INTERNATIONAL AID TRANSPARENCY INITIATIVE

IATI

Supporting Aid Transparency

> "IATI aims to make information about aid spending easier to access, use and understand"

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www.aidtransparency.net

Example of the benefits of transparency

UGANDA a randomised control trial of community health clinics has shown the remarkable effects of transparency on health care in Uganda where 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 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 under the age of five.

Bjorkman and Svennson, Quarterly Journal of Economics, MIT 2009

About IATI

The International Aid Transparency Initiative (IATI) has been set up by a group of leading international development organisations, with the aim of making information about aid spending easier to access, use and understand.

Launched in September 2008 at the Accra High Level Forum on Aid Effectiveness, this pioneering initiative brings together donors, developing countries and civil society organisations to help donors and their partners meet their Accra Agenda for Action commitments on aid transparency.

After widespread consultation, IATI has decided to do this by:

- developing common standards to determine what information participating donors will publish, as well as the format in which the information will be presented
- setting up an on-line registry that will record the location of information about the aid that participating donors have decided to provide

What will the initiative do?

The new standards will provide universal project classifications and definitions, so that citizens, governments, parliamentarians and people working in the development community can find out:

- how much money is being provided each year
- when it was, or is, due to be paid out
- how funds are expected to be used

Participating donors will bring together their existing processes for collecting information about their aid expenditure and publish more information than at present to meet the needs of a much wider range of users. As now, donors will choose their own systems for collecting and publishing information. But a new central registry will make it possible for people to find information quickly and easily because it will tell users exactly where the information they need has been published.

So organisations will only need to publish their aid information in one place and one format, but many different information users will be able to access the information they need and use it for their own diverse purposes. This will widen access to aid information and result in more openness and accountability. It will be easier to monitor aid effectiveness and will thus help to accelerate poverty reduction.

IATI will not impose a one-size-fits-all approach but will build on existing agreements and definitions. Information published will be tailored to a country's specific circumstances.

WHO WILL BENEFIT?

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

- governments of recipient countries who need to know exactly how much aid is being 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 will be able to meet their 'access to information' obligations and reduce their administrative costs because they will only need to publish their information once and will 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 used properly

- journalists and researchers who want to investigate where aid is going and how effectively it is being spent

Why is IATI needed?

As things stand, people working in the development sector and other interested parties find it difficult to obtain the information they need and donors are having to invest increasing resources on responding to numerous information requests. This is because the information available from existing data sources, although it can be very good, is often out of date, and none of the sources provide comprehensive information that meets the diverse needs of all those requiring aid information.

- The OECD (Organisation for Economic Co-operation and Development) has a widely respected online Creditor Reporting System (CRS), holding high quality statistics on past aid from the World Bank, some UN agencies, the European Commission and donor country members of the Organisation's Development Assistance Committee. But the statistics captured by the CRS database 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

- Some recipient countries have their own invaluable aid information management systems (known as AIMS) that gather information from their donors. But these systems rely on the recipient governments requesting information from all their donors, which is very labour intensive and does not always result in all the information being sent back to them very quickly. IATI will help make AIMS data more complete and up to date

- Some donor organisations publish information about their aid spending in annual reports on their websites so that the people who have contributed money to them (through their taxes or charitable giving) can find out how it was spent. But this information is often difficult to reconcile with information from other sources

- There are thousands of NGOs (Non-Governmental Organisations) and charitable foundations of all shapes and sizes, which between them give millions of dollars to developing countries, but not all of them publish detailed information on their websites and nobody is collecting the information in one place

IATI STEERING COMMITTEE MEMBERSHIP

Australia, Betteraid, Burkina Faso, Civicus, Colombia, Development Gateway, Development Initiatives for Poverty Research, Dominican Republic, European Commission, Germany, Ghana, Hewlett Foundation, Malawi, Montenegro, Nepal, Netherlands, Papua New Guinea, Sweden, Publish What You Fund, Rwanda, Transparency International, UNDP, United Kingdom, Vietnam and World Bank.

The Steering Committee is assisted on technical work on the IATI standards by the multi-stakeholder Technical Advisory Group (TAG).

FIND OUT MORE

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How will IATI improve on existing systems?

Before the new system goes 'live' at the end of 2010, all the participating donors will agree on the quality and quantity of information they will publish, as well as a common format and definitions with which to present it. (This is being developed in consultation with recipient governments.) The improvements that the IATI mechanism brings about will ensure that more information from more donors is made available to more users in an easily accessible and digestible format. But it will not duplicate the existing information sources. If information is already being kept on an existing system, the registry, which will serve as an information gateway rather than a new database, will tell users where else they can find it.

When the IATI registry is up and running, it will be:

- much easier to track the movement of aid money around the globe and monitor its impact
- much more difficult for those who handle aid money to avoid spending all of it as promptly and efficiently as is reasonable
- much more likely that aid will be used more effectively

How does IATI operate?

IATI signatories pledge to build and extend existing standards and reporting systems in order to agree 'common definitions and a format to facilitate sharing of aid information'.

The initiative is serviced by a small secretariat comprising DFID, UNDP and the not-for-profit Development Initiatives for Poverty Research (DIPR) and is run by a multi-stakeholder steering committee, which meets three or four times in the year.

How to get involved with IATI

DONORS

- Sign up to full IATI membership by endorsing the IATI Accra Statement and agreeing to adopt the new standards for aid reporting when they are developed
- Contribute to IATI financing and participate in the development of the new reporting standards and registry
- Become an IATI observer

PARTNER COUNTRIES

- Endorse IATI aims and objectives and help shape the details of the initiative
- Become an IATI observer
- Participate in partner country consultations

CIVIL SOCIETY ORGANISATIONS (CSOs)

- Feed in views to your representatives on the IATI Steering Committee
- Become an IATI observer
- Sign up to IATI as a donor
- Participate in CSO consultations

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