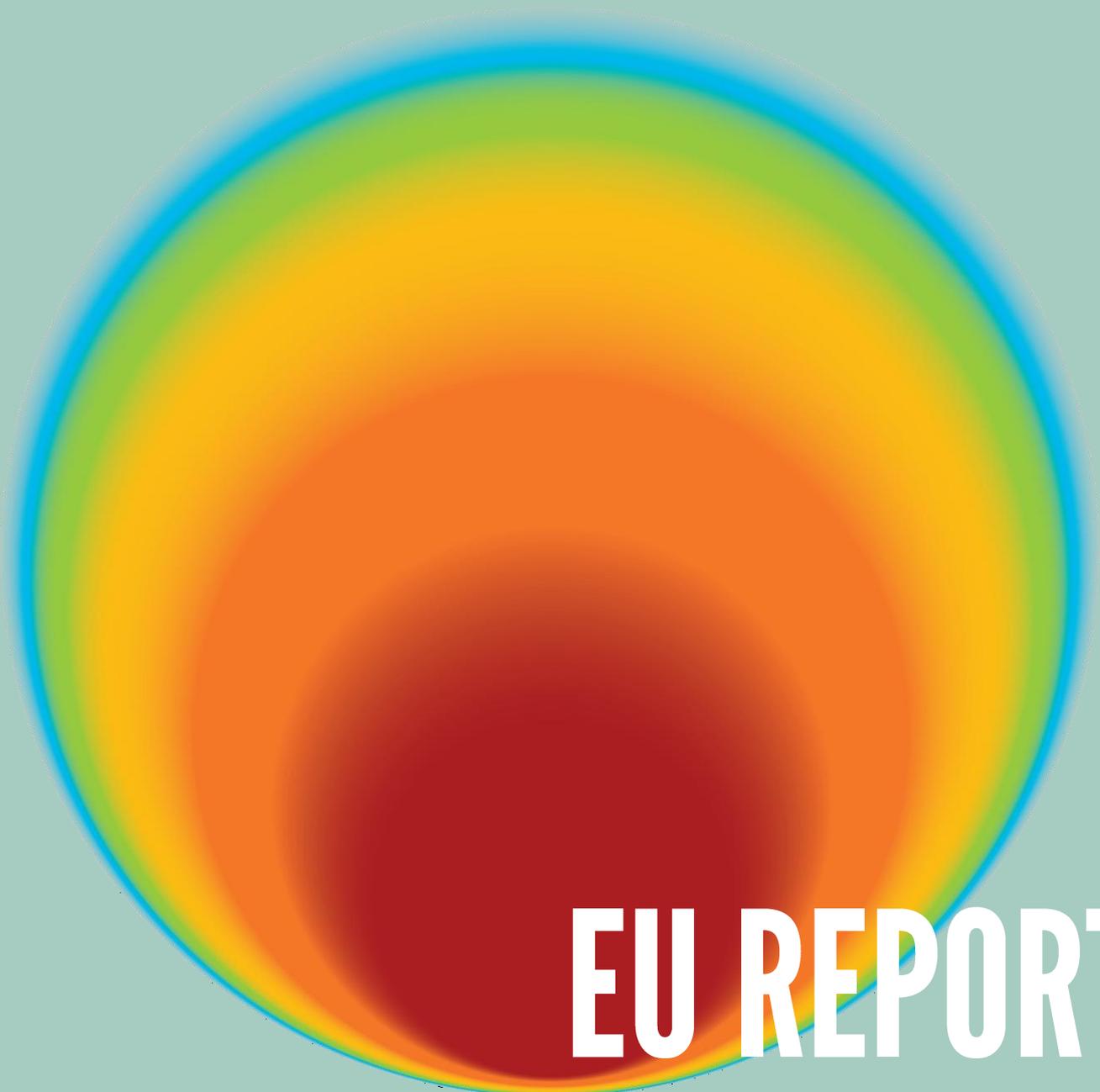




AID
TRANSPARENCY
INDEX 2014



EU REPORT

Publish What You Fund is the global campaign for aid transparency. We work to make available and accessible comprehensive, timely and comparable information about development flows. The campaign seeks to empower civil society advocates, parliamentarians and officials with information, both in aid recipient countries and from the development cooperation providers working with them.

This report complements the 2014 Aid Transparency Index (ATI), an annual measure of the transparency of the world's major donor organisations. The report examines the progress made by the European Union Member States and the European Commission in delivering on their aid transparency commitments since the publication of the 2013 ATI and offers specific recommendations for areas of improvement.

**Liz Steele
October 2014**

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The State of Play: 2014 Highlights

SUMMARY

The basic principles of transparency, accountability and citizen engagement are now accepted as central to more effective development and are reflected in the current discussions on the post-2015 Development Agenda and calls for a data revolution. As the development community looks to the future to define its goals over the coming years, it is important to reflect on progress to date, particularly on the commitments made on aid transparency and the lessons learnt from delivering them.

Since the publication of the 2013 Aid Transparency Index, the gap between the EU's high and poor performers is widening. While there is growing group of European "transparency champions" that are publishing large amounts of accessible, timely, comparable and comprehensive information about their development cooperation, the majority of EU donors have made little or no discernible progress to-date.

With less than 14 months to go before the 2015 deadline, the 2014 Aid Transparency Index (ATI) demonstrates that as a group, the EU remains off track in meeting its commitments, particularly on the implementation of the International Aid Transparency Initiative (IATI), which remains the only way for donors to share openly aid information that is timely, comprehensive, comparable and accessible.

The European Commission and a total of nine EU Member States currently publish their aid information to IATI and achieved places in the top three performance categories (very good, good or fair) of the 2014 ATI. By making continuous efforts to improve the comprehensiveness and quality of their aid information, the UK (DFID) and Sweden (Sida) are the highest-ranking Member States, placed in the very good category.

Of the four EC departments managing the EU's external assistance assessed in 2014, three have made significant improvements this year and are placed in the good category; the Service for Foreign Policy Instruments (FPI), EuropeAid – Development and Cooperation (DG DEVCO) and DG Enlargement. Finland, Ireland and Spain also made progress in 2014 by joining Denmark, Germany and the Netherlands in the fair category. France's Ministry for Foreign Affairs and International Development (MAEDI) began publishing to IATI for the first time with an initial release of information on its aid to Mali in January 2014.

These improvements demonstrate that progress on more transparent development cooperation is possible within a relatively short timeframe when backed by political will. However these efforts are offset by the performance of the EU's remaining 19 Member States, which are placed in the poor or very poor categories of the 2014 ATI.

An EU platform for enhancing Official Development Assistance (ODA) reporting capacity and systems has the potential to enable the newer Member States to begin publishing to IATI by the end of 2014. This means that older EU members which have not yet started publishing to IATI, such as Belgium and Luxembourg, or which have not outlined any plans with specific timelines and delivery targets to do so, such as Austria, Greece, Italy and Portugal, risk being left even further behind.

As the 2015 Busan deadline rapidly approaches there is now an urgent need for the EU to redouble its efforts and to collectively raise the level of ambition to deliver on its commitments.

EU COMMITMENTS ON AID TRANSPARENCY

In 2011, the Global Partnership for Effective Development Cooperation (GPEDC) stressed the importance of transparency as one of the shared principles for achieving sustainable development results. At the fourth High Level Forum on aid effectiveness (HLF-4) in Busan, donors made a concrete commitment to increase the transparency of their development cooperation by publishing information on their aid activities to a common, open standard by December 2015.¹ The standard includes elements of the OECD DAC's Creditor Reporting System (CRS) and Forward Spending Survey (FSS) and IATI. Donors also committed to publish schedules detailing specific plans and timelines for implementing the standard by December 2012.

The European Council agreed a common position for HLF-4, prioritising more transparent development cooperation as a core focus. The EC and EU Member States jointly developed an EU "Transparency Guarantee", committing the EU Institutions and EU Member States to publicly disclose all aid information in a common, standard format so that it can be more easily accessed, shared and published.² The EU publishes an annual Accountability Report on Financing for Development³ which monitors EU progress on its international and regional development effectiveness commitments.

¹ See paragraph 23 of the Busan Partnership Agreement.

² http://europa.eu/rapid/press-release_MEMO-11-844_en.htm

³ http://ec.europa.eu/europeaid/what/development-policies/financing_for_development/index_en.htm

LEVEL OF AMBITION

To date, the EC and 19 EU Member States have published schedules for implementing the common standard that was agreed in Busan. Publish What You Fund has assessed the schedules and scored them according to their level of ambition, based on the agencies' intention to publish to the IATI component of the common standard (focusing on the fundamental requirement of timely and comparable data), the publication approach (the stated frequency and licence of publication) and the proportion of information fields to be published by the end of 2015. This analysis, which is presented below in table 1, reveals that the levels of ambition shown by different EU donors varies significantly:

- The EC and 12 EU Member States have committed to implement all three elements of the common standard.
- All EC departments and organisations from five Member States (Finland, France, Germany, Spain and the UK) have updated their implementation schedules to provide more detailed information on their plans for future publication for a number of fields. DG ECHO has published an implementation schedule in 2014, although it is only moderately ambitious compared with other EC departments.
- France has made clear its intention to publish to IATI in its schedule. While the French Development Agency (AFD) has published a moderately ambitious schedule, the plans of the Ministry of Foreign Affairs and International Development (MAEDI) and the Ministry of Economy and Finance (MINEFI) are unambitious.
- Nine Member States have yet to publish an implementation schedule setting out their plans to publish to IATI by the December 2015 deadline.

RESULTS FROM THE 2014 AID TRANSPARENCY INDEX

Since its pilot in 2011, the ATI has become the industry standard for assessing the state of aid transparency among the world's major donors while encouraging progress and holding them to account. Collectively the EU provides around 52% of global development assistance, totalling EUR 56.5 bn in 2013.⁴ In recognition of the EU's role as the largest provider of development flows and its influence in the sector, the ATI assesses the 28 EU Member States, as well as the four principal external assistance departments of the European Commission. As presented in table 2 (see overleaf), the performance of most EU donors in the 2014 ATI further demonstrates the gap between commitment and delivery, and the slow progress made to date.

Some high performing organisations from the 2013 ATI are performing even better in 2014. This includes Sweden and three EC agencies – DGs Enlargement and DEVCO and FPI. Ireland, Finland, France (MAEDI) and Spain have all made improvements and are publishing information on their current activities to IATI, leapfrogging others that have not made significant changes to the amount of information they publish or its accessibility.

TABLE 1. ASSESSMENT OF IMPLEMENTATION SCHEDULES FOR EU DONORS

| Group | Names of organisations |
|---|---|
| AMBITIOUS | Belgium, Denmark, UK, (European Commission: EuropeAid, DG Enlargement, FPI), Netherlands, Spain, Sweden |
| MODERATELY AMBITIOUS | Czech Republic, (European Commission: ECHO), Finland, France (AFD), Germany, Ireland |
| UNAMBITIOUS | France (MAEDI and MINEFI), Slovakia |
| INCOMPLETE | Luxembourg, Poland |
| NO SPECIFIC PLANS FOR PUBLICATION (TO IATI) | Austria, Greece, Italy, Portugal, Slovenia |
| NO SCHEDULE | Bulgaria, Croatia, Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Romania |

⁴ https://ec.europa.eu/europeaid/annual-report-2014-european-unions-development-and-external-assistance-policies-and-their_en

EU MEMBER STATES

EU Member States represent 19% of the total volume of aid provided by agencies included in the 2014 Aid Transparency Index and include a mixture of large and small agencies. The majority of Member States have made little or no improvement in the transparency of their development cooperation over the past year and are ranked in the poor or **very poor category** of the 2014 ATI. These are a mix of older and newer European agencies, with varying sizes of development cooperation budgets. The performance of **Belgium**, the **Czech Republic** and **France (AFD)** is particularly disappointing as they have all published ambitious or moderately ambitious implementation schedules, but have yet to begin publishing information on all current activities to IATI.

In contrast a small but growing number of European donors are leading the way by launching open data platforms driven by IATI data, marking an important shift from publishing raw data to visualising it in a meaningful way for users. The use of interactive graphs and menus, for example on Sweden's Openaid.se and the UK's Development Tracker⁵, allows the exploration of aid volumes, projects and results across different sectors, locations and time periods. The Netherlands is leading best practice on publishing and using the data for their internal purposes and linking national budget data to their open aid data.

EUROPEAN COMMISSION

EU Institutions are the second largest DAC donor, spending over USD 18 bn (approx. EUR 14 bn) in ODA in 2012.⁶ In December 2013, the European Parliament approved the EU's Multiannual Financial Framework (MFF) and in March 2014, it agreed the financing instruments for implementing the EU's external action. The MFF translates the EU's political priorities into financial terms and defines how the agreed amounts will be allocated in the field of external assistance, including development for the period 2014–2020.⁷

As in 2013, the 2014 ATI assesses the transparency of the four main EC departments managing EU external assistance:

- EuropeAid – Development and Cooperation (DG DEVCO), the EC's main aid agency and responsible for formulating EU development policy;
- DG Enlargement, which is responsible for managing and assisting the process whereby countries join the EU and for activities in the EU's neighbouring countries;
- DG Humanitarian Aid and Civil Protection (ECHO), responsible for programming and implementing the EU's humanitarian aid instrument and coordinating the EU's disaster response;
- The Service for Foreign Policy Instruments (FPI), which is responsible for implementing EU external assistance in relation to common foreign and security policy, electoral observations and conflict prevention.

The European Commission, led by DG DEVCO, plays an important role within the EU on aid transparency, providing advice to Member States on fulfilling their commitments to the Busan common standard and internationally within the framework of the GPEDC as part of its steering committee. In line with this commitment, the EC has rolled out IATI implementation across its main aid-spending departments. The EC facilitates the EU-DEVFIN platform for enhancing ODA reporting capacity and systems to enable newer Member States to provide information on their development cooperation in accordance with the common standard. At the GPEDC High-Level Meeting in April 2014, the EC launched its new data portal, the EU Aid Explorer. The portal presents information on global development and humanitarian aid flows as reported to a variety of organisations.

Of the four EC departments assessed in 2014, three have made significant improvements this year and are placed in the good category – FPI ranks 12th, DG DEVCO ranks 13th and DG Enlargement ranks 15th, while ECHO ranks 16th overall and is placed at the top of the fair category. These scores reflect the continuing progress within the EC towards implementing its broader aid transparency commitments. The four departments score similarly on many indicators, reflecting a degree of shared information systems and therefore similar technical and institutional challenges in making further improvements. Overall, there are six indicators which none of the departments score on, including Memoranda of Understanding (MoUs), budget documents, budget ID, results, impact appraisals and conditions.

Notably, DG DEVCO, DG Enlargement and FPI are the only organisations in the good category to not score on providing information on results and conditions. At the time of data collection, the delays in the approval of the external action financing instruments for the period 2014–2020 impacted the EC's programming process and ability to publish detailed forward-looking budgets and strategies.

⁵ <https://www.gov.uk/devtracker>

⁶ See OECD DAC CRS: <http://stats.oecd.org/Index.aspx?datasetcode=CRS1>

⁷ The other EU institution covered in the Index is the European Investment Bank (EIB), which plays an increasingly important role in implementing EU external assistance, as does the European Bank for Reconstruction and Development (EBRD) which is partly-owned by the EU and the EIB.

RECOMMENDATIONS

Start publishing

- EU Member States that have not yet done so should join IATI and begin publishing to the IATI Standard as soon as possible in order to meet the December 2015 deadline.
- Newer Member States should work to publish directly from their own systems by the end of 2015. In the short term, they should use the EU-DEVFIN platform, which aims to enhance EU-13 ODA reporting capacity and systems, to publish current data in accordance with the IATI Standard.

Plan openly and improve quality

- EU Member States that have not done so should produce or update an implementation schedule that is ambitious, with specific timelines and delivery targets, aiming towards full implementation of the IATI Standard by the end of 2015.
- European donors should improve the quality of their publication and aim to deliver on IATI's added-value fields by publishing project documents, sub-national location and information on results and conditions.

Making the most of transparent development cooperation

- The EU should champion improved transparency, open data and accountability in discussions on the post-2015 agenda and the "data revolution".
- The EU should use its IATI data in its joint programming and coordination processes and promote the access and use of this information by others, in particular by supporting data use in partner countries.
- The EU should share its experience of publishing to IATI and emerging best practice on data use, both at European level and as part of the wider IATI community, in order to maximise the potential of these efforts.

TABLE 2. RANKING OF THE EU MEMBER STATES AND INSTITUTIONS IN 2014

| VERY GOOD (scores of 80 - 100%) | | | |
|---------------------------------|----------------------|------|-----------------------------|
| 2. | UK, DFID | 88.3 | |
| 6. | Sweden, MFA-Sida | 83.3 | |
| GOOD (scores of 60 - 79%) | | | |
| 12. | EC, FPI | 69.1 | |
| 13. | EC, DEVCO | 68.2 | |
| 15. | EC, ELARG | 61.8 | |
| FAIR (scores of 40 - 59%) | | | |
| 16. | EC, ECHO | 59.9 | 20. Germany, BMZ-KfW 50.8 |
| 17. | Germany, BMZ-GIZ | 53.9 | 21. Spain, MAEC 50.6 |
| 19. | Netherlands, MFA | 53.8 | 22. Denmark, MFA 49.6 |
| | | | 24. Finland, MFA 46.3 |
| | | | 27. Ireland, IrishAid 42.5 |
| | | | 28. France, MAEDI 42.4 |
| POOR (scores of 20 - 39%) | | | |
| 35. | UK, FCO | 35.8 | 43. Portugal, CICL 26.5 |
| 40. | Czech Republic, CzDA | 29.5 | 44. France, AFD 24.7 |
| 41. | Estonia, MFA | 28.2 | |
| VERY POOR (scores of 0 - 19%) | | | |
| 47. | Austria, ADA | 19.1 | 55. Poland, MFA 14.4 |
| 48. | Latvia, MFA | 19.0 | 56. Croatia, MFA 11.8 |
| 49. | Belgium, DGCD | 18.8 | 57. Romania, MFA 10.6 |
| 50. | Luxembourg, MFA | 18.8 | 58. France, MINEFI 10.3 |
| 51. | Slovakia, SAIDC | 18.3 | 60. UK, MOD 9.6 |
| 52. | Slovenia, MFA | 17.8 | 61. Germany, AA 9.1 |
| 54. | Italy, MAE | 15.6 | 62. Hungary, MFA 8.3 |
| | | | 63. Bulgaria, MFA 8.2 |
| | | | 64. Malta, MFA 6.6 |
| | | | 65. Lithuania, MFA 6.5 |
| | | | 66. Cyprus, CyprusAid 5.9 |
| | | | 67. Greece, HellenicAid 4.7 |

As the 2015 Busan deadline rapidly approaches there is now an urgent need for the EU to redouble its efforts and to collectively raise the level of ambition to deliver on its commitments.

