for transparent information on aid and need to ensure an inclusive approach
Since donors’ aid agencies are the providers of aid, they are the ones responsible for the transparency of aid and the disclosure of information, while at the same time they have to ensure that the requirements and needs of partner governments are kept in mind.

Guiding Principle 3 - Common standards
There is no one-one-size-fits-all. “Universal” standards are difficult to define since there is no “one-size-fits-all”, while at the same time there is need for the use of a common terminology and definitions. The individual aid information could feed into aggregated database systems, which could support easy access to consolidated and consistent aid information.

Guiding Principle 4 - Commitments
This code of conduct includes commitments from the signatories to:

- Collate and publish comprehensive aid data according to the agreed aid information common coverage, definitions and IT format.
- Publish aid information on an agreed timetable.
- Publish indicative information on future flows.
- Make this information publicly available through their website, in the agreed format.
- Push these transparency standards through their supply chain, by requiring similar standards of reporting by implementing agents;
- Make appropriate investment in staff and systems to deliver the above standards.
- Participate in a shared process to update the common standards over time.
- Cooperate with an appropriate mechanism for arbitrating disputes if a user believes that the code has not been fully implemented.

Comment [HV10]: Guiding Principle 1: consider adding parliamentary oversight in the third sentence beginning with “At the same time, wider transparency is essential to ensure…”, e.g. better oversight by national parliaments of public financial expenditures and achievement of development priorities, etc.

Comment [HV11]: General principle 1 The concept of mutual accountability is on the donor side well taken care of, but there is also the recipient country’s side. Based on Paris and Accra ownership of the partner country comes first. Aid information should be put in the country system so figures should be offered to partner countries in a way that reduces the transaction costs for partner countries. A challenge for IATI to also get more partner countries involved in the actual seeking for a common standard and a code of conduct (also for users of aid).

Comment [HV12]: Guiding Principle 2: “the requirements and needs of partner governments are kept in mind” is too vague. The text should rather read that the requirements and needs of partner governments should be taken on board in the provision and disclosure of aid information.

Comment [HV13]: Guiding Principle 4: bullet points 7 & 8 should include text along the lines of “any other agreed mechanisms for monitoring and evaluation of IATI”, thus providing not only for arbitration, but also for more regular types of cooperation among the signatories.

Comment [cf14]: How many years in advance will provisional data be provided. We should include some idea or reference another part of the IATI where this will be decided.
Guiding Principle 5 - Essential Information

**OPTION 1**

**Essential information**

- At least for projects or programmes above the threshold of …., information will be made transparent. Donors can lower the threshold according to their size.
- Information on multi-year commitments and disbursements.
- Current flow of overall assistance by individual donors at micro level.
- Outputs and outcomes of activities throughout the lifetime of a programme.
- Details of programs and projects, according to development partner, sector, modality, implementers, period, region and other stakeholders.
- Level of alignment with country systems, institutions, and procedures.
- Details of repayment liabilities for future generations.
- Funding gaps, duplications and overfunding across sectors, regions, and political/administrative units.
- Details of financial and non-financial incentives of aid.
- More information on the objectives and targets of aid.
- More information on the procedures, conditions, and costs of aid delivery.

**OPTION 2**

Public bodies engaged in funding and delivering aid, and those who deliver aid on their behalf, should proactively disseminate information on their aid and aid-related activities. They should develop the necessary systems to collect, generate and ensure the automatic and timely disclosure of, at a minimum, information on:

- Aid policies and procedures including clear criteria for the allocation of aid.
- Regional, country and local; and programmatic, sectoral and project aid strategies.
- Aid flows (including financial flows, in-kind aid and administrative costs), including data on aid planned, pledged, committed and disbursed, disaggregated according to internationally agreed schema by region, country, geographic area, sector, [disbursement/delivery] modality and spending agency.
- Aid agreements and related documents, including information on all conditions, prior and agreed actions, benchmarks, triggers, and interim evaluation criteria; and details of any decisions to suspend, withdraw or reallocate aid resources.
- Procurement procedures, criteria, tenders and decisions, contracts, and reporting on contracts, including information about and from contractors and sub-contracting agents.
- Assessments of aid and aid effectiveness including monitoring, evaluation and audit reports.
- Information on opportunities for public participation in decision-making and evaluation, consultative/draft documentation, copies of submissions to the consultation processes, and reports on how inputs were taken into account.

The only restrictions on the proactive publication of this information should be based on limited exceptions consistent with international law and subject to consideration of the public interest in the disclosure of information.

All public bodies engaged in aid, in donor and recipient countries, should publish an index to the classes of information that they hold, and wherever possible these should be organized so that all the documents linked to a particular country, programme, or project can be identified.
Guiding Principle 6 – Scope
OPTION 1: IATI standards should apply to all providers of Official Development Assistance (ODA), including donor governments, ministries, implementing agencies as well as ODA channelled through NGOs.

OPTION 2: IATI standards should apply to private flows and Other Official Flows (OOF), as well as ODA channelled through NGOs. There will need to be exemptions, e.g. for NGO activities, but these should be based on clear criteria and reviewed regularly. Invalidated information should be published, in the interests of timeliness, but it should be clearly differentiated from validated information.

Guiding Principle 7 - Capacity development
Donors and recipient governments as well as other actors disbursing aid should assist citizens to exercise their right of access to information on aid. They should inform parliamentarians, journalists, civil society representatives, and the general public, especially communities directly affected by aid, about the right of access to information on aid. Staff of organisations bound by these principles should be trained on their obligation to provide information to the public, both proactively and in response to specific requests.

Where appropriate and proportionate with the nature and scale of the aid programme or project, donors and recipient governments should include a skills-building component in order to build the capacity of stakeholders to locate – and where necessary to file requests for – aid-related information.

Guiding Principle 8 - Assessing compliance with the IATI standard
There needs to be a clear, independent process for reviewing and assessing compliance with the IATI standard, linked to mutual accountability processes and follow up to the Accra Agenda for Action. The IATI standard should be included in national law, and linked to Accra or other reporting mechanisms. The Code of Conduct could also be linked directly to the configuration of national AIMS in order to ensure effective adoption of IATI standards at country level.

The IATI Secretariat that should help monitor and ensure compliance with the Code of Conduct. This body will have representatives of civil society, along with select government and donor officials who would serve on a rotational basis. For each signing donor, a timetable for compliance/levels of compliance will be established.

Related issues: IATI external certification (ISO for Aid Transparency), Compliance institution: the IATI Secretariat or the DAC?

Guiding Principle 9 - Publication timetable
Publication timetable for the agreed information set (daily, monthly or quarterly updates)

Guiding Principle 10 - Promotion of the standard and its adoption
Ongoing promotion of the standard and its adoption.

Guiding Principle 11 – Promotion of centralized or connected databases/websites for aid information in donor countries where aid is managed by multiple agencies
Guiding Principle 12 – Donors provide helpdesks which will support the public on accessing aid information and respond to questions

Guiding Principle 13 – Rules for exceptions, Security reasons

Guiding Principle 14 – Donors decide on licensing and disclosure of information to aggregator databases

Compliance with the IATI standard

Text still to be developed following discussion in TAG meeting on 2-3 September

Guiding Principle - Monitoring system

IATI external certification (ISO for Aid Transparency)

Compliance institution: the IATI Secretariat or the DAC?????

See also:

- The European Commission has issued an EU Code of Conduct on Complementarity and the Division of Labour in Development Policy
- The Publish What You Fund Principles

Comment [cf30]: This is a very good idea but in addition to a helpdesk, there also should be a hotline or email – hosted by IATI? – to report violations and problems.

Comment [cf32]: Requires more explicit stipulations from good practice, such as when information endangers the safety and health of a country’s citizens, etc.

Comment [HV32]: Is this based on research into what should be exempt and/or are you planning to conduct such research/consultation? If so, it would be great if we could coordinate our efforts so as to avoid duplication. For your information, I’ve attached a draft that lays out some of our early thinking on procurement reporting, including a few sentences on what we can expect donors to publish. As you can see from this, one of the issues we are debating is whether or not donors should disclose tenders.

Comment [HV33]: More refined and explicit language is needed here.

Comment [HV34]: I would suggest strongly that all information should be published with an open license, as one of the key objectives of IATI was to make data available and accessible for others to use, reuse and repurpose.

Comment [HV35]: None of the principles discuss what happens in cases of non-compliance, penalties and who is the enforcing body. This should be included as a stand-alone principle.

Comment [HV36]: Will there be a clear accession process for signatures to be in compliance with IATI standards? Similar to what is done with EITI?

Comment [HV37]: What should the monitoring and compliance mechanism entail? Certification/Validation? In theory an independent entity would be the best. But where? Monitoring by an independent IATI secretariat, but who would lead and finance this? Might donors/governments oppose the creation of an ad hoc secretariat for this? By the DAC (which might have the capacity, but the restricted membership would be problematic)? Or via the regular Paris/Accra monitoring?